

SCOMMM

#17:5

BEFORE A LEGISLATIVE
COMMITTEE OF THE ALASKA
STATE LEGISLATURE

TESTIMONY OF FREDERICK PAUL
APRIL 16, 1979

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March 12, 1979

Harold C. Ostrosky
423 East 12th
Anchorage, AK 99501

Dear Hank:

The attached opinion indicates I believe that
Alaska's Limited Entry Law is unconstitutional.

Very truly yours,

PAUL, JOHNSON, PAUL & RILEY



Frederick Paul

FP:pjp
Enclosure

Since I will be very critical of the Limited Entry System, I want first to identify my right to express an opinion.

First I am Hank Ostrosky's lawyer.

Second, I am an Alaskan.

I want to start first with an analysis of the 1972 constitutional amendment, because I want to be basic. What is this system's foundation?

ANALYSIS OF THE 1972 AMENDMENT

Prior to the 1972 Amendment relating to limited entry to fisheries, Article VIII, §15 read in full as follows:

"No exclusive right or special privilege of fishery shall be created or authorized in the natural waters of the state."

When Governor Egan first proposed the Limited Entry Amendment, he sent down to the Rules Committee of the Senate what became Senate Joint Resolution No. 10 in the 1971 Legislature. Notice that the Governor wanted a positive grant of authority to the State in his proposal, which was to amend Article VIII, §15, by adding the following:

"The state may restrict entry to any fishery for purposes of conservation of the resource, to relieve economic distress among fishermen and those dependent upon them for a livelihood and to insure fair competition among those engaged in commercial fisheries."

Had the Legislature adopted this positive and affirmative enlargement of authority in the amendatory process, our attack would have had much tougher sledding. But the House did not like that language. Instead it struck the granting of authority and substituted a negative. When reading the House Amendment, notice that the grant is now simply an exception to §15, thus:

"This section does not restrict the power of the state to limit entry into any fishery for purposes of resource conservation, to prevent economic distress among fishermen and those dependent upon them for a livelihood and to promote the efficient development of aqua culture in the State of Alaska."

That language was adopted by the Legislature and submitted to the people for a plebiscite.

WHAT THE LEGISLATURE AND PEOPLE AMENDED

The second point in analyzing the 1972 Amendment is that it was positively, deliberately and exclusively¹ an amendment to Article VIII, §15. No effort was made to amend any other section of the Constitution. Thus, when first introduced in the Senate, the language was:

"BE IT RESOLVED BY THE LEGISLATURE OF THE STATE OF ALASKA:

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1. The limitation by direct words simply to Article VIII, §15, rules out any implied amendment or implied repeal of other sections of the Constitution under authority of the principles defined by Judge Hodge in Purdy v. United States, 146 F. Supp. 762 (1956, D.C. Ak.) and Sutherland, (4th Ed.), Statutory Construction, §22.12 et seq.

Section 1. Sec. 15, Art. VIII
of the Constitution of the
State of Alaska is amended to
read: * * *

The same language was used in the House version
which was the one finally adopted by the Legislature.

When the people were called upon to accept or
reject the proposed amendment on August 22, 1972, the
ballott proposition was Constitutional Amendment Ballott No.
5 and reads in full as follows:

"BALLOT 5
As Proposed By
Senate Joint Resolution No. 10
Title: LIMITED ENTRY FISHERIES
Proposition: Shall section 15,
article VIII of the Alaska Con-
stitution be amended by adding a
sentence to the present section
(underlined sentence to be added)
which would read as follows: NO
EXCLUSIVE RIGHT OF FISHERY. No
exclusive right or special privi-
lege of fishery shall be created
or authorized in the natural
waters of the State. This section
does not restrict the power of the
State to limit entry into any fish-
ery for purposes of resource con-
servation to prevent economic dis-
tress among fishermen and those
dependent upon them for a liveli-
hood and to promote the efficient
development of aquaculture in the
State.

FOR AGAINST"

The importance of limiting the Amendment simply
and only to Article VIII, §15 is highlighted by Article II,
§13 which in part provides:

"The subject of each bill shall
be expressed in the title."

So, the 1972 amendment touched only Article VIII, §15 and cannot be deemed to have amended any other provision of the Constitution.

WHAT THE 1972 AMENDMENT DID NOT AMEND

Thus, the 1972 Amendment did not amend the following pertinent sections:

"ARTICLE I
DECLARATION OF RIGHTS

SECTION 1. This constitution is dedicated to the principles that all persons have a natural right to life, liberty, the pursuit of happiness, and the enjoyment of the rewards of their own industry; that all persons are equal and entitled to equal rights, opportunities, and protection under the law; and that all persons have corresponding obligations to the people and to the State.

SECTION 15. No bill of attainder or ex post facto law shall be passed. No law impairing the obligation of contracts, and no law making any irrevocable grant of special privileges or immunities shall be passed. No conviction shall work corruption of blood or forfeiture of estate." (Emphasis supplied)

"ARTICLE VIII
NATURAL RESOURCES

* * *

Section 3. Wherever occurring in the natural state, fish, wildlife, and waters are reserved to the people for common use."

It is a puzzle to me that the sponsors of the 1972 Amendment chose to limit the impact of the amendment simply

to Article VIII, §15, because an earlier effort by the State Legislature to limit entry into fisheries had been declared violative of Article VIII, §3 as well as §15 in the Bozanich line of cases. It stretches my credulity that §3 was not amended as well.

THE BOZANICH LINE OF CASES

Bozanich first attacked the 1968 legislative effort to limit fisheries by bringing an action in the United States District Court at Anchorage. He sued the then-Commissioner of Fish and Game, Angie Reetz, seeking to have this earlier statute declared unconstitutional on both Federal and State grounds. A three-judge court was convened consisting of Circuit Judge Ely from San Francisco and Judges Plummer and von der Heydt from our own Federal Courts here. In an unanimous opinion the three judges held that among other things the legislative effort violated both §§ 3 and 15 of Article VIII,² in these words:

"[5] Although we would have preferred that the Alaska courts should have had the first opportunity to so hold, we must also now declare that the licensing scheme violates the Alaska Constitution, which, in its Article VIII, provides:

'Section 3. Common Use. Wherever occurring in their natural state, fish, wildlife, and waters are reserved to the people for common use. * * *

'Section 15. No Exclusive Right

2. 297 F. Supp. 300.

of Fishery. No exclusive right or special privilege of fishery shall be created or authorized in the natural waters of the State.'"

The case was appealed directly to the United States Supreme Court which vacated that opinion,³ because the Supreme Court wanted the Alaska State Courts to pass on the state issues first.

Accordingly, Bozanich began a second case entitled Bozanich v. Norenberg, who had replaced Reetz as Commissioner of Fish and Game.⁴ Judge Carlson likewise relied on §3 of Article VIII as well as §15 and he threw in the Equal Protection Clause of Article I, §1, in these words:

"The history of the United States and the growth of commerce included within its boundaries exemplifies the wisdom the founding fathers of our country had in making the republic a free trade area. Those Alaskans privileged to draft the constitution for the inchoate state understood the wisdom of insuring equal protection of the laws to each person and preventing limitations on the free exercise of an individual's legitimate initiative. Sec. 1, Art. I, Constitution of Alaska.

Sec. 3, Art. VIII, Constitution of Alaska provides:

'COMMON USE. Wherever occurring in their natural state, fish, wildlife, and waters are reserved

3. 397 U.S. 82 (1970).

4. In Civil Action No. 70-389 in the Superior Court at Juneau, the Honorable Victor D. Carlson presiding.

to the people for common use.'

Sec. 15, Art. VIII, Constitution of Alaska provides:

'NO EXCLUSIVE RIGHT OF FISHERY. No exclusive right or special privilege of fishery shall be created or authorized in the natural waters of the State.'

It is conceded that the above-quoted constitutional provision was an embodiment of the effect of Section 1 of the White Act of June 6, 1924, 43 Stat. 464 and carried with it the meaning given by the courts. The right to fish commercially is sought to be restricted by the Act and this would in effect grant an exclusive right of fishery which is prohibited. Hynes v. Grimes Packing Co., 377 U.S. 86, 93 L.Ed. 1231, 63 S.Ct. 968 (1948).

The general meaning of the words of the constitutional provision require that no distinction between persons equally situated is to be made with regard to fish in their natural state."

One can lampoon the Reetz case all he wants to, saying that it was vacated by the United States Supreme Court. Nevertheless, the local judges of Plummer, von der Heytd and Carlson have each relied upon Article VIII, §3 in throwing out the earlier Limited Entry effort. Since the 1972 amendment by design affected only §15, it follows that the current limited entry effort must be declared unconstitutional as well.

IN THE TRANSFER PROCESS MILLIONS OF DOLLARS ARE
CHANGING HANDS ON THE ASSUMPTION THAT THE PERMIT
IS A PROPERTY RIGHT

Assuredly, the Limited Entry Law has labelled a permit as a "use privilege which may be modified or revoked by the Legislature without compensation."⁵

Nevertheless, I want to turn our attention now to the quality of the property right that a permit holder has by virtue of the Limited Entry law, AS 16.43. My inquiry here is prompted by the fact that people do not read statutes. Yes, the people should know that paying \$200,000 for a Chignik permit can be nullified at will by the Legislature. But no one can convince me that thousands of people are being misled by the attributes of total ownership publicly espoused by the Commission and Legislature.

I suggest that the statutory scheme seems to amount to a constitutionally protected property right in the permit. One, on the death of a permit holder, the rights to the permit are inheritable. Two, a permit holder can transfer his permit for consideration, the amount being determined by the marketplace. Three, for the voluntary buy-back provisions, the State must pay fair market value therefor. Four, the State has created a loan fund to assist potential buyers of permits in the purchase of a permit and the amount of a loan authorized by the State depends upon

5. AS 16.43.150(e).

the fair market value of a permit.

The introduction to the report by the Governor's Study Group, entitled "A Limited Entry Program for Alaska's Fisheries" the authors flatly stated that it is "like property," as follows:

"Once received, an entry permit is like property. A person may keep it for life, or he may sell or transfer it. A person may also hold more than one entry permit so that he may fish more than one type of gear or in more than one area. If a situation ever occurred where the Commission had to take back some entry permits in order to further reduce gear levels, holders of those entry permits would be fully compensated."

And again at page 9, the Study Group says:

"Entry Permits as Property
Once a person receives an entry permit, it becomes like property. It belongs to the person who holds it for his lifetime, and the Commission has the authority to allow the person to pass the permit on to his heirs when he dies. If the permit is taken away due to any subsequent reduction in the amount of gear, he must be fully compensated.

The Commission does not have the authority year after year to take permits away from some fishermen and award them to others. This would be unfair and unacceptable, both in terms of the individuals involved and in terms of the goal of creating a stable fishery. * * *

Finally, the Attorney General has issued an opinion that if a person had died after January 1, 1973, but before making his applicaton, his personal representative could do so.

We suggest that the totality of the property rights in a permit seems to amount to a constitutionally protected property right. Of course, the statute says that the Legislature conferred only a "use-privilege", but I can foresee a lot of yelling if the Legislature tries to meddle very much and I would not blame them.

THE SYSTEM IS A HANDOUT OF HUNDREDS OF MILLIONS
OF DOLLARS TO 10,000 PEOPLE

Our next curiosity relates to the aggregate value of these transferable permits.

It is amazing to us that the Commission has not required a disclosure of the sale price of a permit.⁶ Thus

6. AS 16.43.110 authorizes the Commission

"may adopt regulations * * *
necessary or proper in the
exercise of the powers or for
the performance of its duties
under this chapter."

And AS 16.43.100(11) the Commission shall

"provide for the transfer and
reissuance of entry permits to
qualified transferees."

(footnote continued)

there is no hard information.

Since the transfer of permits may be in part financed by the State's loan program, the small business division has requested the Commission to give it an appraised value of the respective permits and fishery. The Commission has in its transfer application forms a series of questions about what the sale price may have been. This section is on a voluntary basis, there being no requirement to answer such questions. The acting Commissioner of the Limited Entry program has advised counsel that sixty percent (60%) of the transfer applications do make such a disclosure; however he candidly admitted that even as to the sixty percent the facts are suspect because of intra-family transfers, e.g., from father to son.

Nevertheless, the Commission's figures have some value. The attached "Quarterly Permit Price Information - 1978 Only," issued by the Commission lists its appraisal for the Salmon Fisheries. Then the attached copy of 20 AAC.05.320 lists the maximum number of permits for each fishery. Using the fourth quarter of 1978 figures for the fisheries about

(footnote continued)

And finally, AS 16.43.360:

"Penalties. (a) * * * .
(b) A person who makes a false statement * * * in the application for a transfer * * * is guilty of a misdemeanor * * *."

which the Commission has in fact found an appraisal for the State's loan program, there are 6,982 salmon permits having an aggregate value of \$239,033,000.

To this, there must be added some sort of an appraisal for the 2,526 salmon permits for which the Commission expresses no opinion. Our rough and ready system was to determine the average value of one permit for which the Commission did express an opinion and then to multiply that figure by the 2,526 previously described. That amount was \$86,490,000. There is thus an aggregate value for the salmon fisheries' permits of \$325,523,000.

Also attached are some late advertisements for the sale of permits showing much higher appraisals. Some observers express an opinion that the aggregate value of all permits is \$600 million.

Aside from this hand-out to 10,000 people, I am curious if the taxpayers of Alaska are not in for a more severe jolt. The initiation of the Limited Entry system has not made the taxpayers pay out money from their own pocketbooks; it was simply a gift from the natural resources of the State rather than from the pocketbooks of the taxpayers. I want to pursue that thought.

In my travels throughout the state and my talking to hundreds of people about the system, I rather believe that a majority of the people are becoming sick and tired of

limiting entry. I suppose that the movement to limit entry into the hand trolling gear will be the final straw. That is what the Commission now wants to do and, indeed, must do if the system is to work at all. People of Alaska therefore will find themselves unable to participate in the State's largest and most basic industry. They can no longer go out and catch a few fish to peddle and during the commercial season to eat.⁷ In my opinion this is a denial of the pioneer spirit and it injures Natives and non-Natives alike. I predict, therefore, that the people will rebel and order the system abolished. What then?

THE SYSTEM HAS CEMENTED IN AN ADMITTEDLY HIGHER
NUMBER OF PERMITS THAN CONSERVATION CAN STAND

I want to turn now to examining the internal mechanism of the Limited Entry system as implemented by the Legislature and the Commission. The people of the State have justified limiting the number of fishermen in order to promote conservation and relieve economic distress.⁸ Has the system, as administered, done so?

I want to use Bristol Bay as the example to show that conservation is not subserved by the Limited Entry system. First, the system commands that the highest number

7. Administrative Regulation 20 AAC 05.120(b) provides:

"No person may take salmon without a valid entry permit or interim-use permit authorizing the taking of salmon."

8. The words of the 1972 Amendment.

of units fished must be the maximum. The statute states in part as follows:

"* * * the maximum number of entry permits for a distressed fishery * * * shall be the highest number of units of gear fished in that fishery during any one of the four years immediately preceding January 1, 1973."⁹

Indeed, in comparing the number of gear licenses issued and utilized in 1971 (1,710) and the maximum number of permits issued (1,669)¹⁰ for the drift gillnet fishery, the Commission has pretty much followed the statutory command.

The part that bothers me with authorizing the same old number of gear operators is that the Commission by regulation has found that Bristol Bay is a "distressed fishery" in its regulations¹¹ as follows:

"The Commission designates the following as distressed fisheries based upon its estimate that the optimum number of entry permits for these fisheries will be less than the highest number of units of gear fished in these fisheries during any one of the four years immediately preceding January 1, 1973.

Salmon Fisheries

* * *

(6) Bristol Bay (T) drift gillnet fishery

* * *"

9. AS 16.43.240(a).

10. Governor's Study Group, pg. 71 and 20 AAC 05.320.

11. 20 AAC 05.300.

The statute further requires the Commission to determine "the optimum" number of permits for each respective area.¹² As to all areas in the salmon fisheries in Alaska, the Commission has failed to determine what the optimum number is. In Bristol Bay it is less than the maximum. The optimum number is supposed to be the answer to cure conservation and economic problems.¹³

12. AS 16.43.100(a)(9) provides that the Commission shall

"establish, for all types of gear, the optimum number of entry permits for each administrative area."

13. AS 16.43.290 describes the optimum number in these words:

"Optimum number of entry permits.
Following the issuance of entry permits under §270 of this chapter, the Commission shall establish the optimum number of entry permits for each fishery based upon a reasonable balance of the following general standards:

(1) the number of entry permits sufficient to maintain an economically healthy fishery that will result in a reasonable average rate of economic return to the fishermen participating in that fishery, considering time fished and necessary investments in vessels and gear;

(2) the number of entry permits necessary to harvest the allowable commercial take of the

(footnote continued).

Now my question is: How can conservation be promoted in a distressed area by the issuance of permits equalling the highest number of gear licenses issued and utilized during the highest of the past four years? In practical effect the Commission and statute have cemented in a system of overfishing.

But the failure to promote conservation is worse. In Bristol Bay there are four runs of salmon: Pink, King, Chum and Red. All but the Red are relatively minor. The Commission has failed and refused to consider the impact of 1,669 permits on the minor runs. Instead what the Commission has done is to aggregate the four runs and to determine the "maximum" number of permits to be issued as if there were but one run of salmon. Since the runs are distinct and occur at other times the relationship between permits issued for the aggregate will have a devastating impact on each of the runs individually, assuming that the other tools of conservation are static.

fishery resource during all years in an orderly, efficient manner, and consistent with sound fishery management techniques;

(3) the number of entry permits sufficient to avoid serious economic hardship to those currently engaged in the fishery, considering other economic opportunities reasonably available to them. (§1 ch 79 SLA 1973)"

THE POWER TO REDUCE THE NUMBER
OF PERMITS DOES NOT EXIST

The statutory scheme to reduce the maximum number to the optimum in fact is worthless. First, the Commission by statute cannot force a permit holder to sell his permit back to the State.¹⁴ Second the buy-back program is to be funded by an annual assessment of not to exceed seven percent (7%) on the permit holders' annual gross receipts of his respective harvest. This has never been implemented by the Commission and so the Commission has no money to buy anything. Third, it is doubtful that on a voluntary basis if a permit holder wanted to peddle his permit that given equal offers by the State and by a private individual that he would sell to the State in preference to the private person. Fishermen simply are not constructed that way.

My conclusion is, therefore, that conservation is not subserved by the permit system.

THE SYSTEM PROMOTES MORE ECONOMIC
DISTRESS THAN IT CURES

Now turning our attention to the relief of economic distress, the second reason that the people gave for limiting entry, let us examine how one can qualify for a permit.

By regulation, the Commission has determined that if one as a gear licensee had landings during each of three weeks in Bristol Bay, that is a sufficient number of weeks to qualify for the highest maximum number of points for past

14. AS 16.43.300-320.

participation in the fishery.¹⁵

I cannot believe that there is a rational relationship between relieving economic distress by less than one month's effort plus eleven months of indolence as fulfilling the 1972 Amendment to Article VIII, §15. It matters not, under the Commission's regulations, whether the eleven months are filled with other employment. Thus, it is possible for a permit holder to simply take his vacation during the height of the Bristol Bay season to harvest salmon. My speculation is not an absurd one as witness the recent public blast at Bill McConkey at Nelson Lagoon.¹⁶ I cannot believe that the people wanted to relieve that kind of economic distress.

Perhaps the Commission could truly relieve economic distress by giving demerits for those otherwise gainfully employed in order to give those unemployed for eleven months a greater priority. But, sociologically speaking, that would penalize the industrious one and reward the lazy one.

Wherever there is a crewman, to make this economic distress argument the worse, his economic distress is promoted by the permit system. In purse seining, for example, the skipper requires that the permit be given a share of the gross earnings of the vessel. This in turn reduces a crewman's share in such gross. I call that promotion of economic distress. The same would be true in Bristol Bay

15. 20 AAC 05.630(c)(1).

16. Alaska Advocate, March 1-7, 1979, pg. 3.

where one chooses to have a two-man boat.

The harbinger of what is happening to the ownership of permits is best exemplified by Angoon. I am informed that today there are no purse seine permits at Angoon, the residents there having sold the same. I believe that such is happening to a lesser but steady extent throughout the State. Instances have been reported to me that as a permit holder grows old he has sold the same to pay for his old age sustenance though he may have sons who were reared on his fishboat. Likewise, it is inevitable that during the winter season, particularly after half a dozen drinks, that permits will be sold. This promotes economic distress and will swell our welfare rolls.

THE PROCESSORS ARE BEGINNING TO DOMINATE THE PERMITS

Then I have a curiosity about the dominance of the multi-national corporations of the permit holders. Already the multi-national corporations catch sixty to seventy percent of the immature salmon beyond the 200 mile limit in the Gulf of Alaska.¹⁷ Such corporations are now moving to the in-shore fisheries by the loaning of money to persons who in turn purchase permits. It simply makes sense to me that if the processing industry finances a fisherman in buying a permit, that such a person is married to such processor.

This set of facts is hard to pin down, because the

17. Alaska Advocate, December 7-13, 1978, pg. 8.

Commission does not require transfer details in its approval process of a transfer of a permit.¹⁸ Certainly the Commission has authority to require a disclosure of anything and everything it wants to before it will approve the transfer of the permit.

There has to be a reason why the Commission has not required such a disclosure. An obvious speculation is that the Commission is dominated by the multi-national corporations and the latter do not want such domination documented.

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18. Chairman Allan Adasiak stated in his formal address on July 17-19, 1978, at Denver before the National Conference to Consider Limited Entry as a Tool in Fisheries Management that:

"An Entry Commission survey indicates that some type of financing occurs in 50% to 90% of all permit transfers, depending on the fishery. Allowing for variations by fishery, sources in order of frequency generally are: the transferor, banks, processors, state loans, and credit union. In the case of banks, state loans and credit unions, other collateral is almost always required."

I believe the following statement by Chairman Adasiak again at Denver is nonsense, because the more owed to a processor the more the processor dominates. Here is Adasiak's statement:

"The decision to issue permits to individual fishermen was made primarily because people believed that it would strengthen the individual fisherman's bargaining position vis-a-vis fish buyers and processors."

I fail to see the connection between limiting entry into fisheries and the promotion of economic well-being in the larger sense as practiced.

Sponsors of Limited Entry have defended the system by suggesting a correlation between the development of a stable fishermen corps and their desire to promote conservation in the fisheries. It is said, thus, that permittees would not want to fish illegally because in the long run that would indirectly hurt them in the succeeding years.

To the contrary, when a fisherman borrows perhaps several hundred thousand dollars from a processor or from anyone, for that matter, he will have to make payments. This in turn will put economic pressure on him to catch enough salmon to make such payments no matter how he catches such salmon, legally or illegally. The history of the harvesting of salmon throughout the world is that today we are going to catch as many as we physically can and let tomorrow take the hindmost. Again, I fail to see how the system will promote the relief of economic distress and conservation.

It is true, however, that the permit holders have had their economic distress relieved, some 10,000 persons. But in the broader sense, I predict that the burdens on the taxpayers of Alaska will immeasurably increase because of the need for a greater welfare appropriation.

THE SYSTEM DENIES AN EQUAL OPPORTUNITY TO SEVERAL
HUNDRED THOUSAND PEOPLE OF ALASKA IN FAVOR OF 10,000

The framers of the Alaska Constitution put many curbs on the actions of the State government. For example, it broadened the Equal Protection Clause of the Fourteenth Amendment to the Federal Constitution. The latter provides in part:

"nor shall any State * * *
deny to any person within its
jurisdiction the equal protec-
tion of the laws."

Under that, the three-judges in the Reetz case held:

"As we interpret the licensing scheme, it violates the equal protection clause of the Fourteenth Amendment of the Constitution of the United States. The only persons that can presently qualify for net-gear licenses are those already vested with the local privilege."

To be sure that case was reversed by the United States Supreme Court, not on the main issue, but requiring Bozanich to apply to the State courts of Alaska for interpretation of State law. Nevertheless, that is what Judges Ely, Plummer and von der Heydt ruled and while not binding, such ruling must be considered persuasive. Indeed, is there any doubt as to their ruling should the question be properly presented to them.

But the Alaska State Constitution has a broader Equal Protection Clause than does the Federal Constitution.

Notice what Article I, §1 in part says about equal protection, as follows:

"that all persons are equal and entitled to equal rights, opportunities, and protection under the law;"

It is plain to see that the entire permit system is the denial of an opportunity to several hundred thousand residents of Alaska, a stricter requirement than that embodied in the Fourteenth Amendment. As noted earlier, this section was untouched by the 1972 Amendment to Article VIII, §15.

Since the Federal Equal Protection Clause is tougher for one to qualify for its protection than Alaska's let us take a look at what even the Federal provision would prohibit.

Special interest groups throughout the United States have for decades tried to protect themselves from competition, particularly various occupations. Certified public accountants in Florida were less ambitious and covetous than the Alaskan fishermen. The CPA's wanted to prohibit anyone to qualify for a CPA license by requiring that he must first be a resident for two years; the Limited Entry System bars one forever.

Florida enacted the CPA's two-year rule and on a challenge, here are some comments by a legal commentator and quotes from the decision:¹⁹

19. 59 Va. L.R. 1097, 1117 (1973).

"State courts have found anti-competitive motives both in provisions which seek to limit entry into an occupation and those which seek to regulate activities among already licensed practitioners. The following quote represents the rationale used in these cases to strike down the rule in question:

'The regulation of the profession of accounting is an exercise of the police power, for the benefit and protection of the public and is not intended as economic protection for the profession from prospective competitors. Little, if any, reason can be found for requiring a certified public accountant of another state to cease his profession, close his office, and bask in the Florida sunshine for a period of two years before taking the examination [for certification].'"²⁰

And the commentator goes on to say:

"An advocate of judicial restraint in all circumstances could argue that drawing a distinction between 'anti-competitive' and 'quality control' regulations is inappropriate. He would point out that competition needs to be controlled in many circumstances to avoid forcing practitioners into cut-throat practices which could be

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20. Mercer v. Hemmings, 194 So.2d 579, 583 (Fla. 1966). Appeal dismissed 389 U.S. 46, reh. denied 389 U.S. 999 (1967). Other cases similar are: Ohio Motor Vehicle Dealer's & Salesmen's Licensing Board v. Memphis Auto Sales, 103 Ohio App. 347, 142 N.E.2d 268 (1957) (holding unconstitutional a provision which limited auto dealerships to those enfranchised by a manufacturer); Gholson v. Engle 9 Ill.2d 454, 138 N.E.2d 508 (1956) (holding unconstitutinal that part of a statute requiring funeral directors to be licensed embalmers).

harmful to the public. The short answer to this contention is that the potential danger is speculative, and that practices which actually turn out to be harmful can be dealt with as they arise."

Here is the parallel reasoning between the CPA's and the permit holders: The CPA's required a two-year residency period before qualifying one merely to take an examination. The court struck it down as anti-competitive and monopolistic. Alaska bars all non-permit holders from ever being a commercial fisherman. Additionally it is so anti-competitive that one commits a crime to fish without a permit. Witness Hank Ostrosky.

This leads us to describe the time-honored, legitimate, and non-challengeable methods society utilizes to effect conservation: Here is what any sovereign may do:

- a. It may limit the size of gear;
- b. It may limit the size of vessels;
- c. It may limit the area to be fished;
- d. It may limit the time-periods of fishing;
- e. It may impose maximum quotas.

And there is not a single thing a citizen can do within those spheres of power (absent fraud). God bless a sovereign who has the guts to use such powers. For my part, these awesome controls are enough.²¹

DATED this 12th day of March, 1979.

Respectfully submitted,



FREDERICK PAUL

21. I have not discussed the only case reaching the Alaska Supreme Court on Limited Entry, Isakson v. Rickey, 550 P.2d 359 (1976), because those applicants for a permit did not attack the system, only the internal mechanism. It is, therefore, not relevant to our problem.

(12) Upper Yukon (P)
gillnet fishery
fishwheel fishery

(13) Norton Sound (Z)
gillnet fishery

*In area H and area M, the purse seine fishery includes the beach seine fishery.

Herring Fisheries

(1) Specific Southeastern Alaska (A)
purse seine fishery

(2) Specific Prince William Sound (E)
purse seine fishery

(3) Cook Inlet (H)
purse seine fishery

(b) As used in this article, "power troll" means the taking of a salmon fishery resource with troll lines operated by nonmanual gurdys. (Eff. 12/18/74, Reg. 52; am 4/9/76, Reg. 58; am 2/25/77, Reg. 61; am 1/21/78, Reg. 65)

Authority: AS 16.43.100
AS 16.43.110(a)
AS 16.43.240(b)

20 AAC 05.320. MAXIMUM NUMBER OF ENTRY PERMITS. The maximum number of entry permits for each of the fisheries designated under secs. 300 and 310 of this chapter is established as follows:

	Maximum Number of Entry Permits
Salmon Fisheries	
(1) Southeastern Alaska (A)	
purse seine fishery	395
drift gillnet fishery	453
(2) Yakutat (D)	
set gillnet fishery	150
(3) Prince William Sound (E)	
purse seine fishery	238
drift gillnet fishery	511
set gillnet fishery	32
(4) Cook Inlet (H)	
purse seine fishery	68
drift gillnet fishery	545
set gillnet fishery	686

Salmon Fisheries

(5) Kodiak (K)

purse seine fishery	355
beach seine fishery	31
set gillnet fishery	183

(6) Chignik (L)

purse seine fishery	80
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(7) Alaska Peninsula-Aleutian Islands (M)

purse seine fishery	111
drift gillnet fishery	155
set gillnet fishery	77

(8) Bristol Bay (T)

drift gillnet fishery	1669
set gillnet fishery	803

(9) Statewide (B)

power troll fishery	895
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(10) Kuskokwim (W)

gillnet fishery	810
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(11) Kotzebue (X)

gillnet fishery	214
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(12) Lower Yukon (Y)

gillnet fishery	627
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(13) Upper Yukon (P)

gillnet fishery	99
fishwheel fishery	126

(14) Norton Sound (Z)

gillnet fishery	195
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Herring Fisheries

(1) Specific Southeastern Alaska (A)

purse seine fishery	35
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(2) Specific Prince William Sound (E)

purse seine fishery	55
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(3) Cook Inlet (H)

purse seine fishery	68
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(Eff. 12/18/74, Reg. 52; am 4/7/75, Reg. 54; am 5/12/75, Reg. 54; am 4/9/76, Reg. 58; am 2/25/77, Reg. 61; am 1/21/78, Reg. 65)

Authority: AS 16.43.110(a)
AS 16.43.240(a)

Quarterly Permit Price Information - 1978 Only

1st Quarter (Jan. Feb. Mar.)
2nd Quarter (Apr. May Jun.)

3rd Quarter (Jul. Aug. Sep.)
4th Quarter (Oct. Nov. Dec.)

The appraised value of entry permits is calculated on a quarterly basis. The sale prices for each quarter are obtained from the Commercial Fisheries Entry Commission's transfer survey. These prices are then averaged. No appraised value will be changed before the end of that quarter, and no source other than the Commission's confidential survey can be accepted for permit prices. If insufficient data are received, any new data will be averaged with previous quarter.

Fishery	Quarter No.	High Price	Low Price	Average Price Appraised Value
SEINE:				
Southeastern	1	35,000	20,000	25,833
	2	50,000	19,000	33,000
	3	insufficient data		34,000
	4	insufficient data		40,000
Prince William Sound	1	23,500	20,000	20,875
	2	30,000	25,000	27,488
	3	insufficient data		26,658
	4	insufficient data		26,990
Cook Inlet	1	insufficient data		
	2	40,000	15,000	31,667
	3	insufficient data		35,000
	4	insufficient data		52,500
Kodiak	1	40,000	20,000	35,000
	2	insufficient data		40,000
	3	insufficient data		60,000
	4	insufficient data		57,125
Chignik		No applicable information - call 586-3456		
Alaska Peninsula		No applicable information		
Kodiak Beach	1	No applicable information		
	2	No applicable information		
	3	No applicable information		
	4	29,250		

28

29

Quarterly Permit Price Information

Fishery	Quarter No.	High Price	Low Price	Average Price Appraised Value
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DRIFT GILL NET:

Southeastern	1	42,500	10,000	32,375
	2	40,000	22,000	33,929
	3	insufficient data		35,313
	4	insufficient data		39,875

Prince William Sound	1	40,000	10,000	24,346
	2	30,000	18,000	23,833
	3	42,000	40,000	41,000
	4	insufficient data		36,250

Cook Inlet	1	42,500	25,000	30,000
	2	47,000	15,000	35,300
	3	insufficient data		37,545
	4	insufficient data		65,000

Alaska Peninsula No applicable information

Bristol Bay	1	30,000	5,000	13,941
	2	50,000	12,000	22,000
	3	30,000	20,000	30,000
	4	insufficient data		41,800

SET GILL NET:

Yakutat-All Quarters Combined		15,000	5,400	10,480
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Prince William Sound No applicable information

Cook Inlet	1	15,000	2,000	7,636
	2	12,000	2,500	8,625
	3	15,000	2,000	8,730
	4	insufficient data		14,571

Kodiak-All Quarters Combined		25,000	10,000	24,667
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Bristol Bay	1	5,000	2,000	3,925
	2	13,000	1,500	5,893
	3	10,000	6,500	7,833
	4	insufficient data		16,429

For All A-Y-K Fisheries call 586-3456

Power Troll	1	16,000	8,500	12,341
	2	25,000	5,000	15,652
	3	25,000	18,000	20,250
	4	insufficient data		23,450

<u>AREA</u>	<u>FISHERY</u>	<u>MAXIMUM NUMBER OF ENTRY PERMITS</u>	<u>UNIT APPRAISED VALUE</u>	<u>TOTAL</u>
Southeast	Purse	395	\$40,000	\$15,800,000
Southeast	Drift gill net	453	39,875	18,063,375
Yakutat	Set gill net	150	10,480	1,572,000
Pr. Wm. Sound	Purse	238	26,990	6,423,620
Pr. Wm. Sound	Drift gill net	511	36,250	18,523,750
Pr. Wm. Sound	Set gill net	32	no info.	
Cook Inlet	Purse	68	52,500	3,570,000
Cook Inlet	Drift gill net	545	65,000	35,425,000
Cook Inlet	Set gill net	686	14,571	9,995,706
Kodiak	Purse	355	57,125	20,279,375
Kodiak	Beach seine	31	29,250	906,750
Kodiak	Set gill net	183	24,667	4,514,061
Chignik	Purse	80	no info.	
Alaska Peninsula				
- Aleution Is.	Purse	111	no info.	
Aleution Is.	Drift gill net	155	no info.	
Aleution Is.	Set gill net	77	no info.	
Bristol Bay	Drift gill net	1,669	41,800	69,784,200
Bristol Bay	Set gill net	803	16,429	13,192,487
Statewide	Power troll	895	23,450	20,987,750
Kuskokwin	Gill	810	no info.	
Kotzebue	Gill	214	no info.	
Lower Yukon	Gill	627	no info.	
Upper Yukon	Gill	99	no info.	
Upper Yukon	Fishwheel	126	no info.	
Norton Sound	Gill	195	no info.	

TOTAL \$239,033,000

TOTAL OF PERMITS ACTUALLY APPRAISED 6,982

TOTAL OF PERMITS NOT APPRAISED 2,526

$\frac{239,033,000}{6982} = 34,240$

$34,240 \times 2,526 = 86,490,000$

add 239,033,000

GRAND TOTAL \$325,523,000

30

31

F/V Sharon Jean — complete w/Cook Inlet Pursø Seine Sack Row Herring Permit.

Built in '75, she's a documented, 38' Delta fiberglass comb, 18 gross ton seiner, gillnetter & crabber. Complete w/circulating life tanks, blower, Marco crab block, seine power block, gill-net/halibut reel & pots. Powered by economical 200 HP Volvo diesel, she's equipped w/radar, paper recorder, flashers, 2 CBs, VHF & SSB radios, auto pilot, teak finished cabin w/head & many other extras. \$169,650 firm. Complete pkg. only. Call 907-235-8698.

**COOK INLET
DRIFT PERMIT
\$60,000**

235-8005

Cook Inlet Drift Permit wanted,
will pay \$45,000. 333-0845.

Want to fish salmon! Just completing 28' Hamm Hull — 255 I.O. Large fish hold. Will fish with permit owner only. X %. Must be organized. Early or late. Soan, Dave 279-3348.

Bristol Bay drift permit. Best offer over \$50,000. 452-4702, P.O. Box 2499, Fairbanks, 99797.

Wanted: Experienced Cook Inlet fisherman, with app. 32ft. Gillnetter. I have drift permit. Partnership desired. Contact S.D. Ward, Star Rte. No.3, Kenai, Ak., 99611.

Have two current Limited Entry Permit holders for Bristol Bay needing experienced partners with boats. Phone (907) 571-1251.

One Limited Entry Permit. Prince William Sound, Price - \$30,000 CASH
Box 177, Cordova, Alaska 99574

Seine Permit Southeastern - \$30,000
Cash, Box 45, Hydaburg, Alaska 99922.

Wanted: Experienced Prince William Sound fisherman with good boat. Have drift permit, need partner. Contact Bill Lindow, 6127 Blackberry, Anch., Alaska 99502. Phone 243-4461.

MARK II. \$175,000. 50' X 15' CORE-TEN STEEL troller, finance arranged. twin.. Alaska and Wash. permits included. Port Angeles, WA 98362. phone 206 683-4126 -20A. -8

ILLNESS FORCES SALE; PACKAGE SALE, EVERYTHING goes. 32' Wood Gillnetter, 125 hp Cummins Diesel engine, keel cooled, CB, AM, 55 ch. VHF, new fathometer and hyd., 3 nets (sockeye, king, fall), and misc. Puget Sound license. Asking \$25,000 cash. 206/755-0993 after 6 p.m. -10

THE AD ON THE RIGHT, CORPORATION FISHERMEN HOLDING LICENSES AND SEEKING EXPERIENCED BRISTOL BAY FISHERMEN WITH BOATS. THE AD IS SELF-EXPLANATORY.

THE AD ON THE LEFT INDICATES A HERRING LICENSE AS CONDITION OF SALE, WHERE THE TRUE HERRING LICENSE VALUE COULD BE \$50,000.

F/V Sharon Jean — complete w/Cook Inlet Purse Seine Sack Row Herring Permit.
 Boat is 75' she is documented.
 37' Delta fiberglass comb. 13' cross ton semet. Gillnetter & crossbar. Complete w/circular flow life lines. Water Marco Ketchon block, setry power block. Gill net haulout reel & bits.
 Powered by ex-cummins 200 hp Maxu Diesel. She is equipped w/rotator, water recorder, fishers 2 Cox VHF & 500 radio. Boat paint, tank finished extra. 24V, 250" trim. Complete. Price Call 407-215-0273

Have two current Limited Entry Permit holders for Bristol Bay needing experienced partners with boats. Phone (907) 571-1251.

One Limited Entry Permit - Prince William Sound, Price \$30,000 CASH
 Box 177, Cordova, Alaska 99574

DEC 1977

COOK INLET DRIFT PERMIT \$60,000

Seine Permit Southeastern - \$30,000 Cash, Box 45, Hydamberg, Alaska 99922.

FCO 7978

Wanted: Experienced Prince William Sound fisherman with good boat. Have drift permit, need partner. Contact Bill Lindow, 6127 Blackberry, Anch., Alaska 99502, Phone 243-4461.

MARK II. \$175,000. 50' X 15' CORE-TEN STEEL huller, finance arranged. 4th, Alaska and Wash permits included. Fort Angeles, WA 98362, phone 206-683-4126-70A.

Want to fish salmon just down stream 24 hours flat — 205 10' large fish boat. Will fish with permit only. X 2. Must be organized. Call or Mr. Scott. Give 219 2372

ILLNESS FORCES SALE; PACKAGE SALE, EVERYTHING Goes 32' Wood Gillnetter, 125 hp Cummins 1-cyl engine, keel cross, CH, AM, 55 cu. VHF, new fishometer and hyd., 3 nets (sockeye, king, 100), and misc Puget Sound license. Asking \$25,000 cash. 206/715-0202 after 6p in -10

Wanted: Experienced Cook Inlet fisherman with top 32' Gillnetter. I have drift permit. Partnership desired. Contact 500 Ward, Sitka, AK 99833, Phone, AK 99833

WHERE CAN ANY RESIDENT OF THE BRISTOL BAY AREA OBTAIN \$50,000 FOR A DRIFT PERMIT? THE AD ON THE LOWER RIGHT WOULD GIVE AN ALASKAN PRICE VERSUS THE STATE OF WASHINGTON PRICE FOR AN EFFICIENT DRIFT GILLNETTER, ALONG WITH A WASHINGTON LICENSE.

THE \$175,000 AD WHEN INVENTORIED WOULD PROBABLY SHOW A TRUE ALASKA TROLL LICENSE VALUE OF \$40,000 AND THE WASHINGTON LICENSE VALUE OF \$4,000.

AVE 42' DELTA — WANT KODIAK SEINE PER-
mit. To buy or lease 714-646-3161 Or write:
1965 Justin Ave., Costa Mesa, CA 92627 6

OR SALE OR LEASE: PRINCE WILLIAM SOUND
Seine Permit. Terms. Call Davidson's Marina
Kenmore. 206-486-7141

PWS DRIFT GILLNET PERMIT SKIFF AND 4
String gear. Spare parts and misc. gear. \$35,000.
Messageph. 206-458-5286

Need experienced skipper with
boat to fish Prince William
Sound purse seine permit with
me. 913-268-9333.

\$80,000. The boat Junior, seine
skiff, power block, lead, two 70-horse
Johnson kickers and other miscellan-
eous relative equipment plus one
Prince William Sound Seine Permit.
Contact F. E. Reeves, Box 594, Post
Falls, Id. 83854 phone
208-773-5648 or St. Elias, Box 58,
Cordova, 424-7621.

FOR SALE—PWS gillnet permit
with 4 nets. \$60,000 firm.
424-7310.

Demetra M II 38' fiber glass,
38' x 13 1/2' x 4 1/2', V6 Cummins
diesel 215 HP completely
overhauled last year. Prince
Williams Sound Seine permit.
Power skiff 180 HP Crusader gas
engine. Power block and fully
equipped ready to fish. 3 radios
VHF, 40 channel CB and Cassette
2 fathometers 36 mi. range
Furuno radar, anchor winch. For
information and pictures call
Chris Morris (206) 932-2044 Seat-
le, Wa. Price \$155,000.

Kodiak Island limited entry set
net permit for sale, \$30,000. Call
503-344-2620; Eugene, Oregon

WANTED—Experienced SKIPPER,
BOAT and GEAR to fish with my
Prince William Sound salmon seine
permit. George Meeker, 1401 Hack-
berry, Garden City, Ka. 67846
Phone (316) 273-7174

KODIAK ABOVE SET NET LICENSES INCREASED
TO \$30,000 TO \$40,000 IN A PERIOD OF
ONE YEAR. AGAIN YOU WILL NOTE THE WORD
"LEASE", WHICH IS ILLEGAL AND IS PREVAL-
ENT IN ALL PARTS OF ALASKA. LATER CASES
OF CORPORATION FISHERMEN WHERE THE EXPER-
IENCED FISHERMEN MUST PROVIDE THE
LICENSE HOLDER WITH TRAINING TO TAKE HIS
JOB, ALONG WITH HAVING TO PROVIDE THE
BOAT AND GEAR.

THIS IS ANOTHER CASE WHERE THE BOAT IS
← A CONDITION OF SALE AND THE TRUE LICENSE
VALUE CAN RUN BETWEEN \$50-\$60,000.

FOREIGN NETS VALUE IS ABOUT \$2,000 IF
THEY ARE IN GOOD CONDITION, THUS LEAVING
\$58,000 FOR THE TRUE LICENSE VALUE.

TRUE LICENSE VALUE OF SIX YEAR OLD BOAT
AND ESTIMATED INVENTORY OF EQUIPMENT
COULD PUT LICENSE VALUE AT \$70,000.

Miscellaneous
ALASKA FISHERMEN: DO YOU FEEL IT IS LEGAL
for private industry to have the power of taxation
over other private citizens and businessmen? The
Alaska Constitution says no. We are filing suit
against the mandatory assessment provision of the
private regional hatchery corporation law. We
intend to support only legitimate salmon rehabili-
tation efforts, and need your support. Send check
or pledge to Wayne Alex, Fishery & Hatchery
Defense Fund, Box 95, Juneau, AK 99802. 5/9

SEINE OUTFIT

Including 34' boat, 15' power skiff, seine, lead, and entry permit, \$70,000.

Contact: A.W. HALL
Box 458
Cordova, Alaska 99574
Phone: 907/424-7436

FOR SALE. PWS SEINE & GILLNET PERMITS, with seine, lead, 2 nets, skiff w/reel power block and brailer. \$60,000. Call 747-8997. Write Box 334, Sitka, AK 99835. -21

Prince William Sound Seine permit for sale

Write, 283 Muldoon, Box 212, Anchorage, Alaska, 99504

SEPT. ← +
1977

THIS PARTY ON THIS ONE SAID HE WAS SELLING ME HIS LIVELIHOOD WHICH COST HIM NOTHING FOR \$30,000.

FOR SALE PRINCE WILLIAMS SOUND DRIFT PERMIT \$25,000 or best offer. 206/532-2758. -22

←
SUMMER, PRICE \$40,000 (1978).
1977

FOR SALE: SEINE PERMIT FOR PRINCE WILLIAM Sound \$30,000. Write: Dorothy Phillips, Menoken, N. Dakota 58553 or call: 701/673-3345. 23

←
SUMMER, SALE OF LICENSE BUT NO BOAT.
1977

BOAT TOMMY BOY FOR SALE — 35-foot seiner and gillnetter. 6-354 Perkins diesel, fiberglass over planked hull. AM radio, VHF radio, CB radio, seine and lead. Ross 100 fathometer, Freeman auto pilot, new Deita seine skiff with reel, complete with Prince William Sound seine permit. All for \$75,000. Elroy Svenson, Rt. 1, Box 199, Cathlamet, Wa. 98612.

FALL, 1977. OLDER BOAT, FIBERGLASS OVER PLANK, WHERE TRUE LICENSE VALUE CAN EXCEED \$50-\$60,000.

FOR SALE: KODIAK SET NET PERMIT. HIGHEST cash offer. 4777 N. Vanderbilt, Portland, OR 97203. 21

AUCTION PROCESS WHERE THE HIGHEST BIDDER WINS. USUALLY THE OUTSIDE FOREIGN FINANCED SYSTEMS WIN THE CONTEST.

KODIAK SEINE PERMIT FOR SALE. MAKE OFFER over \$32,500. Write Box 47, The Fishermen's News, Fishermen's Terminal, Seattle, WA 98115.

SEPTEMBER, 1977. BY DECEMBER, 1977 - \$40,000.

Permits

PERMIT WANTED: WILL MAKE YOU AN OFFER
 you can't refuse for your Bristol Bay operation. Box
 number 28, The Fishermen's News, Bldg. C-3,
 Fishermen's Terminal, Seattle, WA 98119. -*23

THIS IS AN EXAMPLE OF WHERE THE FINANCE
 IS AVAILABLE TO THE FOREIGN-OWNED
 PROCESSOR ACCOUNTS IN THE SEATTLE BANK-
 ING SYSTEM.

**WANT TO BUY BRISTOL BAY
 DRIFT NET PERMIT. \$15,000
 CASH. CALL 276-8447.**

SPRING +
 1977 ←

OLDER AD--NOW THESE ARE \$42,000 ON;
 MARCH 1, 1978.

**Bristol Bay Drift Entry Permit.
 \$20,000 firm. 279-6740.**

SUMMER *
 1977 ←

SAME AS ABOVE.

**Wanted Bristol Bay drift per-
 mit. Will pay \$10,000 cash. Box
 122, Togiak, AK. 99678.**

DECEMBER ←
 1977

A NATIVE LOCATED 100 AIR MILES FROM
 NAKNEK IN A COASTAL VILLAGE ON BRISTOL
 BAY, WHEN THE LICENSE PRICE IS \$35,000.

**Bristol Bay drift permit, ready
 for transfer, \$25,000. Send re-
 plies to Key Box 12-21, Anch.
 Times, Box 40, Anch., AK 99510**

FALL ←
 1977

TO INDICATE PRICE RANGE.

**Have Bristol Bay Permit, seek-
 ing partner with boat, or will
 consider leasing. Experienced
 Bristol Bay Fisherman only.
 279-9306.**

FALL ←
 1977

THIS WAS \$27,000 OUTRIGHT SALE OR 40%
 OF ANNUAL CATCH TO "CORPORATION FISHER-
 MEN".

**Bristol B. Permit, \$35,000 firm.
 Reply Key Box 12-15, Anch.
 Times, Box 40, Anch. AK 99510.**

+ DECEMBER
 1977

PRICE RAISE INDICATION MARCH 1, 1978
 \$42,000.

**BRISTOL BAY
 Drift permit, \$15,000
 243-3701 after 6.**

+ SEPTEMBER ←
 12, 1977

PRICE RAISE INDICATOR

**FOR SALE. BRISTOL BAY GILLNET ENTRY
 Permit. \$33,000. Allen Nelson, P.O. Box 127,
 Naknek, AK 99533. 23**

DECEMBER, 1977. PRICE RAISE.

**Two Bristol Bay-limited entry
 cards, plus two set net sites for
 sale. \$1,200 each. Call 279-9091.**

FALL ←
 1977

MISPRINT \$12,000 EACH FOR SET NET AT
 EGEKIK.

**Bristol Bay drift permit, \$20,000
 or trade for real estate. Write
 Bruce Johnson, 7216 Violet
 Place, Anch. AK 99502.**

AUGUST ←
 1977

TRADE FOR REAL ESTATE.

**B. DRIFT, g.n. permit: \$35,000
 firm. Write: 155-88 Times, P.O.
 Box 70, Seattle 98111**

JANUARY ←
 1978

PRICE RAISE INDICATOR.

**TRADE: BRISTOL BAY ENTRY PERMIT FOR SOUTH-
 east Gillnet Permit. Box 412, Vashon, WA 98070.
 206-463-9617.**

FALL, 1977. SOUTHEAST HAD VALUE OF
 \$30,000 AND BRISTOL BAY HAD \$16,000
 VALUATION. NOW BOTH AREAS ARE OVER
 \$40,000 EACH MARCH OF 1978.

B. DRIFT BAY

34
 D

10,000 or best offer. Call or write: E. Altman,
671 El Capitan, Manteca, CA 95336 209 -
823-1571

Wanted: Bristol Bay permit or
arrangement. New aluminum
G.N. (206) 843-7370

Wanted: Bristol Bay permit; need
partner w/ experience & or boat.
72-7947

Wanted: drift permit. Looking for
Bristol Bay fisherman
with or without boat. 694-9888.

WE BRISTOL BAY PERMIT SEEKING PARTNER
with boat or will consider leasing permit. Exp.
Bristol Bay Fisherman only. 3351 Mt. Vernon Ct.
Anchorage, AK 99503 or call 907 - 279-9306.

FOR SALE OR TRADE BRISTOL BAY DRIFT NET
permit. Write Box 77, Dillingham, AK 99576 or call
907/842-5467

BRISTOL BAY PERMIT \$35000 CASH FIRM P.O.
Box 99073, Seattle, WA 98199, Don Marean.

FOR SALE BRISTOL BAY GILLNET ENTRY PERMIT
\$35,000. Allan Aspeland, P.O. Box 84,
Naknek, AK 99533.

BRISTOL BAY DRIFT GILLNET PERMIT FOR SALE
adv. for immediate transfer. \$45,000 or best
offer. Call 907-842-5614.

BRISTOL BAY DRIFT GILLNET PERMIT \$35,000 FIRM
ADFG sale approved. Write Box 1313, The
Fishermen's News, C-3 Bldg, Rm 110, Fisher-
men's Terminal, Seattle, WA 98119. 311 ne/all

Bristol Bay Drift gill net permit
for sale. Ready for immediate
transfer. \$50,000 or best offer.
Call 907-842-5614 after 4.

BRISTOL BAY
DRIFT PERMIT, \$45,000
277-0413 or 337-2758

YUKON RIVER FISH wheel permit.
Best offer, cash or trade anything.
Submit offer to Box 710 c/o Fairbanks
Daily News Miner, P.O. Box 710, Fair-
banks, Alaska 99707.

FOR SALE

Fishing permit. Asking
\$30,000, or best offer. Call
276-3162 or write Auxenty
Stepetin, 832 N. Bliss St.,
Anchorage, AK 99504.

THIS IS AN ARCTIC YUKON KUSKOKWIM AD
WHERE THE LICENSE SOLD IN BETHEL FOR
\$30,000 OR IN THAT VICINITY IN MAY,
1978.

← LEASING IS ILLEGAL BUT IS DONE EVERY
DAY. USUALLY THE EXPERIENCED ALASKAN
FISHERMAN WITHOUT A LICENSE MUST PAY
50% OF TOTAL CATCH AND PROVIDE THE
DECK HAND.

← PREVIOUS ADS QUOTED \$50,000 FOR THIS
ONE. BRISTOL BAY PERMIT.

← SELF-EXPLANATORY.

← SELF-EXPLANATORY.

← SELF-EXPLANATORY.

← THIS IS A STATE OF WASHINGTON LICENSES
BEING LEASED AT AN ANNUAL LEASE PRICE.

FOR LEASE P.S. GILLNET LICENSE \$1500, also
P.S. purse seine lic. for lease \$3,000. 206-
293-7024

← THIS IS THE BIDDER STYLE WHERE YOU COM-
PETE AMERICAN VS. JAPANESE FINANCE
SYSTEMS TO SEE WHO WILL BE THE HIGHEST
BIDDER.

SAME AS ABOVE.

THESE WERE PREVIOUSLY FOR SUBSISTENCE USE,
BUT WITH THE RISE OF EGG PRICES THE FISH ARE
DISCARDED AND EGGS ARE SOLD. MOST FISH WHEEL
PERMITS ARE TRADED FOR REAL ESTATE WHERE THEY
ARE HARD TO ESTABLISH A TRUE VALUE.

206-293-7024

WASH. VESSEL DELIVERY PERMIT, \$2000, Phone 206-636-5227 evenings. -22

THIS IS A COMPARISON WASH. VS. ALASKA.

←

←

ALASKA POWER TROLL \$12,500. GRIFFIN P.O. Box 744, Port Townsend, WA 98368. 20

THESE TROLL LICENSES RAISED TO \$20,000 WITH THE SUSPENSION OF THE FAIRWEATHER CLOSURE.

SELF-EXPLANATORY.

TRADE GILLNET BOAT WITH P.S. GILLNET license for any Alaska permit. Any area and any type fishery considered. Write to Nelson, P O Box 560, Sedro Woolley, WA 98284. -23trn

FOR SALE. S.E. ALASKA LIMITED ENTRY SEINE Permit. \$26,500. Phone 503-861-2767 or write P.O. Box 15, Hammond, OR 97121. 19

SUMMER, 1977

←

S.E. ALASKA PURSE SEINE PERMIT \$25,000. 206/779-5451. -20

SUMMER, 1977

←

For sale Gillnet permit south-east Alaska, also Gillnet boat, will sell separately. Phone Haines, Alaska 766-2401 ask for Charlie.

+

FALL, 1977. THIS WAS SOLD \$35,000 CASH BUT \$45,000 ON ANNUAL PAYMENT WAS REFUSED

S.E. Alaska Seine permit for lease w-option to buy. Call 886-511, Metlakatla.

←

SPRING, 1977. TYPICAL LEASE ADVERTISEMENT - SIGN OVER LICENSE WITH RETURN CLAUSE. USUALLY \$50,000 IN REAL ESTATE IS PUT UP AS GUARANTEE OF RETURN OF LICENSE.

FOR SALE. S.E. ALASKA GILLNET PERMIT, 5 YR. old wood gillnet boat, new 6-53 GM diesel, VHF, CB, dig. fath., 2 nets, and halibut gear. \$65,000. (503)769-6919 after 5 p.m. -23

←

FALL, 1977. THIS IS TYPICAL OF LINKING BOAT TO LICENSE TO INCREASE LICENSE VALUE.

WANTED. S.E. ALASKA GILLNET PERMIT. WILL trade brand new home in Everett, WA (escape from taxes). Call collect 206-321-4864 after 6 p.m. -23

←

FALL, 1977. ANOTHER TAX GIMMICK THAT IS USED.

SERVICE 35' diesel powered wooden double-ender combination boat. Gillnet, halibut and troll. Complete & ready to fish including gillnet gear and S.E. Alaska Gillnet Entry Permit. \$65,000 cash. firm. Whitley. Box 252, Douglas 99824. 18

←

JANUARY, 1978. THROUGH THIS TYPE YOU ARE ABLE TO OVER-INFLATE BOAT VALUE AS CONDITION OF SALE WHERE TRUE LICENSE VALUE IS \$40,000 TO \$50,000.

S.E. ALASKA PURSE SEINE PERMIT. \$35,000. Phone 206 789-3608 or write 5624 3rd Ave. NW, Seattle, WA 98107. -22

←

FALL, 1977. THESE LICENSES HAVE INCREASE \$10,000 IN 4 MONTHS. FOREIGN BACKED FINANCING IS AVAILABLE IN SEATTLE.

DIESEL TROLLER with
permit, excellent electronics,
recent survey, \$65,000 247-
223 Ward Cove (20)

F/A APOBEE 42 STEEL TROLLER DIESEL POWER
one ton ice hold \$60,000. Alaska permit included
Write Box 224, LaConner, WA

ALASKA POWER TROLL PERMIT \$19,000. 206-
243-2282

WILL TRADE ALASKA TROLL PERMIT AND BOAT
for Southeast Drift Gillnet permit. Harold Bailey
Box 887, Wrangell, AK 99929. 907-874-3958

OR sale Alaska power troll per-
mit. Ready for immediate trans-
fer. \$18,000 firm. Call after 8pm
(206) 398-1703

OR SALE ALL ALASKA POWER TROLL PERMIT
\$15,000 Cash. H. Hansen, Box 753, Wrangell, AK
99929

TROLL PERMITS WITHOUT THE BOAT ARE IN THE
VICINITY OF \$20,000. BY BUYING THE BOAT
AS A CONDITION OF SALE, THE TRUE LICENSE
VALUE CAN BE \$40,000-\$50,000.

SE GILLNET PERMIT AND BOAT. BOAT 34' X 10'
cyl. diesel. Seascan radar 12 channel VHF 23
channel CB. Fathometer. Wood Freeman autopilot
gillnets. Priced \$75,000. Both. Contact Earl
Campbell, Box 982, Wrangell, AK 99929. 907-
743769

THIS IS ANOTHER CASE WHERE THE OLDER BOAT
CAN BE TIED IN AS A CONDITION OF SALE AND
THE TRUE VALUE OF THE LICENSE \$50,000.
TAXWISE, YOU WILL PROBABLY BE ABLE TO LAY
OFF MOST OF THE 50% PROFIT ON LONG-TERM
GAINS TO THE BOAT, THUS AVOIDING STATE &
FEDERAL TAXES.

SE DRIFT GILLNET ENTRY PERMIT \$45,000
6-759-5293 evenings 6 to 9

SELF-EXPLANATORY.

SE PURSE SEINE PERMIT. 250 FATHOMS PURSE
line extras. Will sell if price is right, or lease.
Wally B. Frank Sr. P.O. Box 112, Angoon, AK
99820

THIS IS ANOTHER CASE OF A LEASE WHERE THE
ANNUAL LEASE PRICE IS BALANCED AGAINST AN
OUTRIGHT SALE.

SEINE PERMIT FOR SALE \$35,000 CASH
Helen Hansen, Bremerton, WA Ph. 206-692-4101

SELF-EXPLANATORY. (BECAUSE OF THE TIME
ELEMENT, THIS WAS SELLING \$15,000 UNDER THE
CURRENT MARKET PRICE.)

OR SALE ALASKA PURSE SEINE PERMIT
\$39,000. Phone 206/858-3953, or 206/858-
566. U.S. 858-9066 2311

SELF-EXPLANATORY.

OR SALE ALASKA PURSE SEINE PERMIT
\$45,000. Ph 907-225-2285. Rt. 1, Box 1090
Katchikan, AK 99901

YOU WILL NOTE THAT THE ALASKA PRICE FOR
THESE PERMITS IS HIGHER THAN THE ESTAB-
LISHED SEATTLE PRICE. IN WHAT ALASKA COM-
MUNITY CAN THESE PRICES BE MET? ONLY THE
THE FOREIGN-OWNED AND CONTROLLED PROCESS
CAN THIS TYPE OF MONEY BE OBTAINED FOR
ALASKA RESIDENTS.

ALASKA PURSE SEINE PERMIT FOR SALE
Asking \$50,000. Phone 907/886-7511 2310

SEINE PERMIT. IMMEDIATE TRANSFER
available. \$49,500. Ph 907/772-3279, or write
Box 454, Petersburg, AK 99813 8

THE PETERSBURG FISHERMEN'S UNION PROBABLY
HAS MORE DISENFRANCHISED HEREDITARY FISH-
ING

SOUTH EAST ALASKA

FALL, 1977. THIS AD SEPARATED BOAT FROM LICENSE.

For sale: Cook Inlet Drift Permit. Highest offer over \$40,000.

Write: Bob Olsen, Gen. Del., Seward or have message at 224-5995 or 224-5627.

Cook Inlet Drift permit & boat, new survey, 325,000 boat, cash only to highest bidder, Box 1310 Soldotna, 99647.

Wanted: Cook Inlet Dist. permit. Trade 20 acres choice land near Tokkeena for permit. Call 279-4377.

Wanted: Cook Inlet set net permit and site. Have substantial cash, land or houses to trade. 333-2512.

Trade: Cook Inlet set net permit for \$12,000, 10%, 10 year second deed of trust on your home. 276-1497, 9 am-4 pm, Tom.

SET NET SWINDLE. THESE ARE SHORE LOCATIONS THAT ARE IN FIXED POSITION

Accepting bids on Limited Entry Permit, Cook Inlet set net. 243-4954

FALL, 1977.

PWS SEINE PERMIT With spot claim, will consider leasing permit to a professionally equipped and operated boat. 344-5604.

Have Cook Inlet good permit. Seek experienced boat and operator for 1978 season with. Call 837-5141 from 8:30-8 PM, March 11-20th only. Ask for Rick.

Will trade Shell Lake acreage & fantastic wilderness creekside, plus some cash for entry permit & site on east shore of Cook Inlet or Kolgin Island. 279-2373.

Entry permit wanted. Cash or trade view lots in Eagle River Anchorage. 344-5604.

Want to purchase fishing permit & set net-site. Cash available or lake frontage land in Wisconsin for trade. Joyce Schorr, Box 29, Trapper Creek, AK 99688.

Will take boat and Cook Inlet drift permit as down payment on bar & liquor store. 776-2646.

FOR sale, permanent permit for Cook Inlet, 32 foot boat, 900 ft. of nets and buoys. \$38,000. 333-2573.

WILL TRADE SOUTHEASTERN GILLNET PERMIT IF

you have Cook Inlet Gillnet Permit and \$10,000.

Write: 4122 40th SW, Seattle, WA 98116. Phone

06/935-3157.

For sale 32 FT. Seiner & limited entry permit for area H., with 60 fathom Seine & extra web. Plus Herring Seine, plus skiffs & outboard. Ready for fishing. \$85,000 or best offer. 224-3578 Seward, or Box 96.

Want to buy Cook Inlet drift permit, will pay \$30,000. Terms, partial down, balance in half yearly catch till paid in full, also interested in boat. Lets deal. 283-4080.

32 ft. documented diesel powered plank hull, seiner gill netter, hydraulic reel, 3 station controls. Cook Inlet drift permit, \$38,500 firm. 233-4255.

Cook Inlet drift permit for sale. Best offer over \$30,000 by November 21. 274-0884.

Trade, Cook Inlet gill net permit and 32 ft. boat, for trust deed of \$30,000. Write, Key Box 10-36, Anchorage Times, PO Box 40, Anch., AK 99510.

THIS IS A BROKER AD WHERE YOU THEN HIRE OR LEASE TO A FISHERMAN TO FISH FOR YOU WHILE YOU NEVER LEAVE THE OFFICE. "CORPORATION FISHERMEN". NOTE PHONE NO

ANOTHER TRADE THAT IS SUPPOSED TO BE A REGULATORY SYSTEM OF FISHERY MANAGEMENT.

FISH ARE A COMMON PROPERTY RESOURCE OF ALL OF THE CITIZENS AND NOT LIKE A BAR LICENSE.

1976 ORIGINAL ADD \$10,000 BOAT, \$12,000 LICENSE, TOTAL \$22,000. 1 YEAR OF ADVERTISING AND CONTINUALLY RAISING PRICES. THIS SOLD TO NORTH SLOPE OIL WORKER FOR \$44,000 - \$34,000 LICENSE, \$10,000 BOAT

THIS TYPE OF AD RAISES \$35,000 + \$10,000 TO VALUE OF \$45,000.

FALL, 1977. THROUGH MANIPULATION VALUE OF LICENSE \$60,000 - SOME LOCAL PERMITS SOLD FOR \$42,000. THEN \$25,000 PERMITS WERE BOUGHT FOR A PROFIT OF \$17,000. SOME WITH 3 LICENSES BECAUSE OF PRICE INCREASE DISPOSED OF TWO, THUS CREATING TWO MORE BOATS FISHING

FALL, 1977. IF YOU ARE DEPENDENT ON FISHERIES FOR A LIVELIHOOD, HOW CAN YOU LIVE ON 50% OF ANNUAL INCOME UNLESS YOU ARE ON RELIEF.

FALL, 1977. ANOTHER EXAMPLE OF OLD BOAT AND JACKING UP LICENSE VALUE TO \$45,000.

FALL, 1977. THE AUCTION PROCESS THAT HAS COMPETED ONE BUYER AGAINST THE OTHER MANY TIMES EXCEEDS \$50,000.

FALL, 1977. ANOTHER TAX DODGE THAT COULD HIDE TRUE LICENSE VALUE OF \$70,000.

Cook Inlet drift permit for sale for \$35,000. 283-4233.

FALL, 1977. THESE HAVE RAISED \$10,000 in 4 MONTHS. COOK INLET (13)

Cook Inlet Herring Sac Roe Permit
\$25,000 Call 486-3537
Kodiak

THIS IS ONLY THE SECOND YEAR OF LIMITED ENTRY IN HERRING AND THE LICENSE VALUE IS ALREADY \$25,000 BOTH IN COOK INLET AND PRINCE WILLIAM SOUND. LATER SALES WHERE THE BOAT IS INCLUDED AS A CONDITION OF SALE, THE HERRING LICENSE VALUE IS \$40,000-\$50,000. THERE ARE 923 HERRING LICENSES ISSUED IN THE STATE OF ALASKA.

PWS herring seine permit for sale
\$25,000 424-3361 or write Box
2 Cordova, Alaska 99574

FISHERMEN
Limited entry permit for Cook Inlet Set Net Fishery including boat with house, skiff and motor, and gear \$25,000 complete. For listing or gear, call 745-2257
Kenais

THE ASSESSED VALUATION OF THIS LICENSE WOULD BE BETWEEN \$12-\$15,000. IF IT WERE A GOOD SET NET LOCATION AND HAD A PREVIOUS GOOD FISHING RECORD IT WOULD COMMAND A \$100,000 PRICE LIST.

WANT COOK INLET drift permit. Looking for experienced fisherman with boat or boat to lease 479-6791

CORPORATION FISHERMEN. THE LAW SAYS THAT THERE SHALL BE NO LEASING, HOWEVER IT IS DONE ON AN EXTENSIVE SCALE.

Wanted: Cook Inlet seine net permit and site. Have substantial cash, land or houses to trade.
333-2512

LIMITED ENTRY WAS SUPPOSED TO BE A REGULATORY SYSTEM AMONG ESTABLISHED FISHERMEN. THIS IS AN INDICATION OF ANOTHER CORPORATION FISHERMAN.

SEPER WANTS TO LEASE HERRING & SALMON seine boat and permit for percentage. Must be Kodiak or Cook Inlet area. Experienced skiff man or deck hand for Kodiak seiner. Highliners only.
Phone 206-255-3542

THIS IS THE CASE OF AN EXPERIENCED SALMON FISHERMAN AND HERRING FISHERMAN WHO SEEKS A CORPORATION FISHERMAN TO FISH FOR SINCE HE APPARENTLY HAS NO LICENSE OR BOAT.

TRADING MOTEL FOR COOK INLET GILLNET PERMIT and boat for 1979 season. 14 kitchenette units with 2 br manager apt. 95 percent rentals and can assume 6 percent loan. Self manager realize over \$13,000 plus rent. 503-588-1591

THIS IS ANOTHER TYPICAL INDICATION OF THE FALLACY OF DOLLAR-SIGN LICENSES.

Cook Inlet drift permit w/well equipped \$25 documented vessel. All gear included. \$110,000 only serious calls please.
15-8936

AFTER EXTENSIVE ADVERTISING, THE LICENSE SOLD FOR A TRUE LICENSE VALUE OF \$60,000

COOK INLET DRIFT PERMIT
and fast boat, 25 knots. M/V Freedom, 34' wood, twin screw, 15 Cummins each, radio, CB and VHF, 5 shackles, red salmon gear. Exceptionally clean boat. Sold as package deal only. \$125,000. Can be seen in Homer or call 235-8005.

THIS IS AN INDICATION OF AN OLDER STYLE SPORTS BOAT CONVERTED TO THE COMMERCIAL FISHERIES WHERE THE LICENSE IS A CONDITION OF SALE. THE TRUE LICENSE VALUE CAN EXCEED \$80-\$90,000.

COOK INLET (B)

PROFILE - FREDERICK PAUL

- Son of William L. Paul, Sr. and Frances L. Paul and grandson of Tillie Paul Tamoree
- Born January 26, 1914
- Reared in Alaska, attending schools at Wrangell, Juneau and Ketchikan (Kayhi, 1931)
- Self-supporting since 1931
- Eight years as a commercial fisherman (five in Bristol Bay in sailboat days)
- Three years for "Doc" Walker's drug store at Ketchikan and three years for the Ketchikan Chronicle
- Graduate of the University of Washington, Bachelor of Arts, 1938, Juris Doctor, 1940
- Admitted to practice law: State of Washington, 1940; Alaska, 1940
- Private practice at Wrangell and Petersburg, 1941-43
- Appointed the first Assistant Attorney General for Alaska, 1943-45
- Author of first anti-discrimination law of Alaska in 1945
- Author of first official opinion that Indian children were entitled to attend the public schools - 1944
- 1945-~~45~~⁴⁷ Attorney for U.S. Department of Labor, Seattle
- 1947 to date - private practice at Seattle and Alaska, specializing in business and Indian law; senior partner in Paul, Johnson, Paul & Riley
- Attorney, Tlingit and Haida Indians of Alaska, 1946-56
- Attorney, Arctic Slope Native Association, 1966 to 1972

- Superior Court at Anchorage, 1977: Mr. Paul was the "Primary architect and driving force behind the creation and organization of the North Slope Borough
- Discoverer of Sealaska's blunder which misled the Chilkat Indians, the discovery of which led to Klukwan's re-admission to the Alaska Native Claims Settlement Act
- Superior Court at Anchorage, 1977: By 1966 "Mr. Paul was one of the nation's foremost authorities in Indian Law and aboriginal title, had long standing personal ties with Alaska and the Native people and was intimately familiar with both the problems and aspirations of the (Eskimos) as well as the formidable obstacles standing between them and their goals"
- Emmett Watson in The Seattle Post Intelligencer: "The man most singly responsible for the Alaska Natives Land Settlement"

LAW OFFICES

Paul, Johnson, Paul & Riley

260 GRAND CENTRAL on the PARK, 116 FIRST AVENUE SOUTH, SEATTLE, WASHINGTON 98104

*Also member Alaska Bar

April 4, 1979

Harold C. Ostrosky
515 East 12th Avenue, #10
Anchorage, AK 99501

Dear Hank:

Enclosed are the data sheets which will be appended to the 1978 Limited Entry Commission report for 1978. I thought I would make some comments on the figures and their significance.

1. There are 14,017 salmon permits (page 1); ^{Acad} however, this figure includes interim use permits and hood trollers. The number of salmon permits in affected fisheries is 9,764 (page 13).

2. The "high permit price" in transfers has been steadily increasing. For example, the Southeastern salmon drift gillnet for the years 1975-1978 were respectively \$15,000, \$13,000, \$25,000, and \$50,000 (page 5).

3. The number of applications denied due to either lateness or insufficient points is 296 for lateness and 2,816 for insufficient points (page 13). I wonder how many of these come from the bush.

4. In the 1977 Annual Report in Appendix 2 at page 4 the Commission in footnote No. 2 states as follows: "The high prices seem to indicate 'the going market' price, while the low prices reflect 'deals' made to relatives or friends."

5. The 1977 report in Appendix 3 at page 3 indicates that there were 9,190 "total number permits issued" for the salmon fisheries so far regulated.

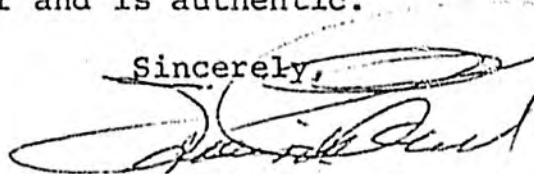
I guess we should revise our aggregate value figures upwards. Graphs can be drawn showing the upward trend of sale prices and comment should be made about the impact of transfers on our fishermen corps.

Harold C. Ostrosky
Page Two
April 4, 1979

7. Since dictating the foregoing I have noticed that from the 1977 Annual Report in Appendix 2 at page 4 for the salmon fisheries the "actual total number of permits transferred" was 2,198 for the years 1975-1977. Turning to the data sheets I have enclosed at page 10 and omitting the 16 transfers involved in the herring fishery there were for 1978 an additional 1,159 permits transferred in the salmon fisheries. So, for the four years of 1975-1978, there were 3,357 permits transferred in the salmon fisheries. That is quite a displacement of our fishing corps (36.2%).

The foregoing report has been checked with Acting Commissioner John Garner and is authentic.

Sincerely,



Frederick Paul

FP:pjp
Enclosures

WORKING DRAFT

of permits

by CFFC

Appendix Table ---Number and total revenue received from the sale of commercial fishing permits in 1978*. This table is organized by species with all associated gear types combined for each gear type. Number of permits is in parentheses.

Type of Fish	Type of Fee			Total	
	Resident	Nonresident	Poverty	Number	Dollars
Herring	115,360 (1,911)	57,360 (323)	2,220 (148)	2,382	\$ 174,940
Bottomfish	43,760 (532)	18,960 (50)	900 (60)	642	63,620
Salmon	598,000 (10,275)	537,000 (2,308)	21,510 (1,434)	14,017	1,156,510
Halibut	175,160 (2,724)	48,360 (169)	2,880 (192)	3,085	226,400
Shellfish	347,280 (2,658)	354,120 (643)	2,475 (165)	3,466	703,875
Freshwater Fish	1,000 (26)	-0- -0-	345 (23)	49	1,345
Miscellaneous	3,440 (124)	1,980 (28)	90 (6)	158	5,510
TOTAL:				23,799	2,332,200

These figures include all sales from January 1, 1978-January 4, 1979.

COPY RECEIVED

By: _____

MAR 30 1979

260 GRAND CENTRAL ON-THE-PARK
216 FIRST AVENUE SOUTH
SEATTLE, WASHINGTON 98104

44
41

STATE OF ALASKA

A COMMERCIAL FISHERIES ENTRY COMMISSION

WORKING
LET'S TAKE THE GOVERNMENT
DRAFT
POUCH KB
JUNEAU, ALASKA 99811

Please submit this in connection with the Request for Transfer form you have submitted for your entry permit.

This form does not identify you, and the information on it will not be disclosed in any manner that would allow identification of you. The information will be used to monitor permit prices and transfer trends.

You are acquiring a permit for _____

1. How did you locate this permit?

- Relative or friend
 Advertisement
 Commission list of permits for transfer
 Fish processor
 Other (explain) _____

2. Did you acquire the permit by-- (check all that apply)

- Sale
What was the sale price (including the approximate value of any items traded for the permit)? \$ _____
- Gift (no money)
What is your relationship to the person you are getting the permit from? _____
- Inheritance
What is your relationship to the person you are getting the permit from? _____
- Trade
What was traded? _____
- Along with vessel, gear or set net site (indicate estimated value)
Vessel \$ _____
Gear \$ _____
Site \$ _____
- Other (explain) _____

3. Was the sale financed yes no

- The person you got the permit from
 Bank
 Fish Processor
 State Loan

If yes, was it through--

- Credit Association
 Other (explain) _____

4. Do you plan to transfer the permit back to the person you acquired it from?

- Yes
 No

If you need more space to answer any of the questions, please use the back of this paper.

If you have any questions concerning the completion of the form, do not hesitate to call or write the Commission. The Commission's phone number is (907) 586-3456, and its mailing address is Pouch KB, Juneau, Alaska 99811.

Thank you for your cooperation.

01-AGLH

01-821 Rev. 4/24/78

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STATE OF ALASKA

WORKING
1978-1979-1980-1981-1982

COMMERCIAL FISHERIES ENTRY COMMISSION

DRAFT
POUCH KB
JUNEAU, ALASKA 99811

Please submit this in connection with the Request for Transfer form you have submitted for your entry permit.

This form does not identify you, and the information on it will not be disclosed in any manner that would allow identification of you. The information will be used to monitor permit prices and transfer trends.

You have transferred a permit for _____

1. Did you transfer the permit by-- (check all that apply)

Sale
What was the sale price (including the approximate value of any items traded for the permit)? \$ _____

Trade
What was traded? _____

Gift (no money)
What is your relationship to the person you are transferring this permit to? _____

Along with vessel, gear or set net site (indicate estimated value)
Vessel \$ _____
Gear \$ _____
Site \$ _____

Inheritance
What is your relationship to the person you are transferring this permit to? _____

Other (explain)

2. Was the sale financed yes no

If yes, was it through--

My own financing
 Bank
 Fish Processor

State Loan
 Credit Association
 Other (explain) _____

3. Do you plan to get the permit back from the person to whom it was transferred?

Yes
 No

4. Why did you transfer your permit?

Poor Health
 Retirement
 Plan to seek nonfishing employment
 Plan to enter other fisheries

Permit was part of the estate of a deceased fisherman
 Financial reasons
 Other (explain) _____

If you need more space to answer any of the questions, please use the back of this paper.

If you have any questions concerning the completion of the form, do not hesitate to call or write the Commission. The Commission's phone number is (907) 586-3456, and its mailing address is Pouch KB, Juneau, Alaska 99811.

Thank you for your cooperation.

01-AGL11

01-822 Rev. 4/24/78

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**WORKING
DRAFT**

Type of Gear and

SALMON PURSE SEINE:

	# Permits Given	# Permits Traded	# Combination	# Other Type Trade	Total Number of Permits	High Permit Price	Low Permit Price	Average Permit Price	Price Most Frequently Paid for a Permit	# Permits Financed	-By Transfer	-By Processor	-By Bank	-By State Loan	-By Credit Union	-By Other Means	# Permits to Remain
Southeastern--1975	15	4	0	0	4	23	16,000	5,000	10,633	10,000	12	5	6	0	0	1	2
1976	9	0	1	0	0	10	15,000	6,000	9,222	10,000	5	2	2	1	0	0	0
1977	21	0	0	0	6	27	21,000	8,000	16,667	15,000	14	3	5	3	0	1	0
1978	14	1	0	2	4	21	50,000	19,000	30,929	25,000	13	3	8	2	0	0	2
Prince Wm Id--1975	6	0	0	1	0	7	10,000	5,000	8,000	10,000	5	0	2	1	1	0	0
1976	10	0	1	1	4	16	20,000	2,000	10,700	10,000	6	2	1	3	0	1	2
1977	5	1	0	1	0	7	47,000	19,000	29,800	N/A	5	2	0	3	0	0	0
1978	9	0	3	1	0	13	30,000	20,000	24,272	25,000	4	1	0	2	0	1	0
Cook Inlet--1975	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1
1976	2	1	0	0	0	3	10,000	5,000	7,500	N/A	2	0	0	1	0	0	1
1977	4	1	0	0	1	6	20,000	2,000	10,625	N/A	2	1	0	1	0	0	1
1978	5	0	0	0	2	7	60,000	15,000	40,000	40,000	4	0	1	0	3	0	2
Kodiak--1975	7	2	1	0	1	11	7,500	1,000	4,571	5,000	5	2	3	0	0	0	0
1976	11	4	0	2	2	19	18,000	6,000	9,736	8,000	5	0	1	2	0	1	5
1977	18	6	1	1	6	32	36,000	1,500	17,611	20,000	7	3	0	2	0	1	7
1978	9	8	2	0	1	20	60,000	20,000	47,611	60,000	9	3	2	1	3	0	3
Chignik--1975	1	0	0	0	1	2	N/A	N/A	N/A	N/A	1	1	0	0	0	0	0
1976	0	1	0	0	1	2	N/A	N/A	N/A	N/A	0	0	0	0	0	0	1
1977	1	1	0	0	1	3	N/A	N/A	N/A	N/A	1	0	0	0	1	0	1
1978	0	0	0	0	1	1	N/A	N/A	N/A	N/A	0	0	0	0	0	0	1
K Peninsula--1975	1	0	0	0	0	0	N/A	N/A	N/A	N/A	0	0	0	0	0	0	0
1976	0	2	0	0	1	3	---	---	---	---	0	0	0	0	0	0	1
1977	1	2	0	0	2	5	---	---	---	---	0	0	0	0	0	0	2
1978	3	0	0	0	2	5	30,000	7,000	15,667	N/A	2	1	0	1	0	0	0

H pt



WORKING DRAFT

Type of Gear and Area

LAON BEACH SEINE:

	# Permits Bought	# Permits Given	# Permits Traded	# Combination Sales	# Other Type Transfers	Total Number of Permits	High Permit Price	Low Permit Price	Average Permit Price	Price Most Frequently Paid for a Permit	# Permits Financed	—By Transferor	—By Processor	—By Bank	—By State Loan	—By Credit Union	—By Other Means	# Permits to Relatives	# Permits to Friends or Partners
diak— 1977	3	0	0	0	1	4	30,000	5,000	15,000	N/A	2	2	0	0	0	0	0	0	0
1978	3	2	0	0	2	7	N/A	N/A	29,250	N/A	1	1	0	0	0	0	0	2	1

LAON DRIFT GILL NET:

outheastern—1975	27	3	3	1	3	37	15,000	4,000	9,211	10,000	21	10	1	7	2	0	1	1	0
1976	12	2	0	0	4	18	13,000	5,500	10,213	10,000	7	1	0	5	0	0	1	1	0
1977	21	4	2	4	5	36	25,000	8,000	16,262	15,000	17	2	2	6	3	0	4	5	0
1978	25	4	1	1	6	37	50,000	10,000	34,604	40,000	18	3	1	8	2	1	3	6	0
ince Km Sd—1975	9	3	1	0	0	13	5,000	500	3,089	2,500 & 5,000	6	3	0	2	0	0	1	1	0
1976	17	5	1	1	4	28	7,000	1,000	4,500	5,000	15	3	6	3	0	1	2	4	0
1977	28	3	0	2	5	38	35,000	7,000	13,750	10- 15- & 20,000	20	6	7	5	1	0	1	1	3
1978	25	6	0	0	2	33	47,050	10,000	27,742	25,000	19	3	7	4	2	1	2	6	0
ok Inlet— 1975	9	2	1	1	0	13	10,000	500	3,911	1- 5- & 10,000	3	2	0	1	0	0	0	0	0
1976	29	6	1	0	2	38	13,000	2,500	5,552	5,000	12	3	0	2	0	4	3	5	3
1977	25	6	0	3	7	41	25,000	1,000	9,643	10,000	14	1	4	3	0	2	4	5	1
1978	20	7	2	1	11	41	60,000	2,500	36,825	45,000	15	6	1	4	0	4	0	13	1
K Peninsula—1975	0	0	0	0	1	1	N/A	N/A	N/A	N/A	0	0	0	0	0	0	0	0	0
1976	3	1	0	0	0	4	10,000	4,000	6,333	N/A	1	0	0	1	0	0	0	0	0
1977	7	4	0	0	3	14	12,000	10,000	10,286	10,000	5	3	0	1	0	0	1	3	2
1978	5	1	0	0	5	11	30,000	5,000	15,000	N/A	3	2	0	1	0	0	0	1	0
ristol Bay— 1975	16	13	0	3	3	35	2,500	500	1,166	1,000	9	4	0	3	0	0	2	2	0
1976	25	21	2	5	11	64	10,000	500	2,536	2,000	10	2	1	7	0	0	0	25	3
1977	52	19	3	11	25	110	12,000	250	6,180	10,000	40	9	7	12	0	6	6	24	3
1978	77	21	2	1	26	127	60,000	1,000	21,638	25,000	52	12	5	18	5	6	6	31	9

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WORKING DRAFT

Type of Gear and Area

ALMON SET GILL NET:

Type of Gear and Area	# Permits Bought	# Permits Given	# Permits Traded	# Combination Sale	# Other Type Trans	Total Number of	High Permit Price	Low Permit Price	Average Permit P	Price Most Frequent Paid for a Permit	# Permits Financ	—By Transferor	—By Processor	—By Bank	—By State Loan	—By Credit Union	—By Other Means	# Permits to Natl	# Permits to Friend
akutat— 1975	2	0	0	0	1	3	1,000	500	750	N/A	2	1	0	0	0	0	1	0	0
1976	3	7	0	0	1	11	10,000	3,000	6,000	N/A	2	0	0	1	0	0	1	6	0
1977	4	2	0	0	0	6	10,000	3,000	7,000	10,000	1	0	0	1	0	0	0	2	0
1978	5	2	0	0	2	9	15,000	5,400	10,480	10,000	2	1	0	1	0	0	0	3	0
Prince Wn Id—1975 ^{1/2}	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
1977 ^{1/2}	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
1978	1	0	0	0	0	1	N/A	N/A	N/A	N/A	1	1	0	0	0	0	0	0	0
Book Inlet— 1975	6	5	0	3	2	16	2,500	2,000	2,250	2- & 2,500	6	6	0	0	0	0	0	0	0
1976	9	8	1	5	5	28	3,000	1,000	1,778	2,000	7	0	2	4	0	1	0	9	1
1977	24	9	1	5	2	41	18,500	2,000	4,821	2,500	15	4	3	1	0	7	2	9	0
1978	38	15	1	8	7	69	25,000	2,000	9,824	10,000	15	7	0	3	1	4	0	5	4
odiak— 1975	5	5	0	2	2	14	11,000	1,000	5,380	1,000	5	3	0	0	0	0	2	1	0
1976	8	1	0	2	3	14	6,000	500	3,900	4- & 5,000	2	1	0	1	0	0	0	2	0
1977	5	4	0	2	1	12	15,000	2,000	6,600	5,000	4	3	0	0	0	0	1	4	0
1978	5	5	0	1	4	15	30,000	10,000	19,800	N/A	4	3	0	0	0	1	0	6	1
K Peninsula—1975	0	1	0	0	1	2	N/A	N/A	N/A	N/A	0	0	0	0	0	0	0	2	0
1976	1	0	2	0	0	3	5,000	5,000	5,000	N/A	1	1	0	0	0	0	0	0	0
1977	4	0	0	0	1	5	10,000	600	5,150	N/A	1	1	0	0	0	0	0	1	0
1978	2	0	0	0	3	5	15,000	5,300	10,150	N/A	0	0	0	0	0	0	0	2	0
istol Bay— 1975	0	9	0	0	0	9	—	—	—	—	0	0	0	0	0	0	0	1	0
1976	11	14	1	0	8	34	5,000	300	2,755	5,000	6	4	0	2	0	0	0	16	2
1977	16	12	0	3	9	40	5,000	100	2,694	5,000	4	1	0	1	0	0	2	12	0
1978	27	23	0	0	16	66	30,000	1,500	8,507	5-, 8- & 10,000	9	3	2	2	0	2	0	26	3

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WORKING DRAFT

Area	# Permits Bought	# Permits Given	# Permits Traded	# Combination Sale	# Other Type Trans	Total Number of	High Permit Price	Low Permit Price	Average Permit Price	Price Most Frequently Paid for a Permit	# Permits Financed	—By Transferor	—By Processor	—By Bank	—By State Loan	—By Credit Union	—By Other Means	# Permits to Relatives	# Permits to Friends or Partners
MON POWER TROLL:																			
theastern—1975	46	11	0	6	2	65	10,000	300	5,303	5,000	27	10	0	14	1	0	2	2	1
1976	23	7	1	6	6	43	10,000	1,000	5,065	5,000	18	7	1	7	0	1	2	5	2
1977	58	3	3	6	5	75	15,000	1,000	8,831	10,000	25	7	1	11	1	3	2	3	0
1978	73	4	1	5	8	91	30,000	600	15,457	20,000	39	10	0	15	6	2	6	5	3
YUKON GILL NET:																			
er Yukon—1976 ^{1/2}	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
1977 ^{1/2}	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
1978	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
kokwin—1976	0	2	0	0	1	3	—	—	—	—	0	0	0	0	0	0	0	3	0
1977	0	9	0	0	2	11	—	—	—	—	0	0	0	0	0	0	0	10	0
1978	5	18	2	1	6	32	10,000	2,500	6,100	5,000	2	0	0	1	0	1	0	20	0
zebu—1976	0	1	0	0	1	2	N/A	N/A	N/A	N/A	0	0	0	0	0	0	0	1	0
1977 ^{1/2}	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
1978	1	2	0	0	3	6	N/A	N/A	N/A	N/A	1	0	0	1	0	0	0	3	0
er Yukon—1976	0	3	0	0	1	4	—	—	—	—	0	0	0	0	0	0	0	3	0
1977	2	3	0	0	0	5	1,000	100	550	N/A	0	0	0	0	0	0	0	3	0
1978	5	10	0	0	4	19	10,000	3,500	6,700	5,000	3	2	0	1	0	0	0	14	0
on Sound—1977 ^{1/2}	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
1978	4	1	0	0	0	5	6,000	900	4,350	6,000	3	1	0	2	0	0	0	1	0
WHEEL:																			
er Yukon—1976 ^{1/2}	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
1977 ^{1/2}	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
1978	5	0	0	0	0	5	9,000	5,000	7,500	8,000	2	0	0	0	0	0	2	0	0

^{1/2} Not enough data to protect individual confidentiality.

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1978 QUARTERLY PERMIT PRICE INFORMATION

WORKING

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1st Quarter (JAN FEB MAR)
2nd Quarter (APR MAY JUN)

3rd Quarter (JUL AUG SEP)
4th Quarter (OCT NOV DEC)

The Commercial Fisheries Entry Commission provides the Department of Commerce Commercial Fishing Loan program with appraised values for entry permits. The appraised value of entry permits is calculated on quarterly basis. The sale prices for each quarter are obtained from the commission's transfer survey. These prices are averaged. No source other than the Commission's confidential survey can be accepted for permit prices. In cases where sufficient data are not available for any quarter, any new data will be averaged with data from the previous quarter. Quarterly updates will be available one (1) month after the end of the subject quarter.

Fishery	Quarter No.	High Price	Low Price	Average Price/ Appraised Value
<u>SEINE</u>				
Southeastern	1	35,000	20,000	25,833
	2	50,000	19,000	33,000
	3	insufficient data		34,000
	4	insufficient data		40,000
Prince William Sound	1	23,500	20,000	20,875
	2	30,000	25,000	27,488
	3	insufficient data		26,658
	4	27,000	35,000	31,000
Cook Inlet	1	insufficient data		
	2	40,000	15,000	31,667
	3	insufficient data		35,000
	4	insufficient data		52,500
Kodiak	1	40,000	20,000	35,000
	2	insufficient data		40,000
	3	insufficient data		60,000
	4	insufficient data		57,125
Chignik		No applicable information--call 586-3456*		
Alaska Peninsula		No applicable information--call 586-3456		
Kodiak Beach Seine	1-3	No applicable information		
	4	insufficient data		29,250

Call or write: Beth Stewart, Commercial Fisheries Entry Commission, Pouch KB, Juneau, AK 99811.

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WORKING

Fishery	Quarter No	High Price	Low Price	Average Price/ Appraised Value
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DRAFT

DRIFT GILL NET

Southeastern	1	42,500	10,000	32,375
	2	40,000	22,000	33,929
	3	insufficient data		35,313
	4	50,000	27,000	39,875

Prince William Sound	1	40,000	10,000	24,346
	2	30,000	18,000	23,833
	3	42,000	40,000	41,000
	4	45,000	20,000	36,250

Cook Inlet	1	42,500	25,000	30,000
	2	47,000	15,000	35,300
	3	insufficient data		37,545
	4	75,000	35,000	57,500

Alaska Peninsula No applicable information--call 586-3456

Bristol Bay	1	30,000	5,000	13,941
	2	50,000	12,000	22,000
	3	30,000	20,000	30,000
	4	70,000	20,000	41,867

SET GILL NET

Yakutat: All 4 quarters 15,000 5,400 10,480

Prince William Sound No applicable information--call 586-3456

Cook Inlet	1	15,000	2,000	7,636
	2	12,000	2,500	8,625
	3	15,000	2,000	8,730
	4	25,000	10,000	14,571

Kodiak: All 4 quarters 25,000 10,000 24,667

Bristol Bay	1	5,000	2,000	3,925
	2	13,000	1,500	5,893
	3	10,000	6,500	7,833
	4	30,000	10,000	16,000

FOR ALL A-Y-K FISHERIES--CALL 586-3456 [Yukon; Kuskokwim; Kotzebue; Norton Sound]

POWER TROLL

Southeastern	1	16,000	8,500	12,341
	2	25,000	5,000	15,652
	3	25,000	18,000	20,250
	4	30,000	15,500	23,045

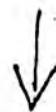
WORKING

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Appendix Table .--Actual number of permits involved in permanent transfer transactions and the total number of permanent permit transfer transactions by residence for 1978. These figures are preliminary. Some changes may occur as corrections are made on the computer file.

Fishery	Resident to Resident	Resident to Nonresident	Nonresident to Nonresident	Nonresident to Resident	Total No. of Transactions	No. Permits Involved
<u>HERRING</u>						
<u>Purse Seinc:</u>						
Southeastern	1	1	0	0	2	2
Prince William Sound	7	0	0	0	7	6
Cook Inlet	7	1	1	0	9	7
<u>Set Gill Net:</u>						
Southeastern	1	0	0	0	1	1
<u>SALMON</u>						
<u>Purse Seine:</u>						
Southeastern	17	11	23	3	54	50
Prince William Sound	11	7	15	1	34	31
Cook Inlet	10	0	0	0	10	9
Kodiak	34	7	10	9	60	52
Chignik	1	1	0	1	3	3
Peninsula/Aleutians	10	0	1	1	12	12
<u>Beach Seine:</u>						
Kodiak	16	0	0	0	16	14
<u>Drift Gill Net:</u>						
Southeastern	55	2	15	5	77	67
Prince William Sound	55	7	13	6	81	68
Cook Inlet	62	5	15	3	85	81
Peninsula/Aleutians	14	5	8	0	27	25
Bristol Bay	117	26	71	14	228	210
<u>Set Gill Net:</u>						
Yakutat	14	1	5	0	20	19
Prince William Sound	3	0	1	1	5	4
Cook Inlet	113	6	4	6	129	120

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Fishery	Resident to Resident	Resident to Nonresident	Nonresident to Nonresident	Nonresident to Resident	Total No. of Transactions	No. Permits Involved
<u>Set Gill Net (cont.):</u>						
Kodiak	14	3	3	6	26	24
Peninsula/Aleutians	9	1	2	2	14	13
Bristol Bay	83	10	24	14	131	124
<u>A-Y-K Gill Net:</u>						
Upper Yukon	2	0	0	0	2	2
Kuskokwim	50	0	0	0	50	47
Kotzebue	17	0	0	0	17	17
Lower Yukon	24	1	0	0	25	24
Norton Sound	7	0	0	0	7	7
<u>A-Y-K Fishwheel:</u>						
Upper Yukon	11	0	0	0	11	10
<u>Power Troll:</u>						
Southeastern	85	11	21	23	140	126

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Appendix Table . - Disposition of permits in limited fisheries from beginning of application process through February 9, 1979.

WORKING

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Fishery	Maximum Number	Number Permits Issued*	Number to be Issued	Number of Pending Applications			No. Applications Denied Due to--		
				Classifications	Evidence	Remaining Hearings	Judicial Appeal	Late Application	Ineligibility and Inadequate Points
<u>SALMON</u>									
Southeastern:									
✓ Purse Seine	395	412	0	0	5	20	3	3	134
✓ Drift Gill Net	453	463	0	0	7	43	1	10	238
✓ Power Troll	950	934	17	22 at 18 points	13	53	2	12	425
Yakutat:									
✓ Set Gill Net	150	161	0	0	7	8	0	3	25
Prince William Sound:									
✓ Purse Seine	258	257	1	5 at 16 points	6	15	0	10	75
✓ Drift Gill Net	511	528	0	0	1	29	5	8	113
✓ Set Gill Net	32	27	5	0	1	3	0	0	6
Cook Inlet:									
✓ Purse Seine	68	74	0	0	2	11	0	1	35
✓ Drift Gill Net	545	550	0	0	13	43	7	27	175
✓ Set Gill Net	686	743	0	0	3	9	0	8	82
Kodiak:									
✓ Purse Seine	368	371	0	0	5	15	1	9	131
✓ Beach Seine	27	33	0	0	1	1	0	0	7
✓ Set Gill Net	183	183	0	0	3	0	0	4	39
Chignik:									
Purse Seine ✓	80	90 ✓	0	0	3	16	0	1	24

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WORKING

MAY 1977

Fishery	Maximum Number	Number Permits Issued	Number to be Issued	Number of Pending Applications			No. Applications Denied Due to		
				Classifications	New Evidence	Remaining Hearings	Judicial Appeal	Late Application	Ineligibility and Inadequate Point
Alaska Peninsula:									
✓ Purse Seine	111	116	0	0	0	12	0	1	15
✓ Drift Gill Net	155	156	0	0	3	12	1	4	25
✓ Set Gill Net	110	108	2	0	1	12	0	5	7
Bristol Bay:									
✓ Drift Gill Net**	1669	1703	0	0*	60	81	13	80	683
✓ Set Gill Net	803	891	0	0	21	10	2	50	132
Kuskokwim:									
✓ Set Gill Net	810	767	43	34 at 7 points 37 at 6 points	31	12	4	15	145
Lower Yukon:									
✓ Set Gill Net	671	691	0	0	20	5	1	7	125
Upper Yukon:									
✓ Set Gill Net	63	47	16	4 at 8 points 2 at 7 points 11 at 6 points	4	6	3	8	32
Fishwheel									
✓	126	108	18	4 at 8 points 2 at 7 points 17 at 6 points	9	20	7	15	53
Norton Sound:									
✓ Set Gill Net	195	175	20	19 at 9 points	7	3	0	3	67
Kotzebue:									
✓ Set Gill Net	214	176	38	19 at 8 points 9 at 7 points 6 at 6 points 32 at 5 points	5	7	0	6	24

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end of
salmon

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WORKING DRAFT

Fishery	Maximum Number	Number of Permits Issued*	Number of Jobs held	Number of Pending Applications			No. Applications Denied Due to—		
				Classifications	New Evidence	Remaining Hearings	Judicial Appeal	Late Application	Ineligibility and Inadequate Points
<u>HERRING SAC ROE</u>									
✓ Southeastern: Purse Seine	35	42	0	0	0	8	0	0	8
✓ Prince Wm. Sound: Purse Seine	55	92	0	0	0	13	0	1	17
✓ Cook Inlet: Purse Seine	68	67	1	3 at 5 points	1	10	0	0	5
Southeastern: Set Gill Net	110	17	93	0	132	1	0	1	6
TOTALS:	9901	9982	231	226	372	486	50	292	2853

* Number of permits issued may exceed maximum number because of Isakson Decision applications and hardship determinations.

Bristol Bay drift gill net

* * SOBT classifications at the sixteen (16) point level have not at this point been formally denied pending an evaluation of the maximum number.

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*Also member Alaska Bar

March 22, 1979

LIMITED ENTRY IS BAD, BAD, BAD: A CRITIQUE

By Frederick Paul

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Now that we have had limited entry for five complete years, I want to look at what it has done, is doing and increasingly and progressively will do to us.

The obvious spectacle is that the people of Alaska have donated her commonly owned property - her fisheries - to about 10,000 individuals.

I am talking about her most basic industry, greater than depletable oil. Perhaps timber will come close, because it, too, is renewable. But for now, fish is the premier.

This gift is justified by two reasons - to promote conservation and relieve economic distress - so says the 1972 constitutional amendment.

ECONOMIC DISTRESS RELIEVED?

One thing I am sure of: as to some of the 10,000 permit holders, not all of them, the law has, indeed, relieved their poverty.

But I rather believe the people had a broader vision than simply making some of those 10,000 millionaires, so to speak. So, in this broader sense, has that law relieved economic distress?

With permits commonly selling for as high as \$200,000, the skippers are demanding and getting a share out of the proverbial pie over and above that customarily awarded to a skipper (for his boat, gear and his being the master) for their permit. Thereby, the law has promoted a crewman's economic distress.

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What about a permittee with the traditional family-run boat? On his retirement, some are selling their permits to pay for their old age. Their sons, having lost the family permit, will thereafter be relegated to a maximum caste status of a crewman. This today is occurring. Again, I say the system promotes economic distress by destroying a hope of being a skipper. Its impact destroys initiative and eventually will swell our welfare rolls.

A similar result occurs when a skipper has, by example, three sons and this time he wants to give or will his permit to them. What agony he must go through in choosing the favored one and think of the agony suffered by the disfavored two. It reminds one of the feudal system of old England, known as primogeniture, in which the oldest son inherited all and the younger sons and daughters nothing.

Then there are our old people, both Native and non-Native, too old to even be a crew member but active enough to catch a few salmon for subsistence and in our cash economy to sell for other staples. To do this, such a person would be committing a crime. Again I say, the system promotes economic distress and destroys self-pride.

We are not so far out of our Native culture that all of us have acquired Western Society's demand to make all the money we can. Traditionally, through the centuries the Natives harvested enough fish for their needs. Throughout Alaska, many Natives did not participate enough in the

critical years of 1971 and 1972 to qualify for a permit and yet the law assumes that all Alaskans were so imbued with a demand inside of them that if one were truly a fisherman, and thus worthy of a permit, he would have had landings for the required number of weeks to gain sufficient points for a permit. This assumption is foreign to the Native culture and to many of our adopted non-Native brothers. Again I say the system promotes economic distress. Governments cannot change lifestyles by decree.

Particularly in Bristol Bay, many fishermen have for years taken their vacations or taken leaves of absence from other employment. Because one can qualify for a permit simply by owning a boat, his gear and by his fishing for three weeks in 1971 and 1972, many permits have been issued to those who do not need any economic distress relieved, for they have none. The reason such a person can so qualify for a permit is that economic dependence is not that big a factor in the qualifying process. I cannot believe that the people of Alaska wanted that result in their approving the 1972 amendment.

Any freshman student of the fishing industry knows that a half-way qualified fisherman can get financing through his cannery. At Christmas time, he sends an SOS for some Christmas money and gets it. He orders webbing for his nets in the spring and he gets his engine overhauled, etc. He thereby becomes beholden to his cannery. The cannery

"dominates" that unit of gear.

Now that the permits are selling for these vast sums, no one can tell me that the extent of cannery domination has not ballooned. Whenever a fisherman has to knuckle under to his cannery for fear his boat mortgage will be foreclosed, he gets the worse end of the deal. He pays premium prices for his interest, his insurance, his web, his engine overhaul, etc. I cannot believe that all 10,000 permittees are being relieved of economic distress.

I am not talking about paltry sums. My analysis is that the aggregate value of the permits, utilizing Commission appraisals as a base, is \$325 million. Others believe such aggregate is \$600 million. That is what I call domination.

My wonderment now turns to the concentration of permit ownership outside of our traditional fishing corps. More and more, our old-time fishermen are selling their permits. Western Society can condemn them all it wants to, but that is happening. Perhaps it is because such selling conforms to their lifestyle. No matter what the reason may be, it is a fact. Society having adopted a law alien to their culture will now condemn them for not conforming. The taxpayers will get angry at the resulting increase in our welfare rolls. Again I say economic distress is being promoted.

When one talks about the hundreds of millions of

dollars, the obvious ultimate source of such sums is the multi-national corporations. I reason, therefore, that what the people of Alaska through their legislature and their vote on the 1972 amendment have done is to give such corporations an ownership in our most basic industry at no cost and to invest them with life or death authority over our fisherman corps. All I can ask is: Is the economic distress of multi-national corporations what the people wanted to relieve?

Supposing these thoughts were to impress the legislature or the people sufficient to cause the abolishment of the system, then there is a true dilemma. One choice is to maintain the current system and suffer through the continuing and mounting economic distress.

The other is by law to abolish it. No one has any idea how much money has been loaned in the transfer operation of permits, for the Commission has chosen not to require such disclosures. Certainly, however, it must be millions upon millions of dollars. By the abolishment of the permits the underlying loans are nonetheless still due and owing. No matter what, there will be a lot of economic distress for a lot of people.

My sympathy goes to the legislators. Are they going to vote to abolish this handout and to relieve the economic distress of thousands of our bush people and thereby incur the wrath of the permittees? Or will they vote to

maintain the system and thereby to continue the handout and promote the distress of the bush?

IS CONSERVATION SUBSERVED BY THE LIMITED ENTRY SYSTEM?

All society, including Hank Ostrosky, believes in the conservation of our resources. It is well-known that courts will do their utmost to uphold legislative efforts to promote conservation as well they should. So, of course, the sponsors of Limited Entry base their justification for the system on conservation. It seems almost unholy to fight the system, because one condemns himself as being against conservation. Nevertheless I want to examine this so-called justification.

First there are already awesome tools to conserve fish: the State of Alaska can now regulate the size of gear, size of vessel, the area to be fished, the time periods to fish and impose maximum quotas. If those tools are not enough, then Alaska's failure to utilize them cannot be blamed on lack of power.

The sponsors claim that the decline of the fisheries is a result of over fishing; therefore, the sovereign must limit the number of fishermen. What did the legislature do in this regard? It mandated that the number of permits the Commission must issue was the highest number of gear licenses issued and utilized for the preceding four years (pre-1973). How can the legislature say there is over fishing because of too much gear and still decree that such over supply of

fishermen now have a transferable and inheritable permit. It guarantees an over supply of fishing units. That is not conservation.

To make matters worse, the Commission, pursuant to legislative mandate, has by regulation found as a fact that six major areas have a "distressed" fishery. The drift gillnet fishery in Southeastern is one of them. For the years 1966 through 1971, there were the following respective number of drift gillnet licenses issued and utilized for that area: 285, 320, 402, 297, 339 and 347. The Commission has issued 453 permits for that fishery.

So, even for a "distressed" fishery, the Commission has exceeded the usual number. How in the world can cementing-in the number of permits, admittedly higher than conservation would justify, be a tool to conserve the salmon runs - remember, this is a "distressed" fishery.

Here is another puzzle: the legislature has commanded that the Commission determine the "optimum" number of permits for each fishery. That would be the number to promote conservation and relieve economic distress. The Commission has failed to do so as to all of Alaska.

But even if the Commission had made its determination of the optimum that action would have been useless, for there is no money or mechanism to reduce the permits issued to the lesser optimum number. The legislature has not invested the Commission with authority to buy back a single

permit, let alone enough to reach the optimum level. And, of course, the Commission has not purchased even one.

The money for the buy-back program is to be provided by an annual assessment not to exceed seven percent of the respective harvests by the permit holders. That has never been implemented and probably should not be in view of the Commission's impotence in enforcing the buy-back program.

There is even a more fundamental error in justifying Alaska's limited entry effect on conservation. Bristol Bay is a good example to illustrate this principle. The number of permits issued there is 1669 for the drift gillnet (as compared to 1710 for 1971). It, too, is a "distressed" fishery. There are four distinct salmon runs there: red, pink, chum and king. The number of permits authorized was based on the aggregate of the four runs. Surely, surely the impact of 1669 permittees on the four runs individually must be devastating.

My conclusion is that there is no rational relationship between Alaska's Limited Entry and the promotion of conservation. Indeed, conservation is not subserved by the system.

I get back to the basics; why aren't the other tools of conservation awesome enough, if the Department of Fisheries had some intestinal fortitude, to guarantee an everlasting supply of fish?

THIS MONOPOLY IS SOCIOLOGICALLY BAD

Finally let us look at what Limited Entry really

is. Its philosophy is to guarantee a financially independent corps of fishermen. Let us assume that such philosophy emerges. Why is that good for society? As a lawyer I wish the legislature would by law determine that it is in the public interest that lawyers by law should be financially independent. It would by law determine that the public would be better served if all lawyers had ample money, that we would then refrain from sharp practices, refuse to take marginal cases, that we would enforce pure justice, and so forth ad nauseum; therefore the legislature would find that society needs no more than 1,000 lawyers. Thereby we could charge higher fees which would be in the public interest, so the theory is.

Of course, lawyers need more money and so do teachers, accountants, hunters, mechanics, merchants, policemen, politicians, etc. We all need a monopoly.

It is against the public interest to stifle the ambitions of our children by limiting the entry into any occupation; it stifles ambition, initiative, the pioneer spirit, the dream of "the enjoyment of the rewards of their own industry." It is bad, bad, bad. It must be destroyed. I do not believe the legislature will have the guts to do it. Thank God for Hank Ostrosky, a man who truly believes in the Alaskan spirit. He put his future, what wealth he had, in a sense his honor, on the line. I intend to help him restore this fundamental liberty for all of us.



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April 11, 1979

AGGREGATE VALUE OF SALMON PERMITS
DECEMBER 31, 1978

Methodology: In Table 1, the source of the "high permit price" and "appraised price" is the public records as of December 31, 1978, of the Alaska Commercial Fisheries Entry Commission (ACFEC).

Where the ACFEC has a "high permit price," that figure is utilized. The reason for the same is that in its 1977 annual report, the ACFEC stated in appendix 2, page 4, in footnote 2, that the high price reflected the going market price and lesser amounts probably were friendly deals, such as from father to son.

Where there was no high price in the ACFEC public records, then its appraised price was utilized.

Table 2 was developed because there is a category that the ACFEC has certified there is insufficient data to form an opinion. Therefore, the average price of permits as represented by Table 1 was determined. Then the average of Table 1 was multiplied by the aggregate number of permits in Table 2 to determine in an arbitrary, rough and ready system the aggregate value of permits in Table 2.

Finally, the two sums of Tables 1 and 2 were added together to determine the grand total.

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TABLE 1

PERMITS ISSUED FOR WHICH THE AC FEC
HAS TRANSFER-PRICE INFORMATION

AREA	FISHERY	PERMITS ISSUED	APPRAISED	HIGH PRICE	TOTAL
Southeast	Purse Seine	412	40,000		16,480,000
Pr. Wm. Sound	Purse Seine	257		35,000	8,995,000
Cook Inlet	Purse Seine	74	52,500		3,885,000
Kodiak	Purse Seine	371	57,125		21,193,375
Kodiak	Beach Seine	33	29,250		965,250
Southeastern	Drift Gillnet	463		50,000	23,150,000
Pr. Wm. Sound	Drift Gillnet	528		45,000	23,760,000
Cook Inlet	Drift Gillnet	550		75,000	41,250,000
Bristol Bay	Drift Gillnet	1,703		70,000	119,210,000
Yakutat	Set Gillnet	161		15,000	2,415,000
Cook Inlet	Set Gillnet	743		25,000	18,575,000
Kodiak	Set Gillnet	183		25,000	4,575,000
Bristol Bay	Set Gillnet	891		30,000	26,730,000
Southeastern	Power Troll	934		30,000	28,020,000
SUBTOTAL		7,602			\$339,203,625
Average Price - \$44,620					

TABLE 2

PERMITS FOR WHICH THE AC FEC HAS NO PUBLIC
INFORMATION OF SALE PRICES

AREA	FISHERY	PERMITS ISSUED
Kuskokwin	Set Gillnet	767
Lower Yukon	Set Gillnet	691
Upper Yukon	Set Gillnet	47
Upper Yukon	Fishwheel	108
Norton Sound	Set Gillnet	175
Kotzebue	Set Gillnet	176
Chignik	Purse Seine	<u>90</u>
		<u>2,162</u>

\$44,260 x 2,162 = \$96,468,440

Subtotal Table 1 = 339,203,625

GRAND TOTAL \$435,672,065

TOTAL NUMBER OF PERMITS ISSUED

TABLE 1 7,602

TABLE 2 2,162

9,764