

SCOMM

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Alaska State Legislature
House of Representatives

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MEMORANDUM

TO: House Special Committee on Fisheries

FROM: *Melvin Hansen*, Professional Assistant

SUBJECT: Report on Halibut Fisheries

DATE: October 17, 1983

This report summarizes the recent history of the halibut moratorium and limited entry system that the Alaska State Legislature commented on with Senate Joint Resolution 7 (see attachment).

Background

The commercial halibut fishery has changed dramatically over the past decade and this change has brought about concern for the continuance of a viable future for the fishery. The Pacific halibut has been managed by the International Pacific Halibut Commission (IPHC) since 1923. The IPHC has expressed concern in recent years because of the decreasing season lengths which have resulted from a rapid increase in fishing effort. Two specific results of the increased effort that concerns the Commission are; taking the entire catch from one particular stock component that is available during the shortened seasons and the increased possibility of exceeding an area's quota before the fishery can be closed. Examples are the dramatic decrease in season length in Southeast Alaska from 73 days in 1977 to 5-1/2 days in 1982 and the 6.2 million pound 5 day harvest in area 2C this year which exceeded the quota by 2.8 million pounds.

Because of these dramatic changes managers and some fishermen have been searching for a method to save the fishery from the uncontrolled increase in effort. The IPHC, however, can only set seasons, quotas, fishing methods, and areas; not decide on who may participate in the fishery. The Northern Pacific Halibut Act of 1982 was passed into law to resolve this and it authorized the

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North Pacific Fishery Management Council (NPFMC) to develop regulations limiting participation in the U.S. halibut fishery.

SJR 7 was primarily in reaction to the activities of the NPFMC which had submitted a proposed moratorium for approval by the Administration in Washington, D.C. The Council had proposed the moratorium as a method to limit expansion of effort during the time they would be developing a limited entry system for the halibut fishery. They hoped this would limit the speculative new entries to the fishery; individuals just trying to obtain "points" for an eventual qualification system.

Update of Recent Actions

As you have probably heard, just before the session ended the Office of Management and Budget recommended to the National Oceanic and Atmospheric Administration (NOAA) that the moratorium not be implemented. Administrator John Byrne of NOAA following this advice disapproved the moratorium on June 15. The reasons given for the rejection included three major problems:

1. The moratorium would not contribute to a resolution of the problems of excess participation and overcapitalization, and could even introduce further inefficiencies and inequities to the fishery (NOAA).
2. The need for a lengthy entry moratorium has not been shown and a moratorium would likely delay consideration of alternative measures to resolve the halibut problem in a fair, lasting, and economically efficient manner (OMB).
3. Political pressures.

Since the NPFMC got word that the moratorium was rejected they have been working on the halibut problem to see what options are left for their attempts to relieve the increasing pressure on the halibut fishery. At their the July meeting the Council decided that their Halibut Workgroup should meet and put together recommendations at the September meeting. The Council expanded their workgroup to better reflect interests in the industry and to include interests which are opposed to the moratorium in the process.

The Halibut Workgroup met on September 7 and 8 in Anchorage and after discussing their differences for an entire day put together the following objectives for the Council on the second day.

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1. Distribute the hook and line halibut fishery in time and space to ensure conservation of all components of the stock.
2. Preserve halibut as a hook and line fishery.
3. Retain the IPHC as the primary management authority.
4. Provide for high quality fresh and frozen fish to the consumer throughout the year.
5. Develop means of reducing the catch of incidentally caught, non target species by all gear types.

There was no consensus at the workgroup meeting on whether or not the moratorium should be revised and resubmitted to the administration and no discussion of the umbrella issue of limited entry in one form or another.

The NPFMC at their September meeting voted to accept the objectives as draft objectives and send them out for comments and amendments (these are due by November 4). The Council also directed the workgroup to draft a moratorium on new entry into the halibut fishery and to present this proposal to the Council at their meeting in Anchorage on December 7 and 8. The workgroup will meet in Anchorage on November 17 to try to put together a moratorium. The formation of a acceptable revised moratorium by the workgroup will be a difficult if not impossible task as the members attending the last meeting seemed to lean towards the no moratorium position.

From the tone of the NPFMC at their September meeting it seems they will be resubmitting a moratorium in one form or another and most probably before the 1984 halibut season. The IPHC has once again expressed concern about the large increase in effort and their inability to manage the fishery in a biologically sound manner with their current controls.

I plan on updating the Fisheries Committee on the Council's December actions just before the session. If you have any specific questions on the halibut fishery please contact me as I have files full of reports and am able to contact the NPFMC office here in Anchorage easily.

STATE OF ALASKA

THE LEGISLATURE

1983

Source

HCS CSSJR 7(Res)

Legislative
Resolve No.

5



Relating to the imposition of a halibut moratorium and the establishment of a shares system for halibut in Alaska.

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

WHEREAS the North Pacific Fishery Management Council has recommended imposition of a moratorium on Alaska's halibut fisheries and is considering recommending the establishment of a share-quota system for the allocation of the fishery resource; and

WHEREAS the proposed moratorium would exclude fishermen who did not participate from 1978 to 1982; and

WHEREAS many people in Alaska oppose imposition of a moratorium in any form, while many others in Alaska favor imposition of a moratorium as proposed or in another form; and

WHEREAS a share system could result in the concentration of ownership of the fishery resource in the hands of a few fishermen; and

WHEREAS a share system could encourage speculation and the making of exorbitant profits at the expense of Alaska fishermen; and

WHEREAS concentration of ownership in and speculation by nonresidents could result in a loss to Alaska fishing communities and to the state of a fishery resource valued at \$50,000,000 annually; and

WHEREAS a share system could tend to eliminate competition among halibut fishermen; and

WHEREAS existing management tools, such as harvest levels, size limits, gear restrictions, and area closures, are less

draastic alternatives to a share-quota system and have not been adequately considered by the management council; and

WHEREAS numerous Alaska communities, including Akutan, Cordova, Craig, Kenai, the Kenai Peninsula Borough, King Cove, Kodiak, the Kodiak Island Borough, Valdez, and Whittier, and organizations, including the Kodiak Area Native Association, the Kodiak Area Chamber of Commerce, the Alaska Druggers, and the United Fishermen's Marketing Association, have passed resolutions or otherwise expressed views in opposition to the share-quota system; and

WHEREAS the Legislature would oppose the use of state-operated facilities and other forms of cooperation in implementing a share-quota system; and

WHEREAS much testimony has been given regarding the negative impact of the high incidental catch of halibut;

BE IT RESOLVED by the Alaska State Legislature that the Secretary of Commerce and the administrator of the National Oceanic and Atmospheric Administration are respectfully requested to give serious consideration to the comments submitted by Alaskans regarding the imposition of a moratorium on Alaska halibut fisheries; and be it

FURTHER RESOLVED that the Alaska State Legislature urges the Secretary of Commerce and the administrator of the National Oceanic and Atmospheric Administration to consider alternative halibut management techniques, such as shorter openings over a longer period of time, area registration, and harvest limits as a means of accommodating substantial regional differences and addressing the problem of short seasons; and be it

FURTHER RESOLVED that the Secretary of Commerce and the administrator of the National Oceanic and Atmospheric Administration are respectfully requested to disapprove any share-quota system for halibut in Alaska that is recommended by the North Pacific Fishery Management Council; and be it

FURTHER RESOLVED that the Alaska State Legislature urges the Secretary of Commerce and the administrator of the National Oceanic Atmospheric Administration to seek methods of reducing the incidental catch of halibut.

COPIES of this resolution shall be sent to the Honorable Malcolm Baldrige, Secretary of Commerce; Mr. John V. Byrne, Administrator, National Oceanic and Atmospheric Administration; Mr. Clem Tillion, Chairman, North Pacific Fishery Management Council; and to the Honorable Ted Stevens and the Honorable Frank Murkowski, U.S. Senators, and the Honorable Don Young, U.S. Representative, members of the Alaska delegation in Congress.