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AGENDA D-2
JANUARY 1987
SUPPLEMENTAL

JUSTIFICATION FOR THE DOMESTIC FISHERY ZONE WITHIN 100-MILES OF UNALASKA

A Supplementary Report
to
James Campbell, Chairman
North Pacific Fishery Management Council

by

The City of Unalaska
Paul Fuhs, Mayor
(907) 581-1251

and

The City of Akutan
Erika Tritremmel, Administrator
(907) 279-9245

The proposed 200-mile zone
around Unalaska is intended for
all DAP fishermen of all gear types.

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INTRODUCTION

In Unalaska and Akutan, fish is our future. No fish, no future. During 1986, our processors had difficulty buying a steady supply of pollock and cod, even though they were paying 15% more than joint venture motherships offered.

To help us overcome this shortage, we request that the North Pacific Council set aside the grounds inside a 100-mile radius of Unalaska, not just for us, but for all DAP fishermen and processors.

The time-area closure concept of fishery management and allocation is the essence of our proposal.

When Congress was deciding how to stimulate the American fishing business ten years ago, it chose the time-area closure as its preferred instrument of change.

Congress drew the 200-mile boundary line and notified the world that access to the fish inside that line would be granted on a clearly-stated, priority basis: DAP fishermen and processors first, JVP fishermen second and TALFF last.

Our proposal is a legitimate descendant of the 200-mile limit line.

Congress anticipated that Americans like us would request such limited [illegible] as the domestic fishing business developed.

Our proposal seems to have given JVP fishermen boundary anxiety, though. They claim that drawing lines in the ocean is impractical and that it sets a dangerous precedent.

This is peculiar for two reasons. First, if Congress had not drawn a 200-mile line along the American coast in 1976, many of these people would not be in the groundfish business today. There would be no incentive for foreign fishing companies to participate in joint ventures. Directed foreign fishing would still dominate the Bering Sea and Gulf of Alaska. Second, many JVP fishermen who oppose the 100-mile line around Unalaska did not oppose, nor seek to repeal, the boundary lines that kept foreign fishermen out of the Shelikof Strait pollock fishery, where many JVP fishermen made their first, big money.

There's an obvious double standard here where there shouldn't be.

We all understood the rules under the Magnuson Act. Competition for the pollock and cod in the Bering Sea and Aleutian Islands should be conducted according to those rules. To suddenly deny the rules or to thwart them suggests an unwillingness to share the wealth from these fisheries.

Those who have already profited from priority access cannot reasonably deny DAP fishermen and processors the same advantage.

This paper will describe how much pollock and cod has been harvested from this area in 1983, 1984 and 1985, how that amount compares to the DAP processing capacity in the area, and if JVP fishermen could find pollock and cod in commercial abundance elsewhere.

CONGRESSIONAL MOTIVE

Why did Congress pass the 200-mile limit law in 1976?

On page 3 of the Magnuson Act, Congress describes exactly why it passed that law.

(1) To prevent overfishing;

(2) to rebuild overfished stocks;

(3) to insure conservation;

(4) to realize the FULL POTENTIAL of the nation's fishery resources; and

(5) to assure that our citizens benefit from the EMPLOYMENT, FOOD SUPPLY and REVENUE which could be generated by a national program for the development of fisheries.

Congress had a clear commercial motive. It intended to stimulate new jobs and new sales for American fishing companies, American fish processing companies, American shipyards, companies that supply hardware and services to the American fishing industry, American companies that transport processed fish to market, secondary fish processors throughout America and American fishing towns, too.

How much of the potential employment, food supply and revenue did Congress intend domestic fishermen and processors to capture?

". . . The full potential of the nation's fishery resources." One hundred percent.

Full potential is unambiguous. It means everything. No holdbacks.

That's the goal of our proposal. To capture the full potential of the BSAI pollock fishery for domestic fishermen, domestic processors and domestic businesses associated with the fishing industry.

We think there will be many benefactors of the 200-mile zone around Unalaska in addition to processors and fishermen. Our proposal will boost the volume of pollock and cod handled by DAP processors. That will generate new demand for the services of other Americans such as those listed below.

(1) Shipyard workers in Washington, Oregon, California, Louisiana, Alabama and Florida.

(2) Longshoremen and truck drivers in Alaska, Washington, Oregon and California.

(3) U. S. merchant seamen and ship owners transporting processed fish from Western Alaska to the Orient or the West Coast.

(4) Processing workers from Anchorage, the Pacific Northwest and California who will come to Unalaska, Akutan and King Cove for the new jobs.

(5) Airlines serving Seattle to Anchorage and Anchorage to Cold Bay and Unalaska.

(6) Surimi analog manufacturers around Puget Sound and in California.

(7) Cold storage owners and workers around Puget Sound.

HOW CONGRESS JUDGES THE VALUE OF THE FISHING INDUSTRY TO AMERICA'S ECONOMY

How important does Congress think a totally domestic fishing industry is to our nation?

Congress says just how important on page 2 of the Magnuson Act.

> "Commercial and recreational fishing constitutes a major source of employment and contributes significantly to the economy of the Nation."

Unalaska is one of the capitol cities of the domestic fishing industry. If commercial fishing "contributes significantly to the economy of the Nation", then Unalaska should contribute significantly, too.

To make that significant contribution to the American economy, Unalaska needs priority access for DAP fishermen and processors. That appears to be the most cost effective and reliable way to improve the odds of getting fish to our processors and our town.

We are not asking for any guarantees. All we need is a level playing field on which to compete with other DAP processors for the fish. For several reasons, enacted

WHY DAP PROCESSORS NEED PRIORITY ACCESS.

DAP processors are at a distinct competitive disadvantage with joint venture processors in the Bering Sea and Aleutian Islands.

(1) The joint venture product enjoys virtually free access to some important Asian and European markets. DAP product faces public and hidden trade barriers abroad.

(2) Where the joint venture product is subject to import quotas and duties, DAP product commonly faces stiffer ones. In Japan, for example, we understand JVP surimi enjoys a 5¢ to 8¢ per pound lower import duty than DAP surimi does.

(3) The social costs of producing DAP product are much higher than they are for JVP product.

In the process of becoming one of the most civilized nations on earth, the United States has adopted some of the highest human rights standards, sanitation standards, environmental quality standards, occupational, safety and health standards and pure food standards in the world.

Meeting these standards is a direct cost to American manufacturers; in our case, DAP processors.

Most JVP processors enjoy a much lower cost of compliance with these standards. In many cases, the JVP processor is not required by its government to meet many of these standards.

This difference is obvious if you compare the DAP cost of production to the JVP's.

(4) DAP product faces unfair price competition on international markets from some JVP processors. The USSR, Poland and the PRC are command economies whose state enterprises are not required to sell their products at a price that would be break-even or profitable for DAP processors. Top priority for these countries may often be hard currency generation, not profit.

(5) JVP processors pay no user fees for the fish they acquire in the 200-mile zone. If those same processors were receiving deliveries under TALFF, they would be paying permit and user fees to the U. S. government.

DAP shore processors pay a raw fish tax to the State of Alaska, local resource taxes on landed fish and numerous conventional business and sales taxes in their communities.

(6) DAP processors must comply with certain federal laws that do not restrict JVP processors. American fishermen have the option of selling to domestic processors or JVP

processors. Domestic processors do not have the same flexibility. They can only receive direct deliveries from domestic fishermen. The Nicholson Act obstructs foreign deliveries to domestic processors.

The Jones Act effects the DAP processors in many ways. It does not seem to restrict the JVP processor at all.

U. S. federal anti-trust laws isolate DAP processors and promote auction-style pricing in the U. S. Many JVP processors are not subject to anti-trust laws in their homelands. In fact, most of the countries represented in the JVP processing fleet assume that the sale price of their products will not be determined by American-style competition, but by consultation and planning between producers.

(7) We have been told by businessmen in the American fishing industry that JVP processors may enjoy some national subsidies for their fuel, labor and marketing expenses, preferential interest rates on their business loans and distinct tax preferences and deferrals. The magnitude of these advantages to JVP processors is hard to determine.

We suspect that magnitude is greater for JVP processors than it is for DAP processors. If any evidence to the contrary is available, we'd like to see it.

PURSUING THE FULL-POTENTIAL OF THE BERING SEA-ALEUTIAN ISLANDS POLLOCK FISHERY

How close are domestic fishermen and processors to capturing the "full potential" of the Bering Sea-Aleutian Islands pollock fishery?

Let's concentrate on determining the 'full potential' wholesale value, first.

To estimate the 'full potential' wholesale value of the 1987 pollock fishery we must make several conservative assumptions.

(1) The recovery rate of surimi from raw pollock is at least 20% annually.

(2) The average wholesale price of surimi produced in Alaska by foreign motherships and domestic plants and factory trawlers is $1 per pound.

(3) American joint venture operating companies earn the equivalent of $10 per ton for their services.

(4) All of the TAP pollock is processed into surimi and consumed domestically. (This is assumable because pollock fillet recovery rates are similar to surimi recovery rates. Likewise, wholesale pollock fillet prices approximate surimi wholesale prices.)

(5) Approximately 150 million pounds of surimi will be consumed in the U. S. during 1987. Domestic processors will provide 30 million tons (if they can get the fish). Imports will provide 120 million pounds, or 54,000 tons.

The "full potential" wholesale value of this pollock fishery to the American economy in 1987 will be approximately $568 million.

DAH BS	1,200,000	MT
DAH AI	88,000	MT
TOTAL	1,288,000	MT
	X 20%	surimi recovery
	257,600	MT surimi
	X $2,205	MT wholesale value ($1 per pound)
TOTAL	$568,000,000	

How much of this will DAP fishermen and processors earn in 1987, if processors can acquire the fish?

DAP BS	190,000	MT
DAP AI	57,000	MT
TOTAL	247,000	MT
	X 20%	surimi recovery
	49,400	MT surimi
	X $2,205	wholesale value ($1 per pound)
TOTAL	$108,927,000	DAP wholesale value (includes ex-vessel price paid DAP fishermen)

To this amount, we must add the amount likely to be earned by JVP fishermen and JVP company operators from the 1987 JVP allocation.

BS	Final JVP	1,010,000	MT
AI	Final JVP	30,790	MT
TOTAL		1,040,790	MT

JVP fishermen will be paid approximately $125 per ton for their catch this year.

1,040,790 MT
X $125 per MT
$130,000,000 JVP fishermens' income

American JVP companies will earn approximately $10 per ton for their services. If there is a better estimate, we welcome it.

1,040,790 MT
X $10 per MT
$10,040,790 JV operators' income

The total domestic income from this pollock fishery in 1987 will be approximately $248 million.

$108,907,000	wholesale DAP value
130,000,000	JVP fishermens' income
10,041,000	JVP operators' income
$248,948,000	total

Is this $248 million the net wholesale value to the American economy in 1987?

No, because American importers are projected to pay $120 million for U. S. surimi imports in 1987.

By subtracting the cost of the imports from the value to DAP processors, JV fishermen and JV operators, we can estimate the net wholesale value of Bering Sea-Aleutian Islands pollock fishery to the American econor .

$249,000,000	domestic pollock income
-$120,000,000	cost of imports
$129,000,000	net wholesale value to U. S. economy

In the Findings Section of the Magnuson Act, Congress writes --

> (7) A national program for the conservation and management of the fishery resources of the U. S. is necessary . . . to realize the full potential of the Nation's fishery resources.

How close is the Nation to realizing the full potential of this pollock fishery in 1987?

Based on our assumptions, we can calculate that.

$568 million is the "full potential" wholesale value of the 1987 pollock fishery.

$129 million is the net wholesale value to the U. S. economy.

$$\frac{\$129 \text{ million}}{\$568 \text{ million}} = 23\%$$

That's how much of the "full potential" of this pollock fishery is being captured by the domestic economy in 1987.

This means the U. S. economy will receive less than one-quarter of the wholesale value generated by that pollock fishery in 1987.

How much motivation is there for the United States to fully utilize that pollock business as soon as possible?

$439 million worth of motivation in 1987 alone, and that's just wholesale value.

By establishing a priority access zone within 100-miles of Unalaska, the North Pacific Council will send a clear signal

to DAP processors and investors:

> "Gear up and compete for the $439 million wholesale value the U. S. economy hasn't yet captured from this pollock fishery. We recognize the DAP processor's competitive disadvantage against JVP processors. To counter-balance that, we've set aside productive fishing grounds where DAP fishermen and DAP processors can compete for the fish."

This policy will lead America to the full potential of the Bering Sea and Aleutians pollock fishery faster than any other.

POLLOCK MIGRATION AND THE
100-MILE ZONE AROUND UNALASKA

"Since pollock are ectotherms, with body temperatures in equilibrium with their surroundings, on- and off-shelf migrations appear to be an adaptive response to the extremely cold temperatures (0.0° to -1.7°C) of the shelf domain during winter. Along the shelf edge at depths of 200-300 m, water temperatures are relatively constant -- 3-4°C throughout the year, providing a warm winter refuge (i.e., freezing avoidance) layer. Dispersal from this layer out onto the continental shelf during summer presumably maximizes the exploitation of different food resources by different size and age classes."

NWAFC Processed Report 79-20
Fisheries Oceanography-
Eastern Bering Sea Shelf
Felix Favorite
October 1979

Pollock and codfish are born with tails. They move around the Bering Sea and Aleutian Islands all their lives. Attempts to corral them are futile. Their behavior is not exactly predictable. But fishermen have developed some ideas about where to find them during the spring, summer, fall and winter. See Appendix I - IV.

One of the best places fishermen find pollock and cod is along the 100-fathom curve near Cape Sarichef. The curve comes up from the Aleutians toward Sarichef, makes a sharp turn to the west and runs up towards the Pribilof Islands. This area

is known as the Horseshoe, because the 100-fathom curve is shaped like one there. Foreign and domestic fishermen have noticed that pollock and cod school up in this hot spot during several months of the year. Later they disperse and the majority of them apparently move to other grounds.

How valuable has this area been to pollock and cod fishermen lately?

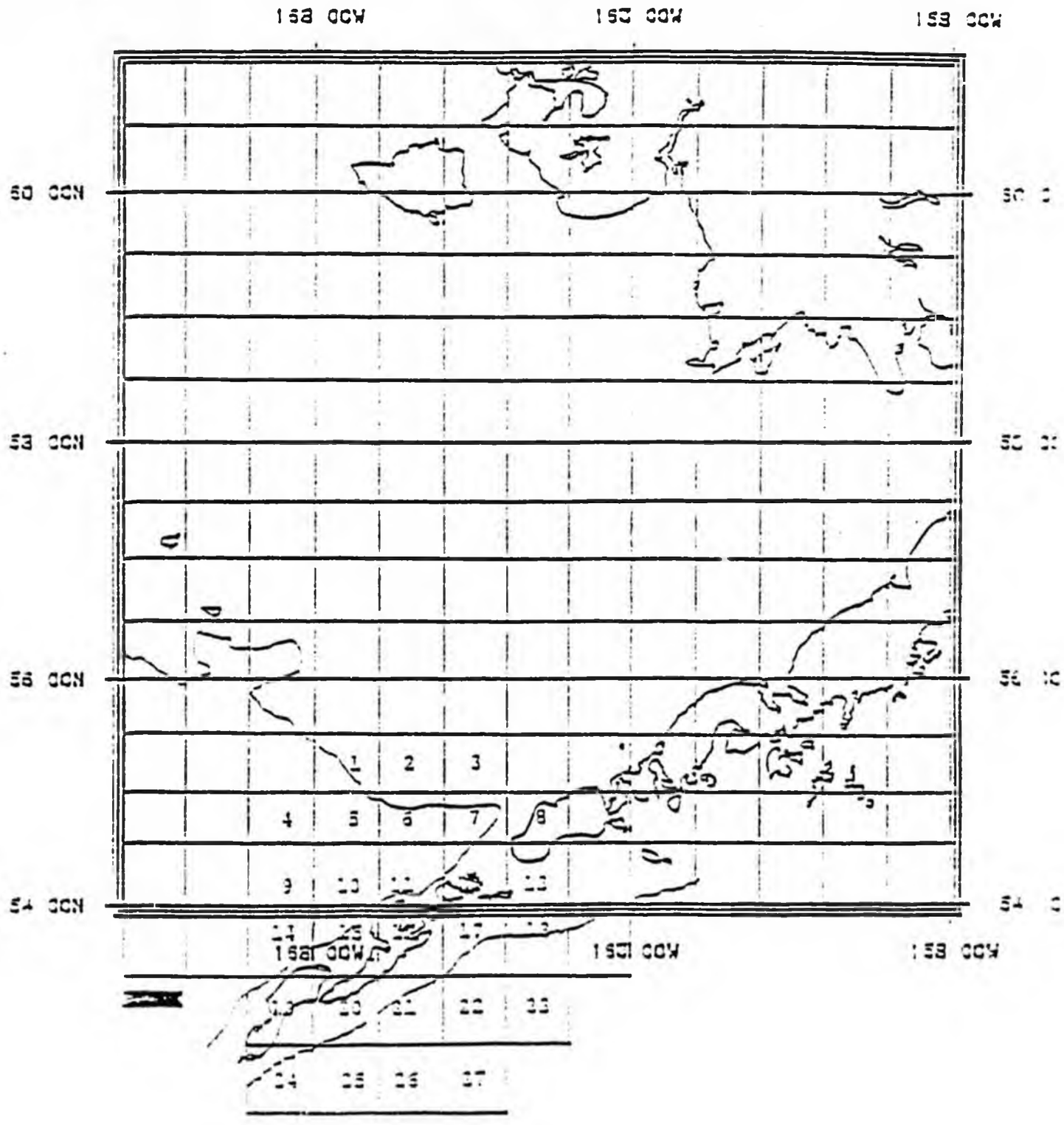
We calculated that by drawing a 100-mile radius around Unalaska, then comparing the monthly catch by foreign and JVP fishermen inside the zone to their total monthly catch of pollock and cod.

From NMFS Foreign Fishery Observer Office in Seattle, we received monthly catch data by one-degree longitude, half-degree latitude blocks in the Bering Sea and Aleutian Islands.

After drawing the 100-mile radius on a navigation chart, we determined which blocks were within the area.

Some blocks were not completely inside the radius. Those that appeared to be mostly-inside the area we added to the blocks that were entirely inside the radius.

The chart on page 21 shows which blocks we judged to be inside the radius and mostly-inside the radius.



BLOCKS INCLUDED IN THE 100-MILE RADIUS

Using NMFS data, we determined the monthly observed JVP catches in 1983, 1984 and 1985. Then we calculated what percent of JVP pollock and cod was caught inside the 100-mile radius. Table I shows those figures.

Table II combines the three annual JVP catches and shows that 36% of the observed JVP pollock catch and 31% of the observed JVP Pacific cod catch came from inside the 100-mile radius.

"Observed" is the key word here. Table III shows what percent of the annual JVP pollock and cod catch was actually observed by NMFS in 1983 - 1985.

Any conclusions drawn from Table I must be refined by data in Table III. For example, Table III shows that there was 100% observer coverage of the JVP pollock catch in 1984 and only 44% observer coverage in 1985. Any conclusions about the monthly pattern of JVP pollock and cod fishing in 1984 are probably more valid than those for 1985. Fuller observer coverage allows us to be more certain about exactly where the JVP catch came from.

Table IV shows the monthly observed foreign harvest of pollock and cod in the Bering Sea and Aleutian Islands. It also shows what percent was harvested within 100 miles of Unalaska.

Table V combines the three annual foreign catches and shows that overall 13% of the pollock and 6% of the Pacific cod was taken inside the 200-mile zone. This implies that JVP fishermen need not fish inside the 200-mile zone to catch their pollock and cod allocations. There are commercial abundances elsewhere that supported the foreign fleets. Since there's very little TALFF anymore, JVP fishermen will not have to compete against foreign fishermen outside of the 200-mile zone.

Table VI shows what percent of the foreign directed pollock and cod fishery was observed by NMFS in 1983-1985.

TABLE I

PERCENT OF THE MONTHLY
BSAI OBSERVED JVP HARVEST TAKEN
WITHIN A 100-MILE RADIUS OF UNALASKA

		WALLEYE POLLOCK		PACIFIC COD	
		Total Observed JV Catch MT	Percent Harvested Inside 100-mile Radius	Total Observed JV Catch MT	Percent Harvested Inside 100-mile Radius
Jan	1983	0	0	0	0
	1984	50	82	293	97
	1985	12	90	16	44
Feb	1983	74	96	455	94
	1984	478	95	2,957	97
	1985	601	12	1 331	96
Mar	1983	300	15	322	63
	1984	28,314	23	5,562	78
	1985	22,178	7	2,965	92
Apr	1983	4,207	89	571	10
	1984	39,653	45	2,396	48
	1985	20,373	21	1,544	39
May	1983	10,677	28	1,250	1
	1984	1,437	3	1,961	3
	1985	2,989	11	1,100	1
Jun	1983	20,247	18	1,251	2
	1984	30,123	34	3,745	1
	1985	9,682	3	2,083	0
Jul	1983	24,133	48	3,142	3
	1984	72,514	4	4,032	3
	1985	46,063	29	2,578	0
Aug	1983	19,995	55	2,019	2
	1984	41,578	5	2,631	8
	1985	31,912	49	2,208	4
Sept	1983	10,038	100	120	100
	1984	10,111	97	1,991	5
	1985	19,335	74	1,508	15
Oct	1983	116	100	34	100
	1984	5,457	94	192	84
	1985	7,895	85	722	17
Nov	1983	0	0	0	0
	1984	260	27	0	0
	1985	1,963	93	79	39
Dec	1983	0	0	0	0
	1984	0	0	0	0
	1985	0	0	0	0

TABLE 11

SUMMARY

	WALLEYE POLLOCK			PACIFIC COD		
	Observed JVP Harvest MT	Observed JVP Harvest Inside 100-Mile Radius MT	Percent of JVP Harvested Inside 100-Mile Radius	Observed JVP Harvest MT	Observed JVP Harvest Inside 100-Mile Radius MT	Percent of JVP Harvested Inside 100-Mile Radius
1-year Total	482,765	174,876	36	51,558	15,874	31

Source: NMFS Foreign Fishery Observer Program
(206) 526-4194

TABLE III

OBSERVED BERING SEA-ALEUTIAN ISLAND
JVP HARVEST AS A PERCENTAGE
OF ACTUAL JVP HARVEST

	WALLEYE POLLOCK			PACIFIC COD		
	Observed MT	Actual MT	% of JVP Observer Coverage	Observed MT	Actual MT	% of JVP Observer Coverage
1983	89,787	146,000	61	9,110	9,662	94
1984	230,025	230,314	100	26,260	24,382	107
1985	162,991	370,000	44	16,134	35,634	45
Average			68			82

AA Since not all of the JVP harvest during these three years was observed by NMFS, it is useful to determine how much coverage NMFS did get. This will help the Council assess the validity of the monthly numbers in Table I and Table II.

Source: Resource Assessment Document for Bering Sea-Aleutian Groundfish, 1986
Pages 20 & 29

TABLE III

TABLE IV

PERCENT OF THE MONTHLY
BSAI FOREIGN DIRECTED HARVEST TAKEN
WITHIN A 100-MILE RADIUS OF UNALASKA

		WALLEYE POLLOCK		PACIFIC COD	
		Total Foreign Directed Catch MT	Percent Inside 100-Miles	Total Foreign Directed Catch MT	Percent Inside 100-Miles
Jan	1983	12,330	0	1,375	0
	1984	14,353	0	[illegible]	[illegible]
	1985	[illegible]	0	[illegible]	[illegible]
Feb	1983	49,061	0	[illegible]	[illegible]
	1984	30,345	0	[illegible]	[illegible]
	1985	[illegible]	0	[illegible]	[illegible]
Mar	1983	36,113	0	[illegible]	[illegible]
	1984	[illegible]	[illegible]	[illegible]	[illegible]
	1985	[illegible]	0	[illegible]	[illegible]
Apr	1983	36,310	0	3,030	[illegible]
	1984	6,568	0	[illegible]	[illegible]
	1985	1,352	0	[illegible]	[illegible]
May	1983	34,670	0	2,730	0
	1984	21,681	0	[illegible]	0
	1985	4,053	0	[illegible]	[illegible]
Jun	1983	113,391	[illegible]	[illegible]	[illegible]
	1984	30,125	[illegible]	[illegible]	[illegible]
	1985	46,209	[illegible]	[illegible]	[illegible]
Jul	1983	147,794	13	3,302	[illegible]
	1984	144,687	[illegible]	[illegible]	[illegible]
	1985	126,337	0	[illegible]	[illegible]
Aug	1983	154,005	16	3,602	15
	1984	142,637	4	4,649	[illegible]
	1985	136,396	0	[illegible]	[illegible]
Sept	1983	[illegible]	[illegible]	[illegible]	[illegible]
	1984	[illegible]	[illegible]	[illegible]	[illegible]
	1985	[illegible]	[illegible]	[illegible]	[illegible]
Oct	1983	37,167	50	[illegible]	[illegible]
	1984	[illegible]	[illegible]	[illegible]	[illegible]
	1985	[illegible]	[illegible]	[illegible]	[illegible]
Nov	1983	[illegible]	[illegible]	[illegible]	[illegible]
	1984	[illegible]	[illegible]	[illegible]	[illegible]
	1985	[illegible]	[illegible]	[illegible]	[illegible]
Dec	1983	[illegible]	[illegible]	[illegible]	[illegible]
	1984	[illegible]	[illegible]	[illegible]	[illegible]
	1985	[illegible]	[illegible]	[illegible]	[illegible]

TABLE V

SUMMARY

	WALLEYE POLLOCK			PACIFIC COD		
	Observed Foreign Harvest MT	Observed TALFF Harvest Inside 100-Mile Radius MT	Percent Harvested Inside 100-Mile Radius	Observed Foreign Harvest MT	Observed TALFF Harvest Inside 100-Mile Radius MT	Percent Harvested Inside 100-Mile Radius
3-year Total	2,575,809	389,231	15	145,722	9,028	6

Source: NMFS Foreign Fishery Observer Program
(206) 526-4194

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TABLE VI

OBSERVED BERING SEA-ALEUTIAN ISLAND
FOREIGN HARVEST AS A PERCENTAGE
OF ACTUAL FOREIGN HARVEST

	WALLEYE POLLOCK			PACIFIC COD		
	Observed MT	Actual MT	% of Foreign Observer Coverage	Observed MT	Actual MT	% of Foreign Observer Coverage
1983	862,889	982,363	88	37,984	93,167	41
1984	901,059	1,093,783	83	52,279	133,161	39
1985	809,861	1,179,787	69	52,459	145,426	36
Average			80			39

Source: Resource Assessment Document for Bering Sea-Aleutian Groundfish, 1986
Pages 28 & 29

OBSERVATIONS ON THE DATA

(1) In all three years, the observed JVP pollock and cod catch was low during the months of November, December, January and February. We think that's because JVP trawlers were in the shipyard in November and December and in Shelikof Strait in January and February. Since Shelikof is closed to JVP fishing this year we expect much more JVP effort in the Bering Sea and Aleutians.

(2) That increased JVP pollock and cod fishing need not come from within 100-miles of Unalaska, though. In 1983-85, only 15% of the total observed foreign pollock harvest was taken inside the 100-mile radius. See Table V. The areas where TALFF was taken in the past are wide open now that the Council has nearly eliminated foreign fishing. JVP fishermen can catch their pollock allocation outside of the 100-mile zone and JVP processors can cruise with them to those alternative hot spots. Our shore plants cannot. They are much more dependent on the catch from the 100-mile zone around Unalaska.

(3) DAP processing capacity in Unalaska and Akutan is approximately 930 MT per day or 26,040 MT per 28-day operating month. We estimate that DAP floating capacity is approximately 700 MT per day. If the Council has a better estimate, we welcome it.

Estimated 1987 total DAP processing capacity in our area is 1,630 MT per day or 45,640 MT per 28-day operating month.

Table I shows that from January through August, the total observed monthly JVP catch exceeded the current DAP capacity only once in 1980-1985.

We recognize that JVP catch capacity has risen since then. But we think that DAP processors would use many tons of pollock and cod from the 200-mile zone if they could get priority access to it.

Is that just wishful thinking?

Not after what happened in Unalaska last December.

POLLOCK FOR CHRISTMAS

By December 1986, all joint venture fishing was over for the year. Two large American trawlers, the Aldebaron and the Arcturus from Anacortes, Washington, agreed to deliver pollock and cod to Great Land Seafoods in Unalaska. During the previous 11 months, Great Land was unable to buy enough fish for surimi production because most American trawlers preferred delivering to joint venture motherships.

From December 9 to December 16, Great Land processed 2.7 million pounds of pollock delivered by these two trawlers. That's 153 tons per day processed by approximately thirty people. One of the managers at Great Land told us that if they could count on pollock deliveries like that all year, they'd put in another filet line and boost daily production substantially. (They already have the plant space for it.) That would put an additional fifteen to twenty people to work processing surimi.

Great Land did receive more deliveries from these trawlers during the two weeks right after Christmas. The problem is that the Great Land managers were notified that the two trawlers will return to joint-venture fishing later in January.

The shortage of pollock in Unalaska is inhibiting new investment in the plant and the creation of new jobs there, too.

We're looking for a practical way to get pollock and cod to Unalaska in the same magnitude it arrived just before Christmas. Our whole town was excited about those first eight days of prosperity. With the North Pacific Council's help we'll have many more days like them, soon.

It's not pleasant being low man on the fishery allocation totem pole -- especially when the Magnuson Act says DAP processor needs should be provided for first, not last.

CONCLUSION

There's been a serious shortage of pollock and cod in Unalaska and Akutan during 1986. Most American trawlers have delivered all of their catch to joint venture processing ships at sea. Even though one Unalaska processor offered a 25% higher price for pollock, he wasn't able to attract many deliveries last year. Consequently, DAP shoreplants will be deploying several tenders in 1987; hoping to buy pollock and cod on the grounds from U. S. fishermen. Even if they can acquire some fish this way, creation of a 100-mile domestic fishery zone around Unalaska will still be vital to them. It will give all DAP fishermen and processors several important competitive advantages over their JVP counterparts (as the Magnuson Act intended.)

(1) The DAP fishermen's CPUE within the zone will be maximized in the absence of simultaneous JVP fishing nearby. DAP fishermen will be able to load up faster, thereby maximizing their catch per month.

(2) The fuel cost and running time for DAP fishermen will be minimized since most of the hot spots within the 100-mile zone are only 10 hours from Unalaska and Akutan. Minimizing run time helps maximize deliveries and income per month.

(3) Pacific cod bycatch in DAP pollock deliveries will be maximized by the absence of the JVP fleet. Cod fillet sales really improve the DAP processor's monthly income statement. They make him more competitive with JVP processors.

For these reasons, we ask the North Pacific Council to accept our proposal as Amendment 11 to the Bering Sea - Aleutian Islands Groundfish Management Plan for 1993, send it out for public review and adopt it at the May meeting.

The Council may receive other proposals to solve the pollock shortage in Unalaska and Akutan.

We only request that they not be substituted for ours in the amendment cycle.

APPENDIX I

CATCH PER UNIT EFFORT
IN THE SUMMER SURVEY

These following three CPUE charts show the relative abundance of pollock during the NMFS summer surveys.

In 1983 and 1984, all ten best CPUE's were outside the 100-mile radius of Unalaska.

In 1985, only two of the ten best CPUE's were inside the 100-mile radius of Unalaska.

Most of the best summer pollock fishing appears to be outside the 100-mile radius of Unalaska.

In 1983 and 1984, several of the ten best CPUE's were just beyond the 100-mile radius of Unalaska.

CPUE's change from month to month. Like many fishermen, we believe some of the best January to May and September to December CPUE's for pollock and cod are probably found inside the 100-mile radius or just beyond it.

These CPUE's can be maximized by allowing DAP fishermen only inside the zone. Simultaneous fishing by JVP fishermen in the same area will probably reduce the CPUE for the DAP fleet.

During the spring months, Pacific cod school up inside the 100-mile radius. Cod is very valuable to DAP processors in our area. Receiving pollock deliveries with a high

percentage of Pacific cod bycatch is a bonus to them. Large-scale JVP trawling inside the 100-mile zone will probably diminish the Pacific cod tonnage delivered to DAP processors.

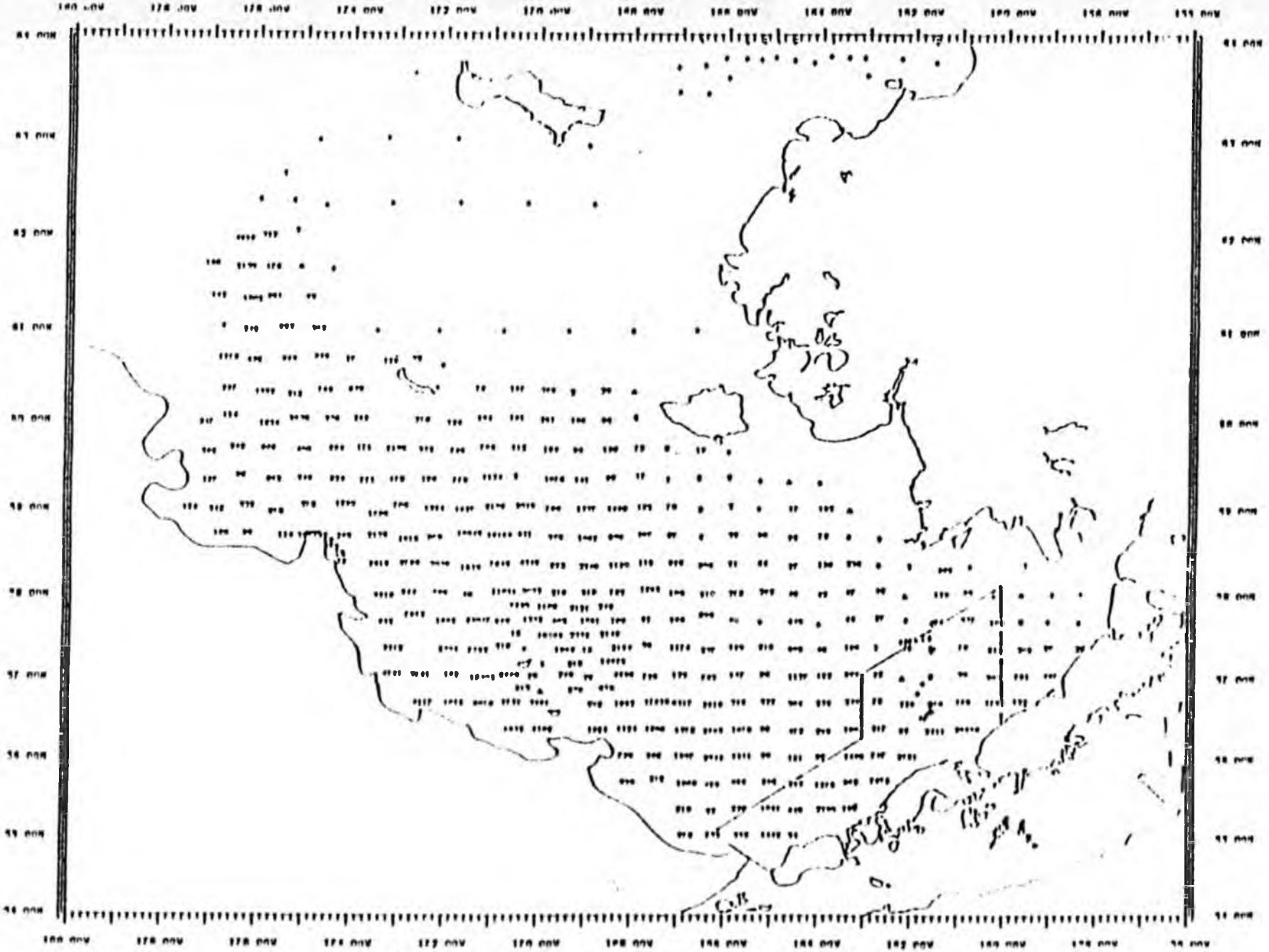
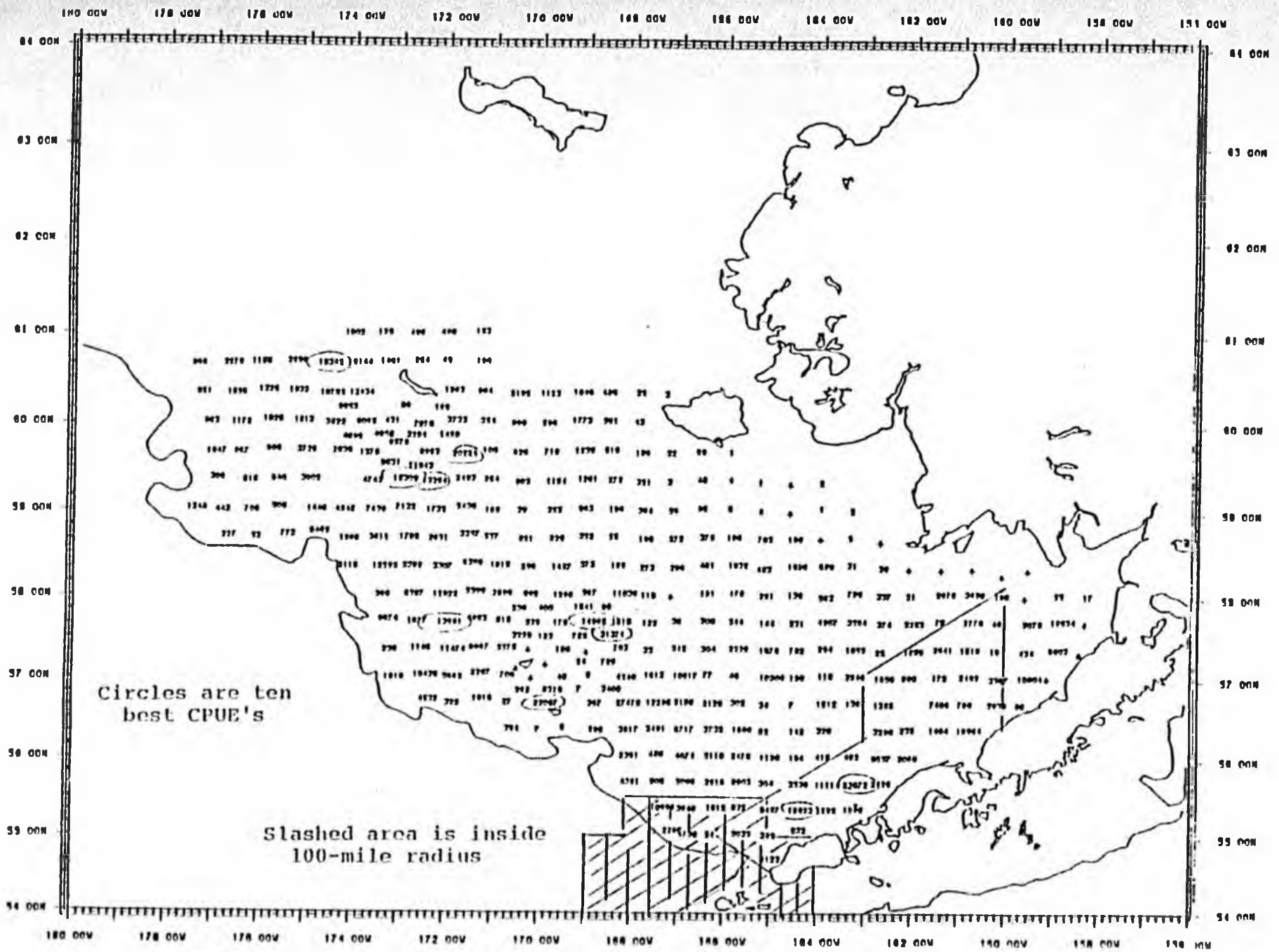
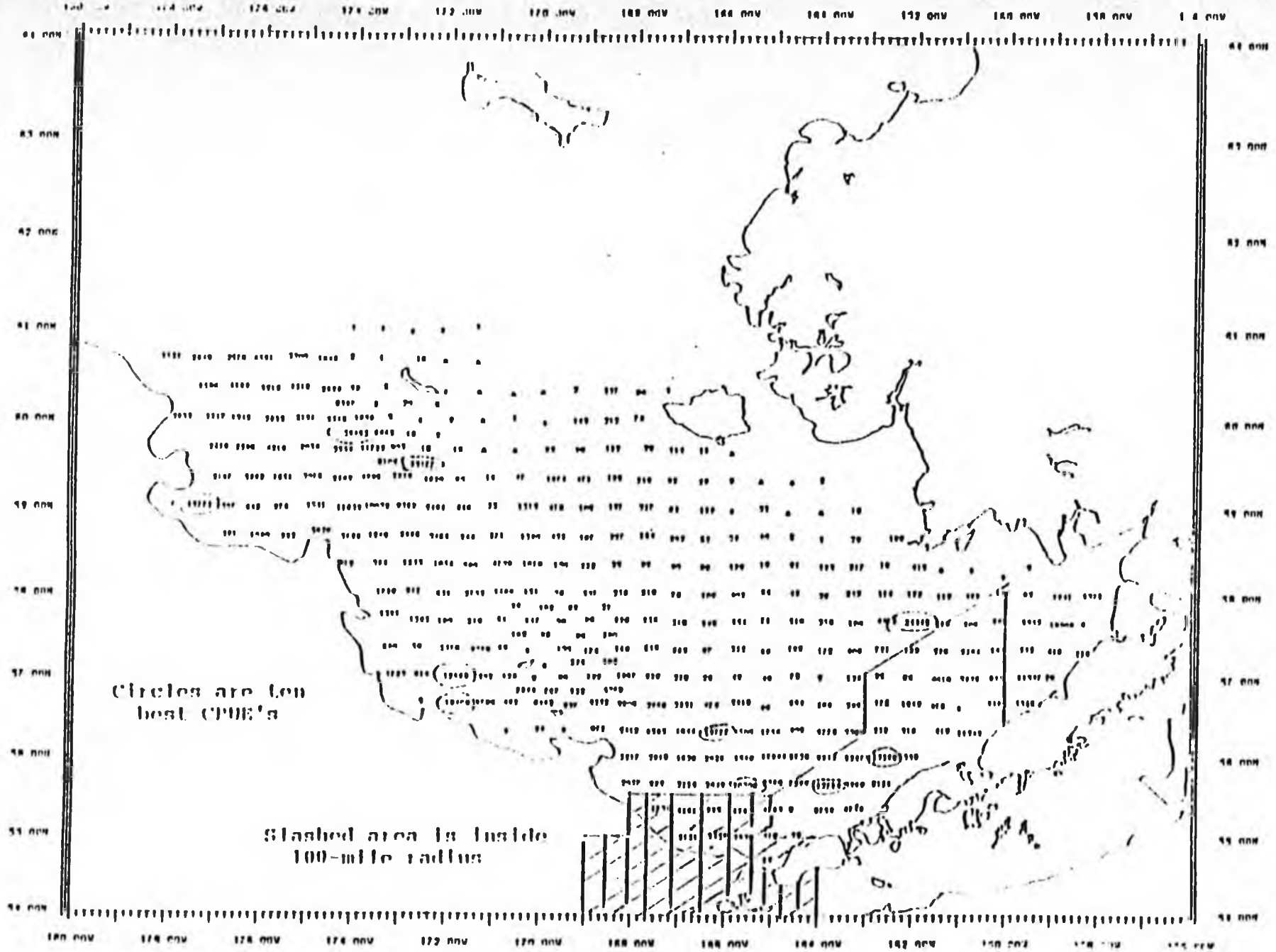


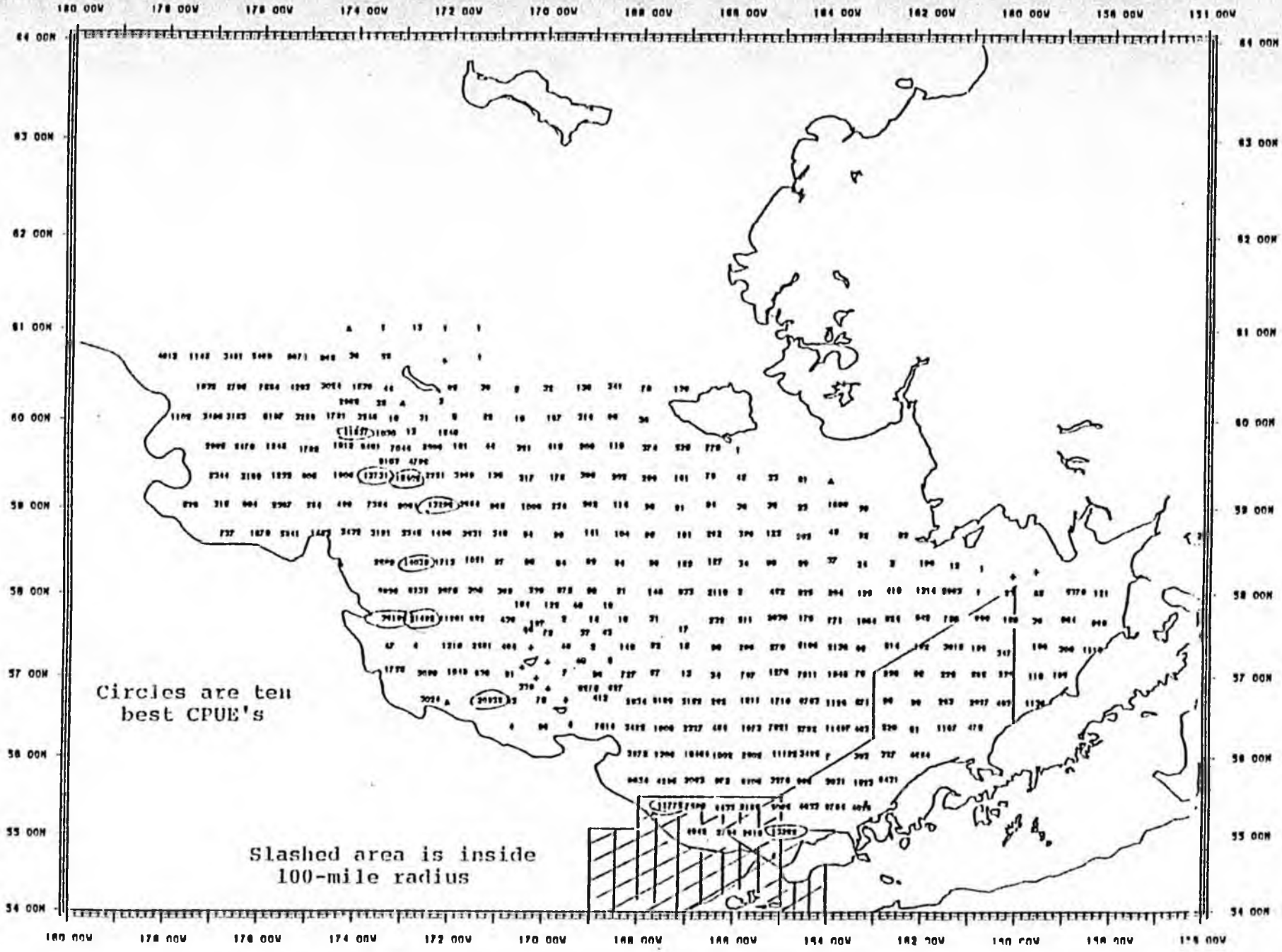
Figure 11.--Catch per unit effort (lbs/hr trawled) of walleye pollock (Theragra chalcogramma) from 1982 research survey data.



.--Catch per unit effort (lbs/hr trawled) of walleye pollock (Theragra chalcogramma) from 1983 research survey data.



...Catch per unit effort (lbs/hr trawled) of walleye pollock (Theragra chalcogramma) from 1984 research survey data.



.--Catch per unit effort (lbs/hr trawled) of walleye pollock (Theragra chalcogramma) from 1985 research survey data.

APPENDIX II

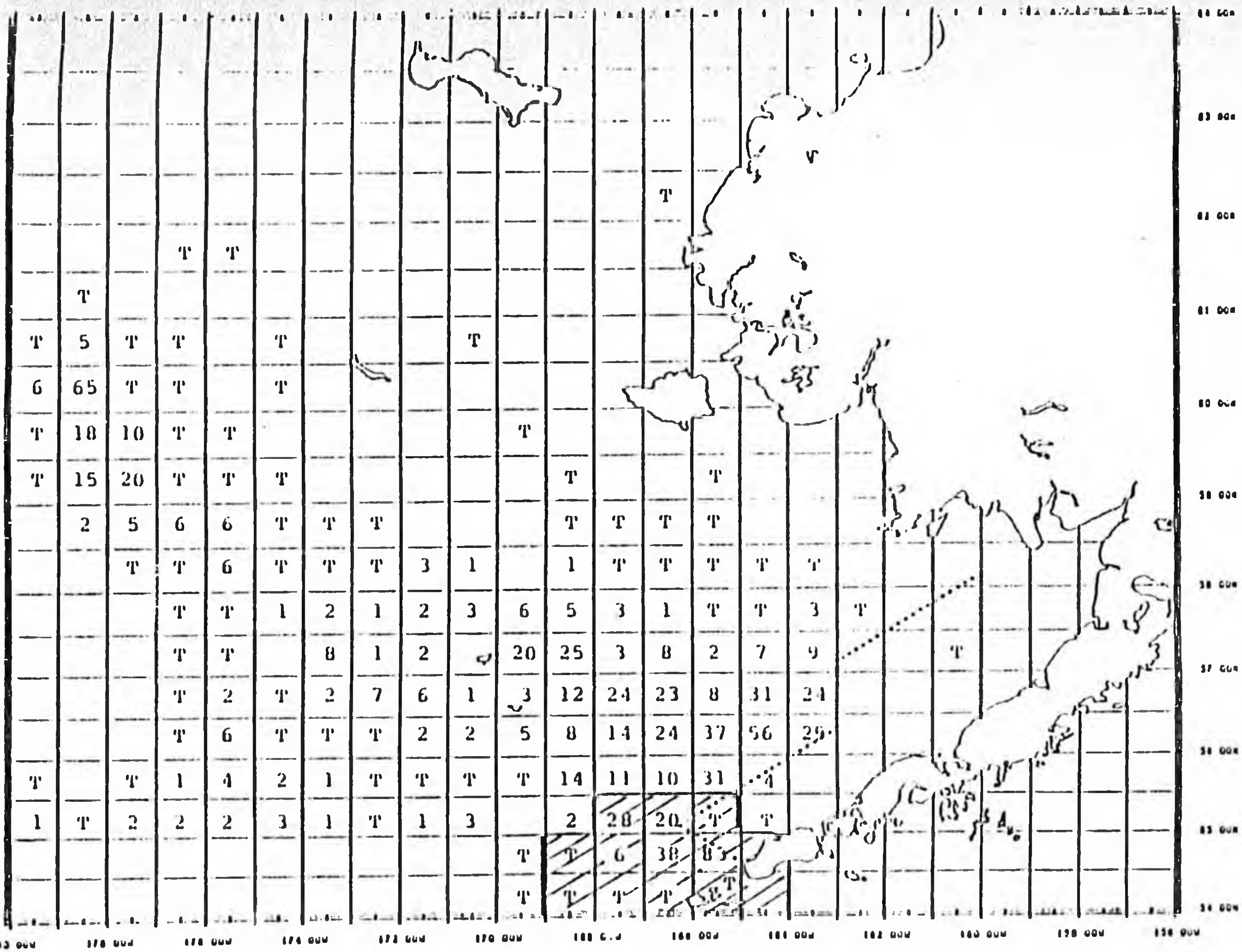


Figure 8.--Foreign-reported catch (thousands of metric tons) of walleye pollock in 1982.
T - less than 500 t.

SLASHED AREA INSIDE 100-MILE ZONE

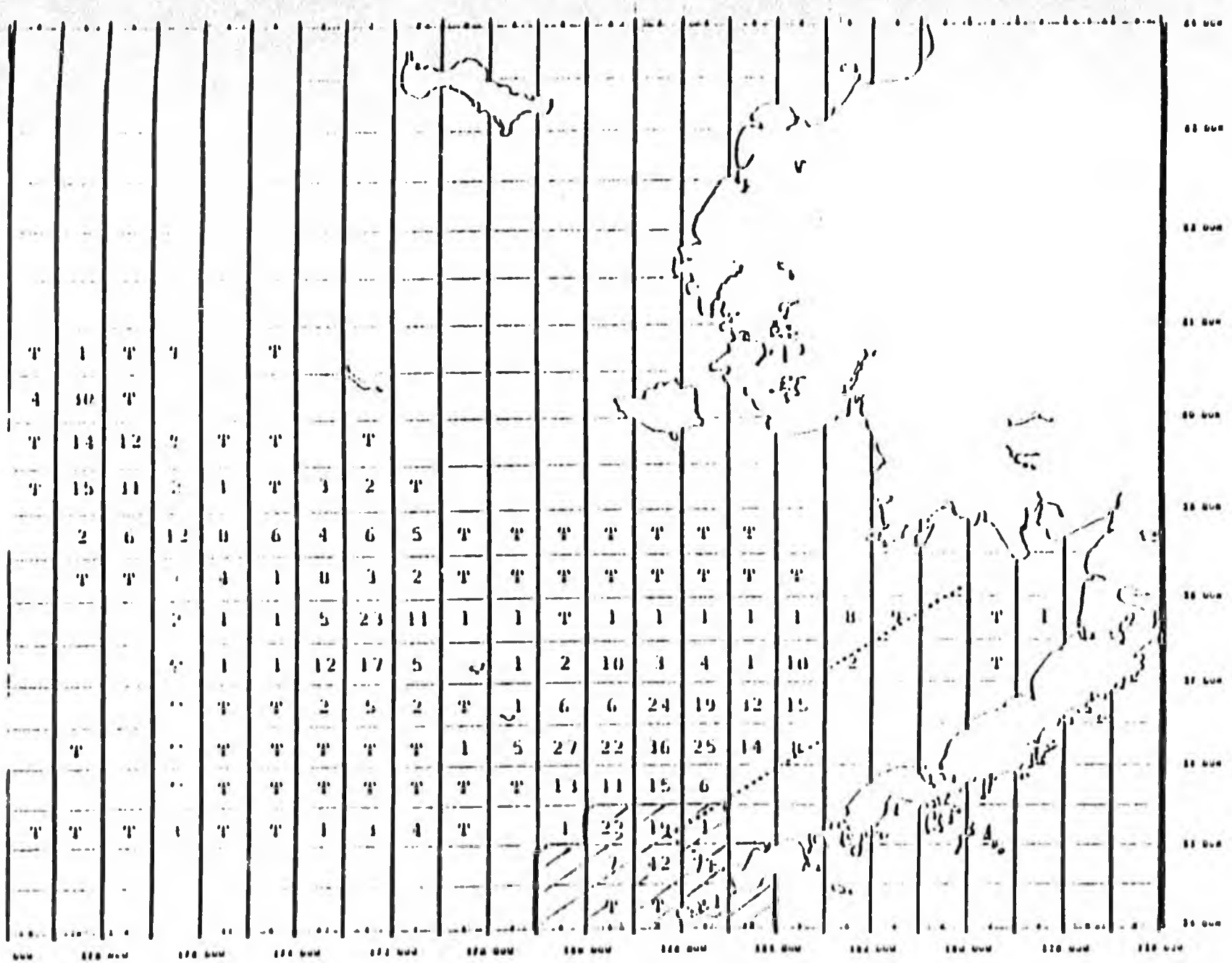


Figure 2. Average reported catch (thousands of metric tons) of walleye pollock in 1983.

T = less than 500 t.

SHADED AREA INDICATES 100 MILE ZONE

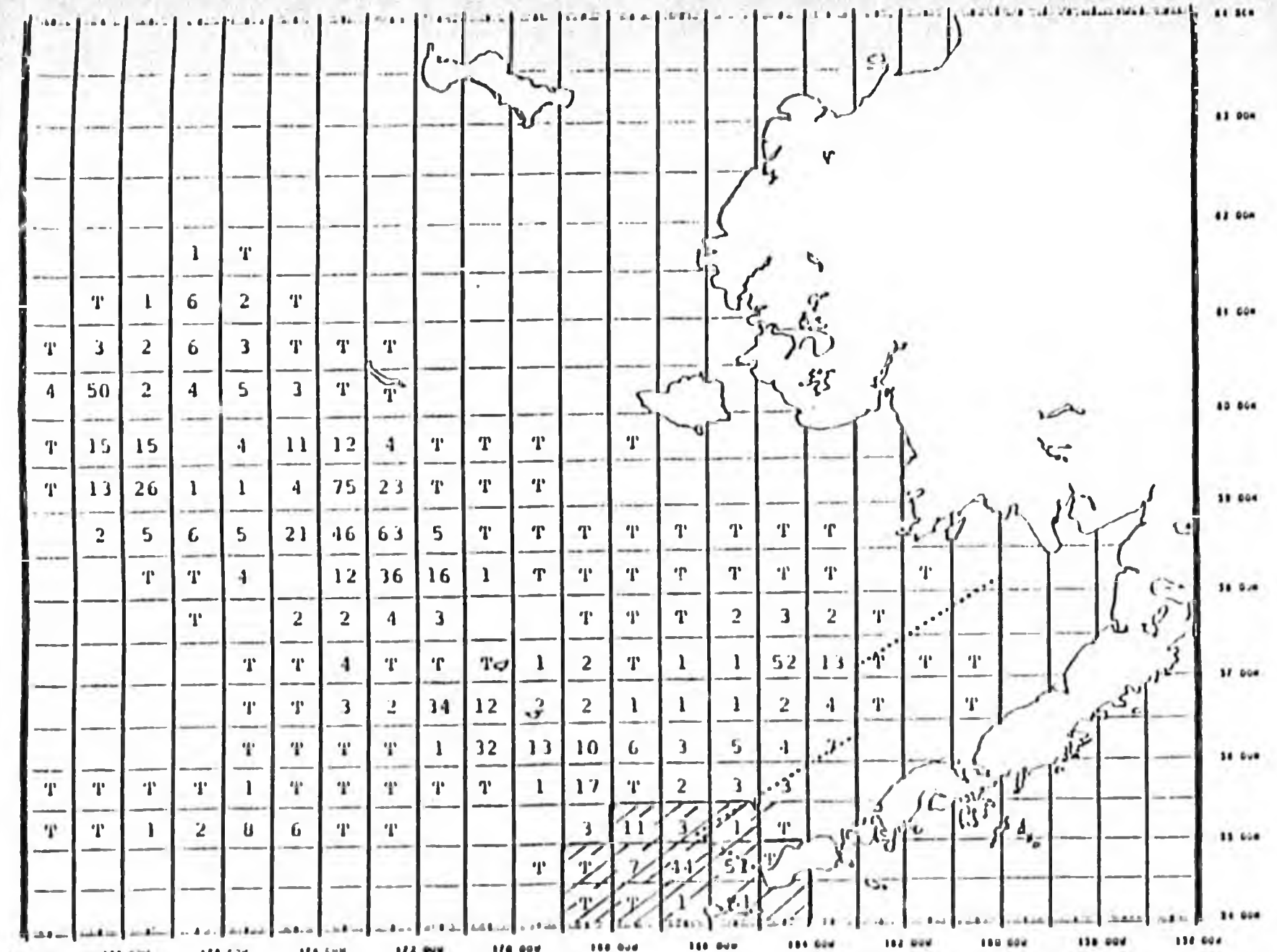
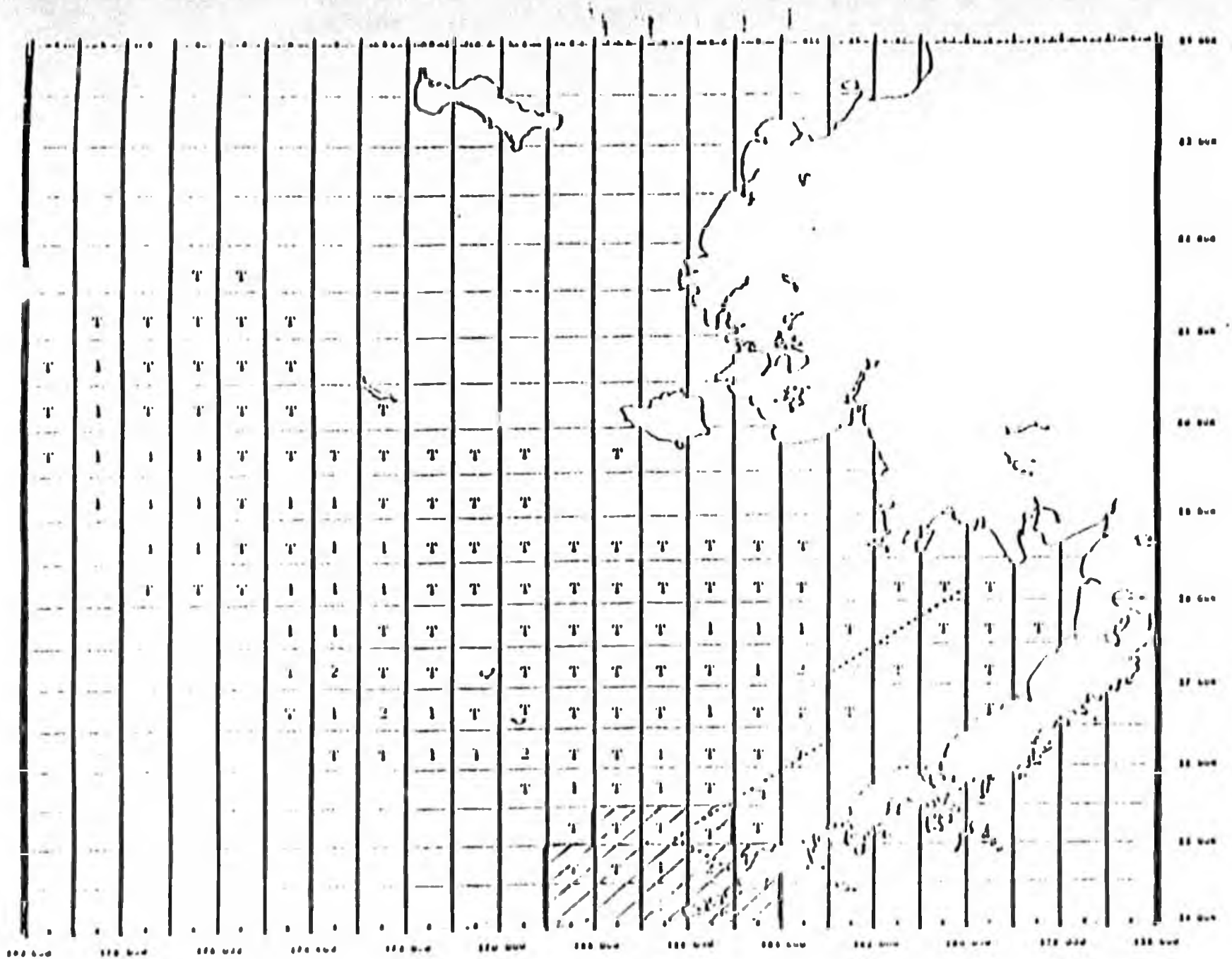


Figure 10.--Foreign-reported catch (thousands of metric tons) of walleye pollock in 1984.
T = less than 500 t.

SLASHED AREA INSIDE 100-MILE ZONE



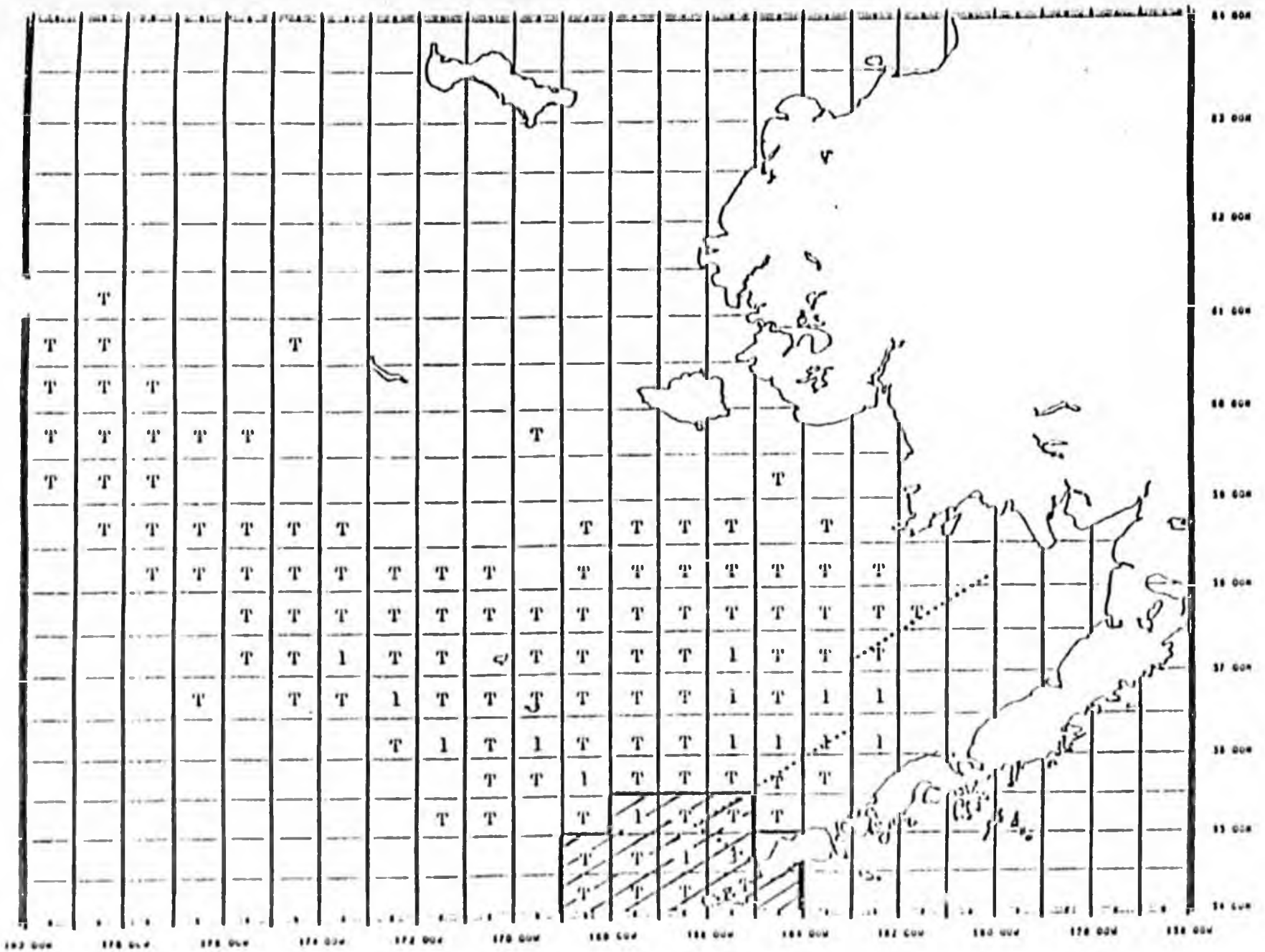
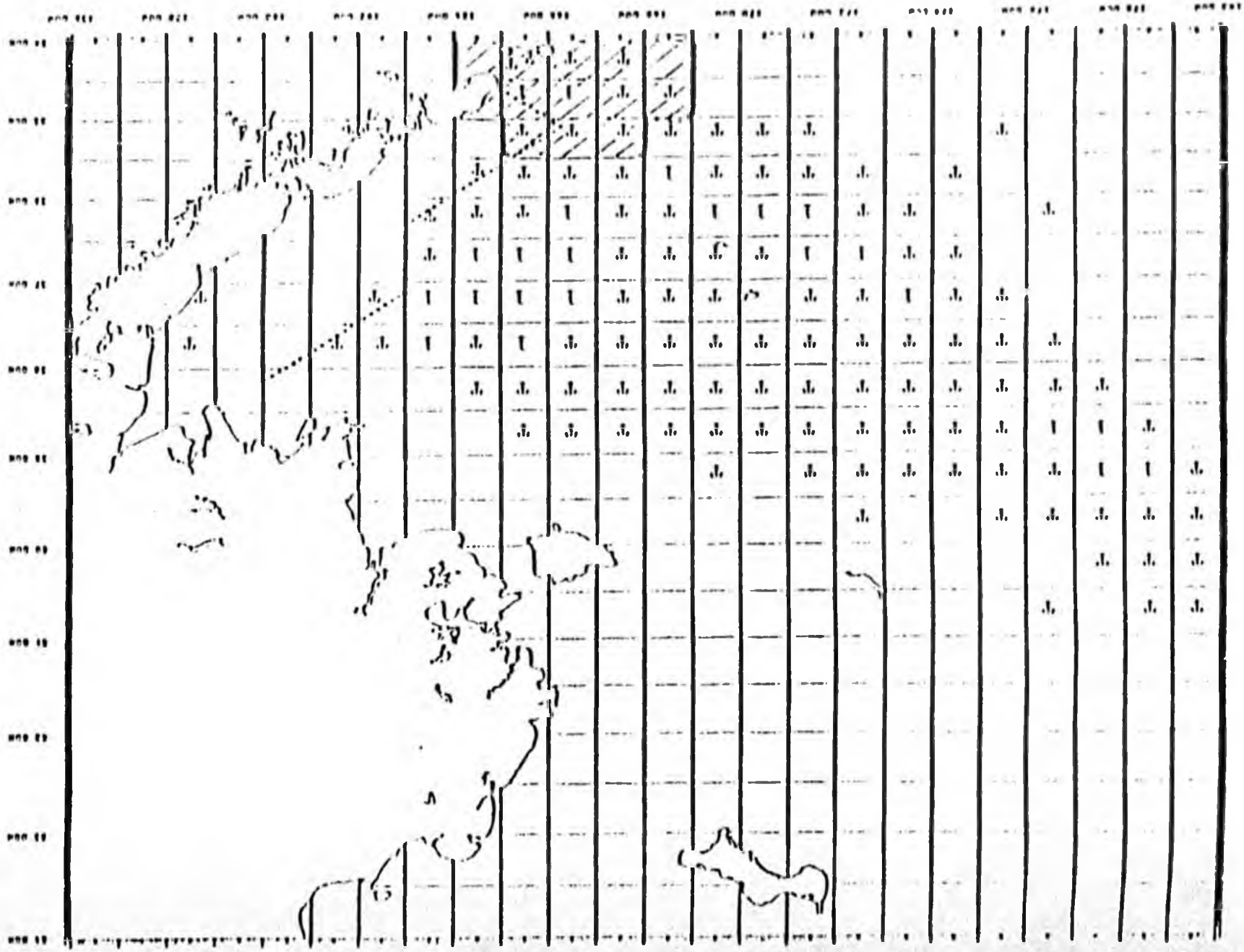


Figure 14.--Foreign-reported catch (thousands of metric tons) of pollock in and in 1980.



APPENDIX III

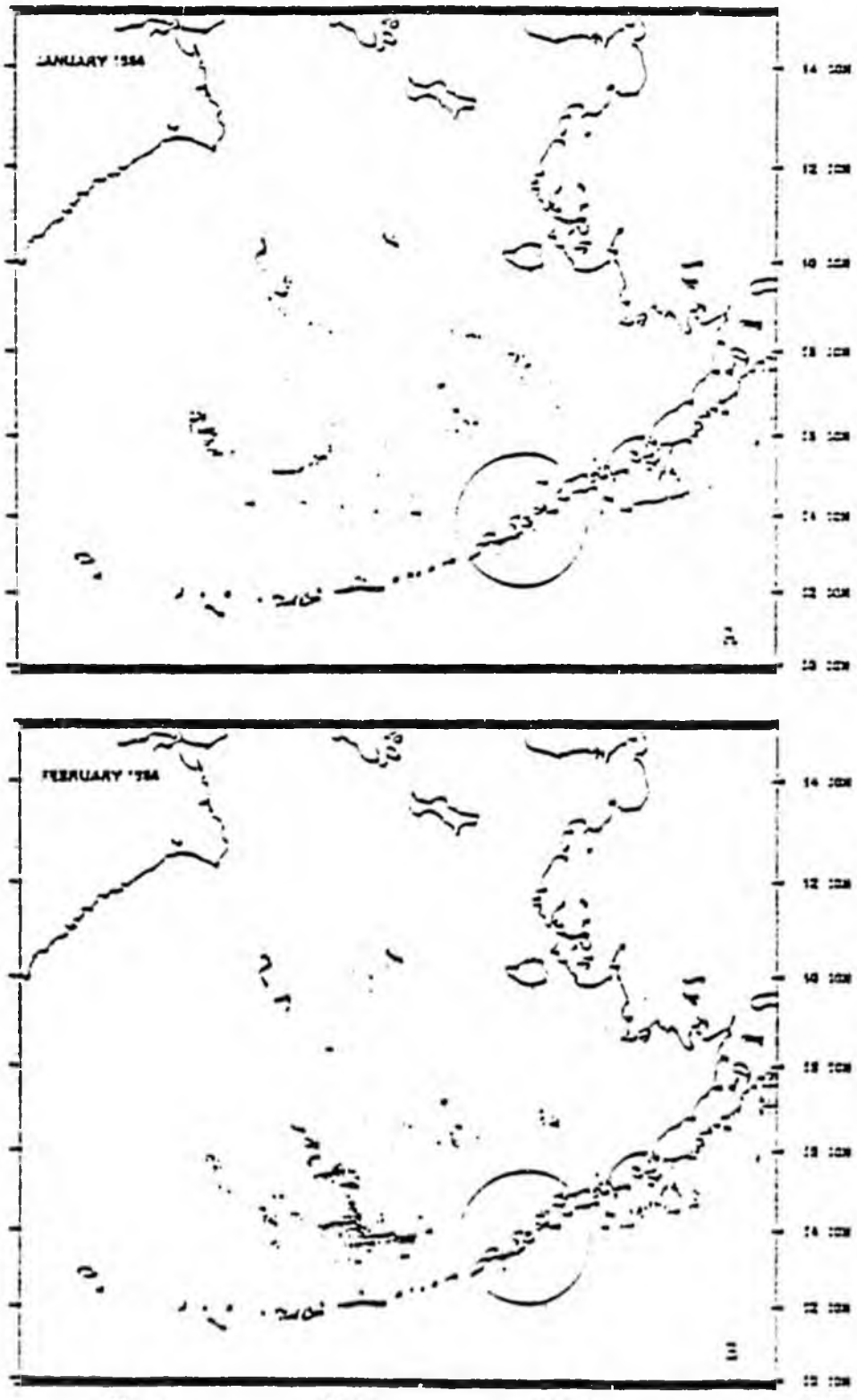


Figure 1.—Total distribution of flights offcourse in 1984, by month.

Circle is 100-mile radius from Unalaska

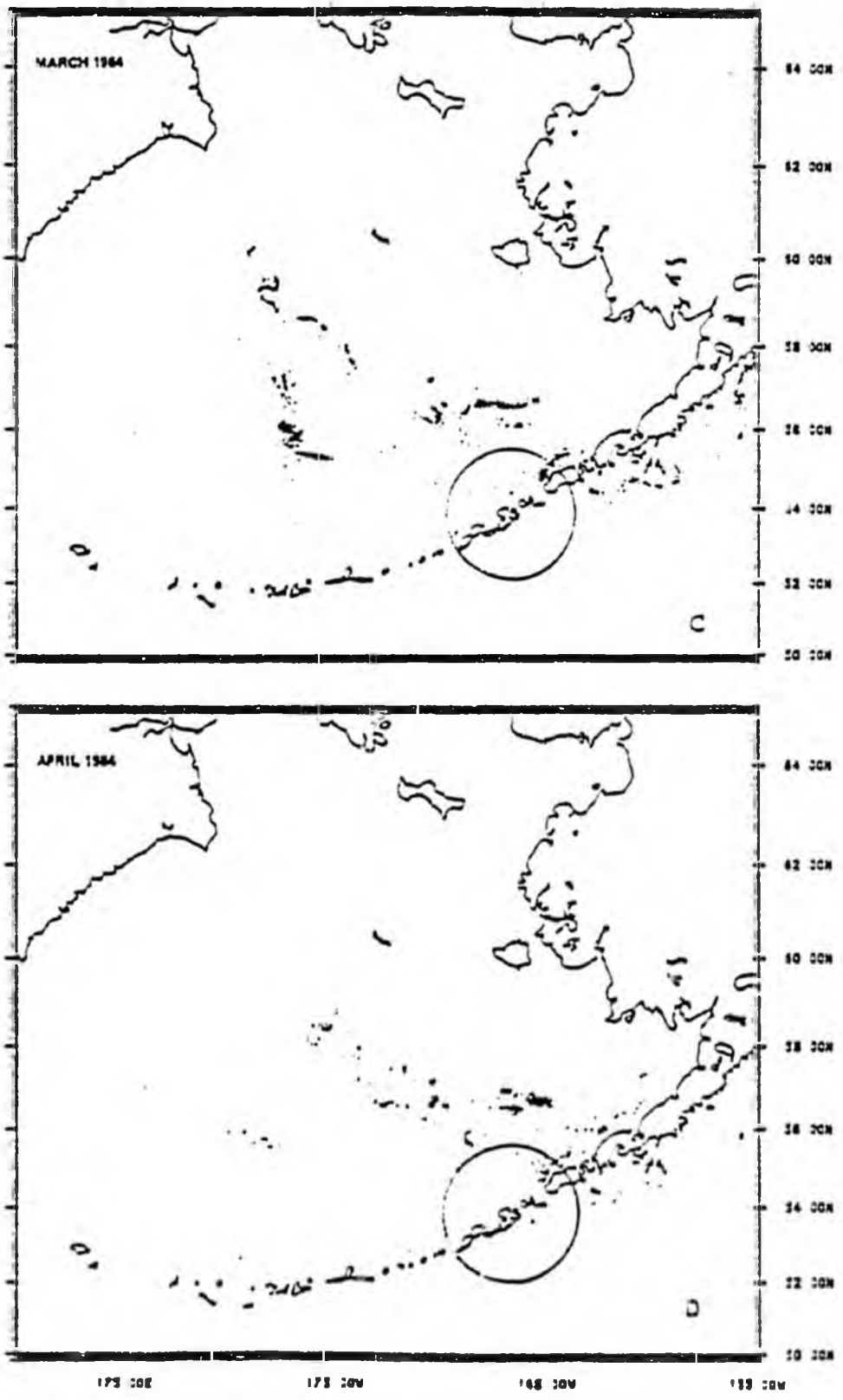


Figure 3(cont.)—Total distribution of fishing effort in 1984, by month.

Circle is 100-mile radius from Unalaska

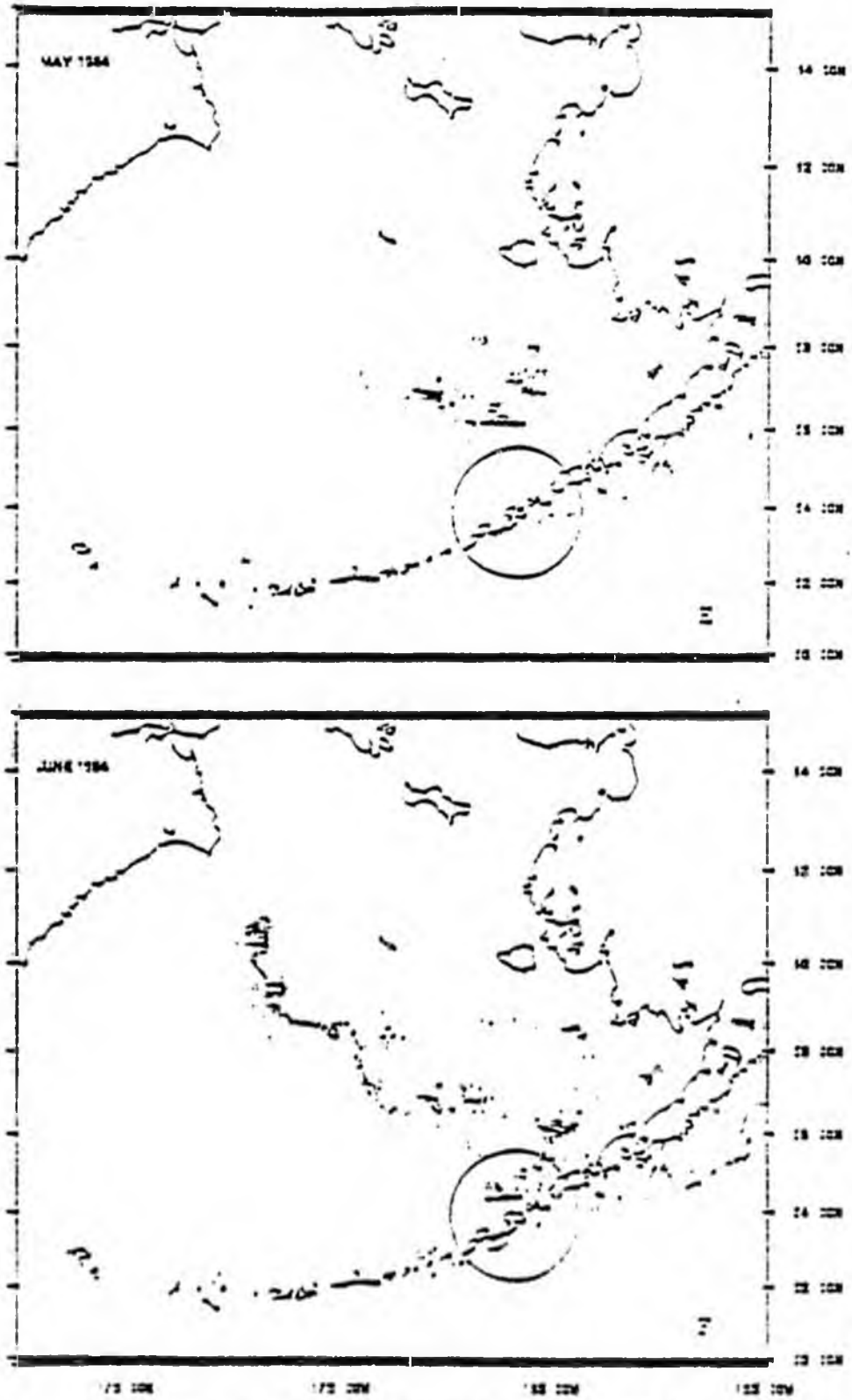


Figure 3(cont.)—Total distribution of fishing effort in 1984, by month.

Circle is 100-mile radius from Unalaska

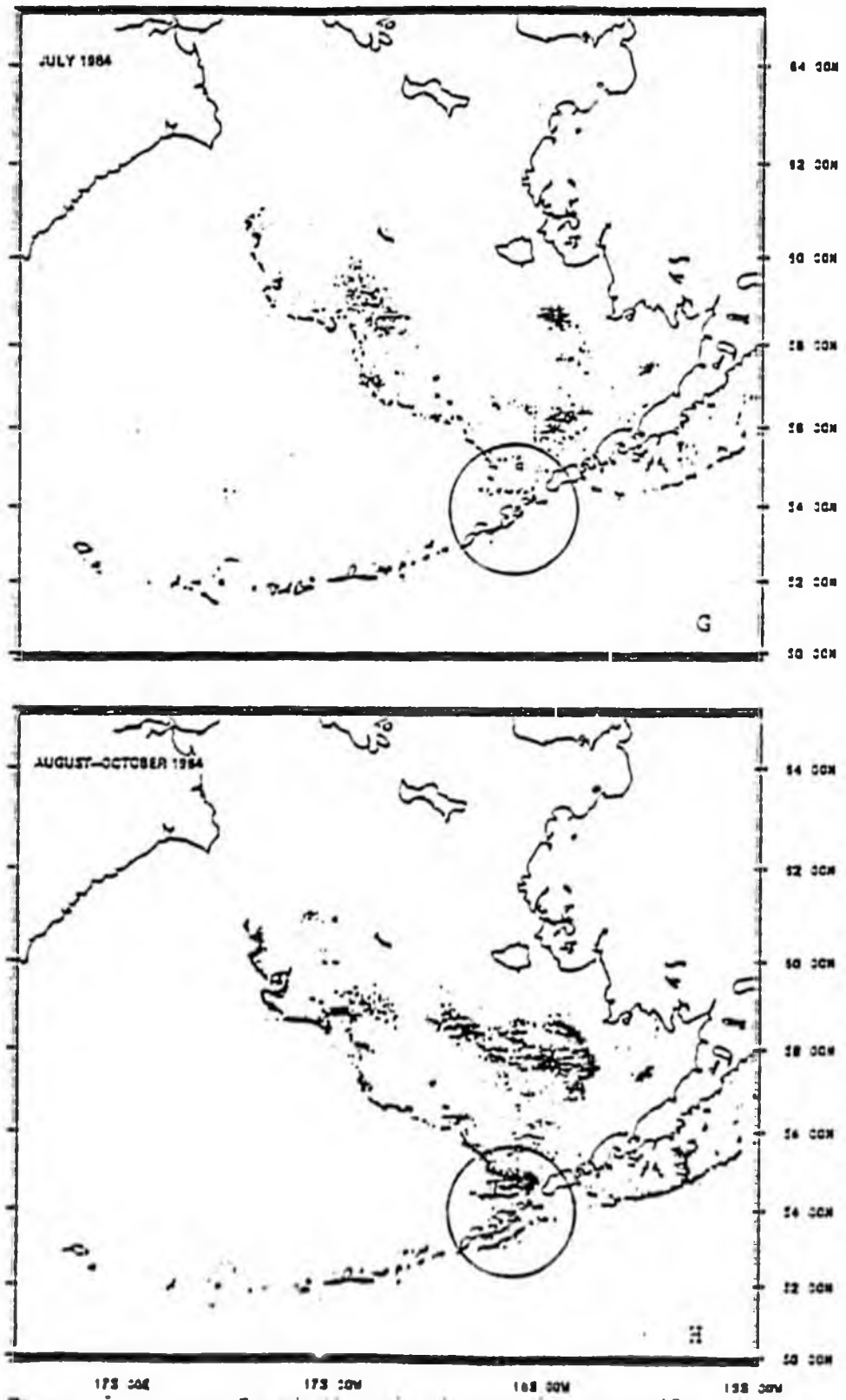
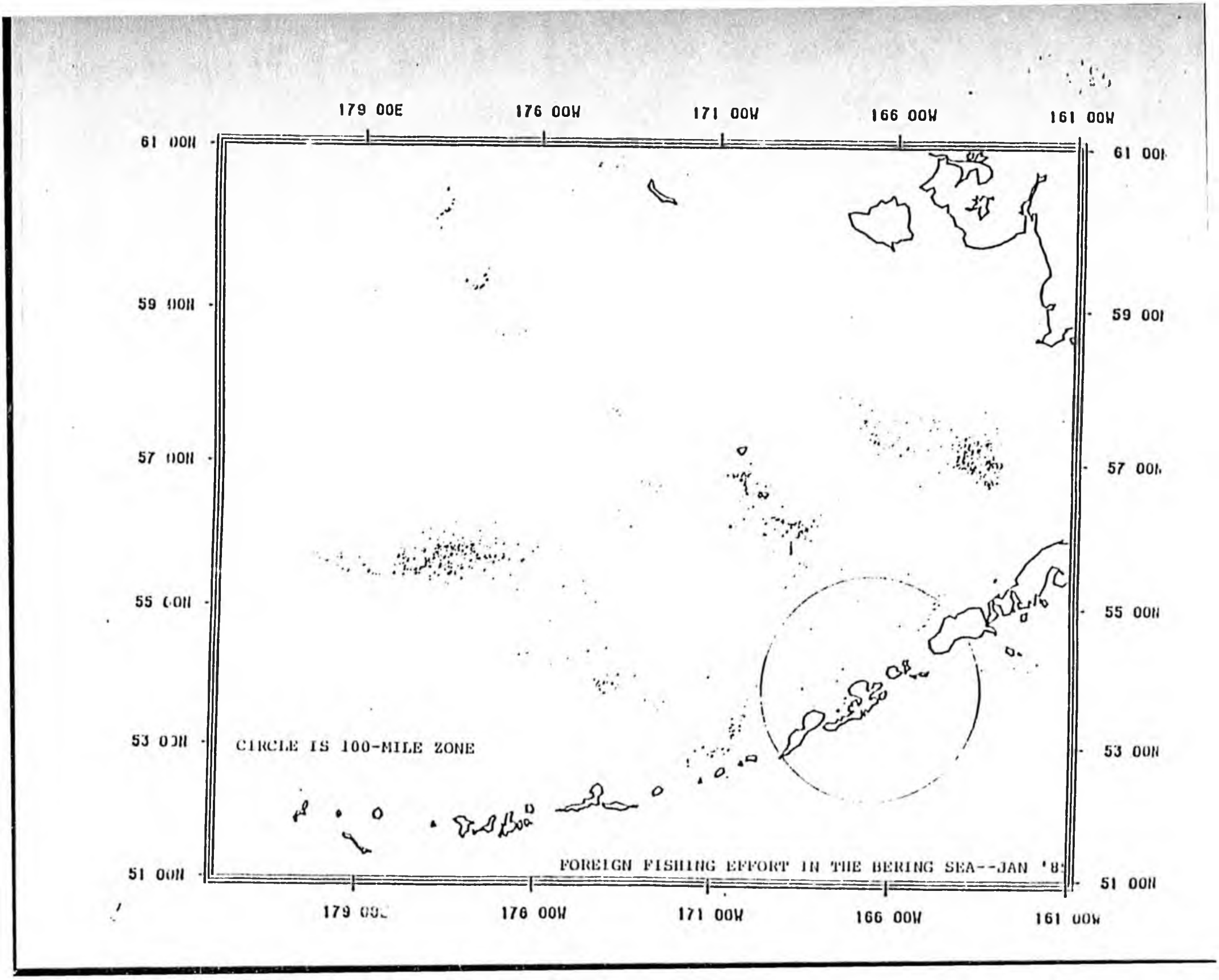


Figure 3(cont.)—Total distribution of fishing effort in 1984, by month.

Circle is 100-mile radius from Unalaska

APPENDIX 17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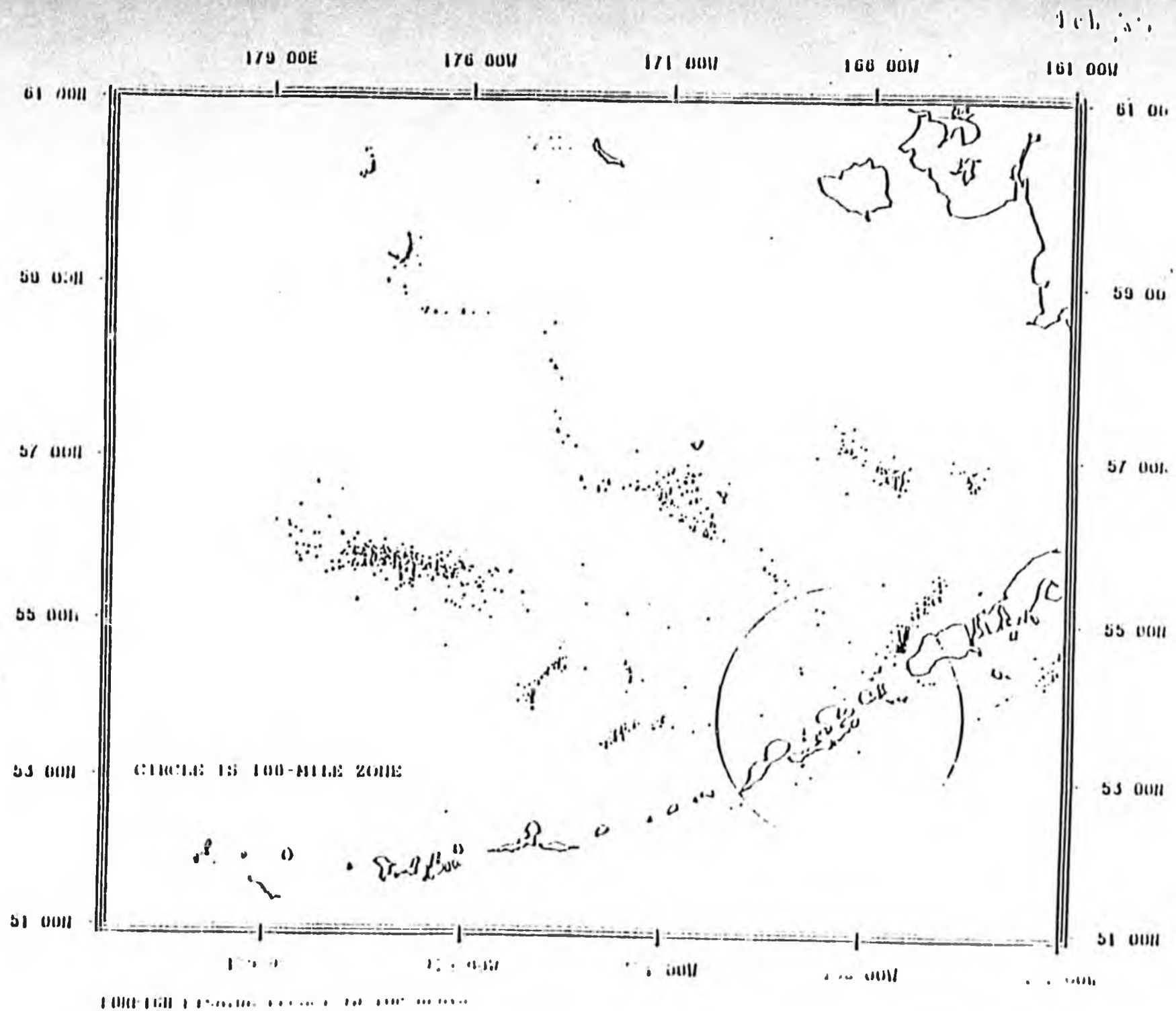
CIRCLE IS 100-MILE ZONE
FOREIGN FISHING EFFORT IN THE BERING SEA--JAN '8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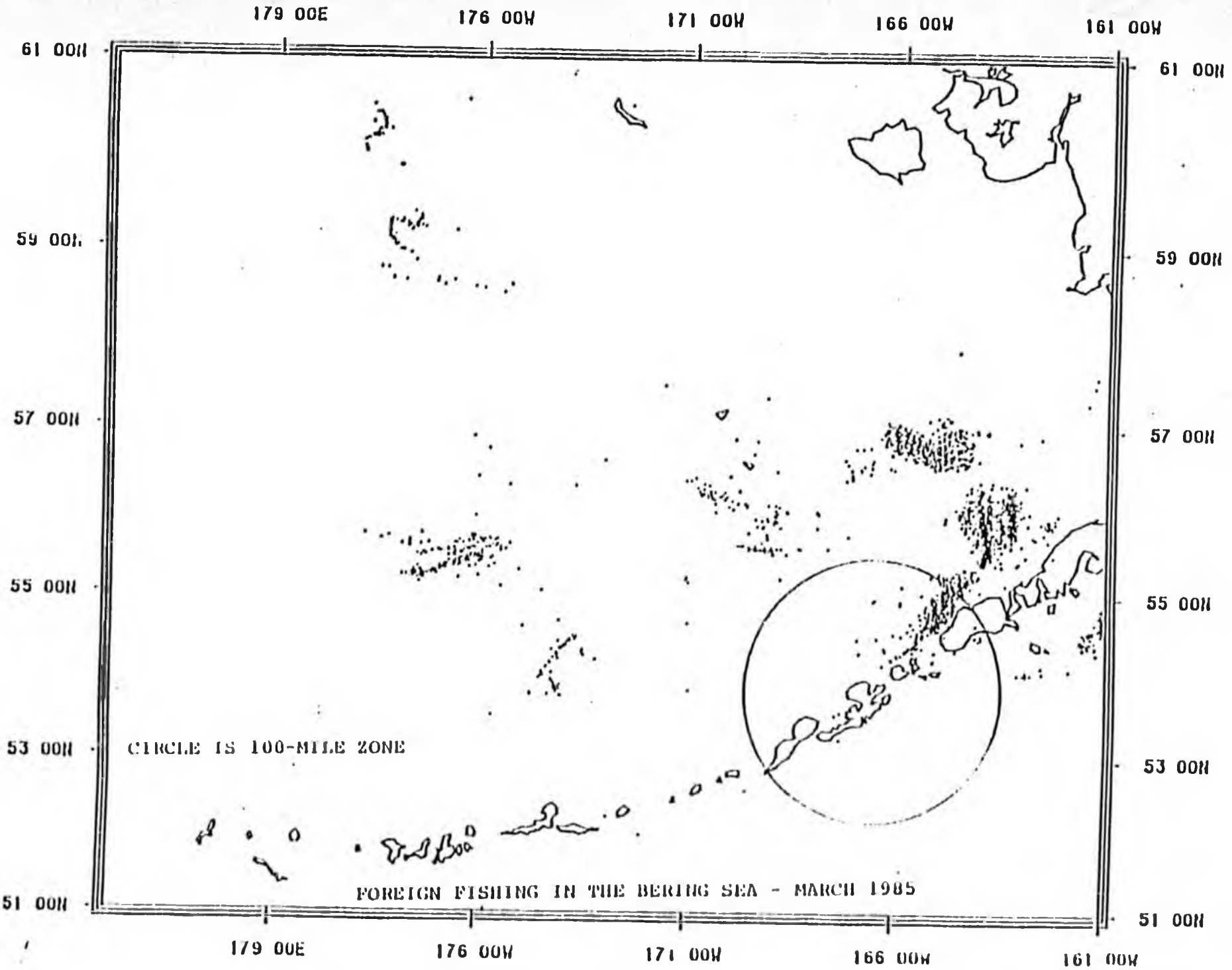
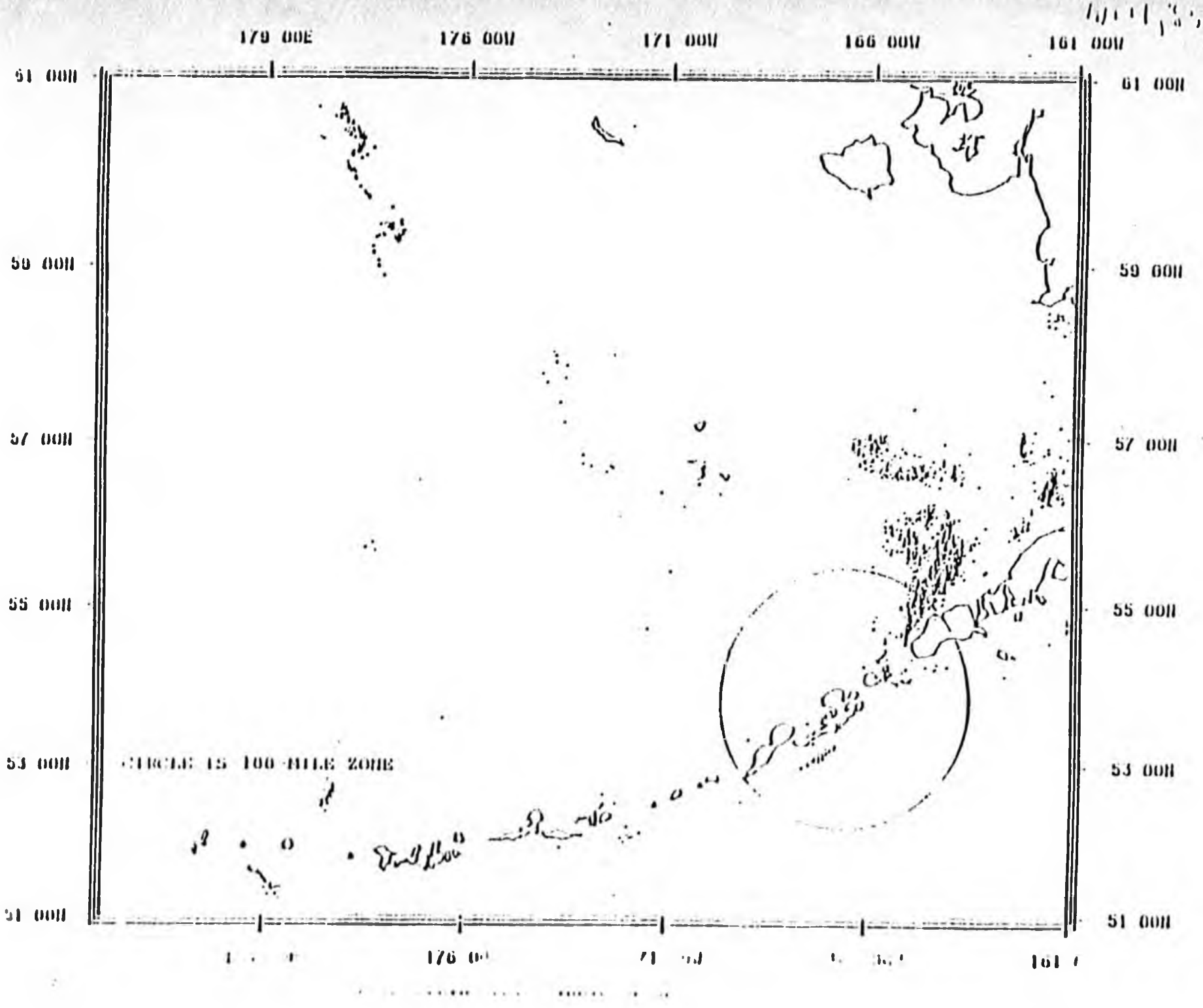


FOREIGN FISHING IN THE BERING SEA - MARCH 1985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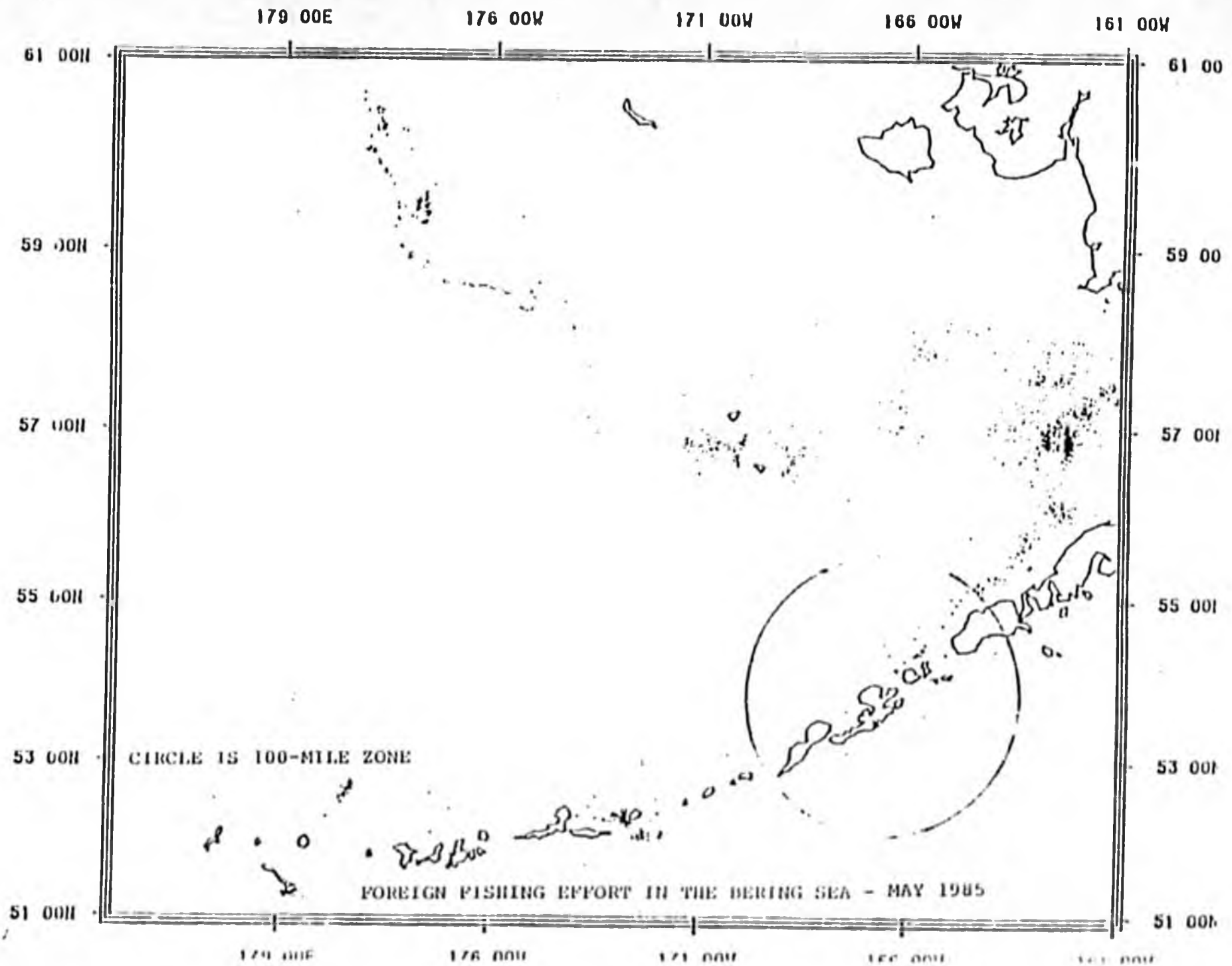
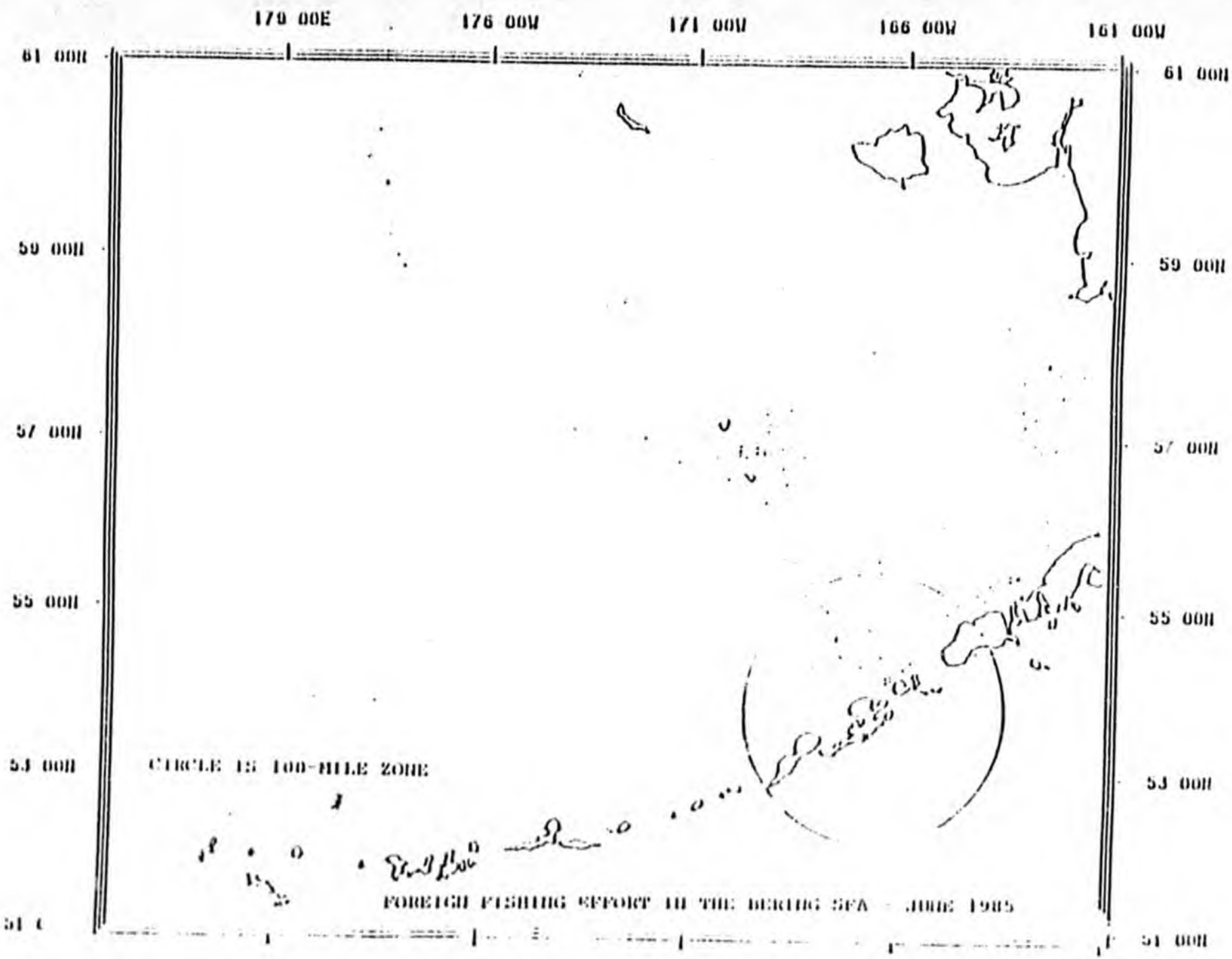


FOREIGN FISHING EFFORT IN THE BERING SEA - MAY 1985

JUNE



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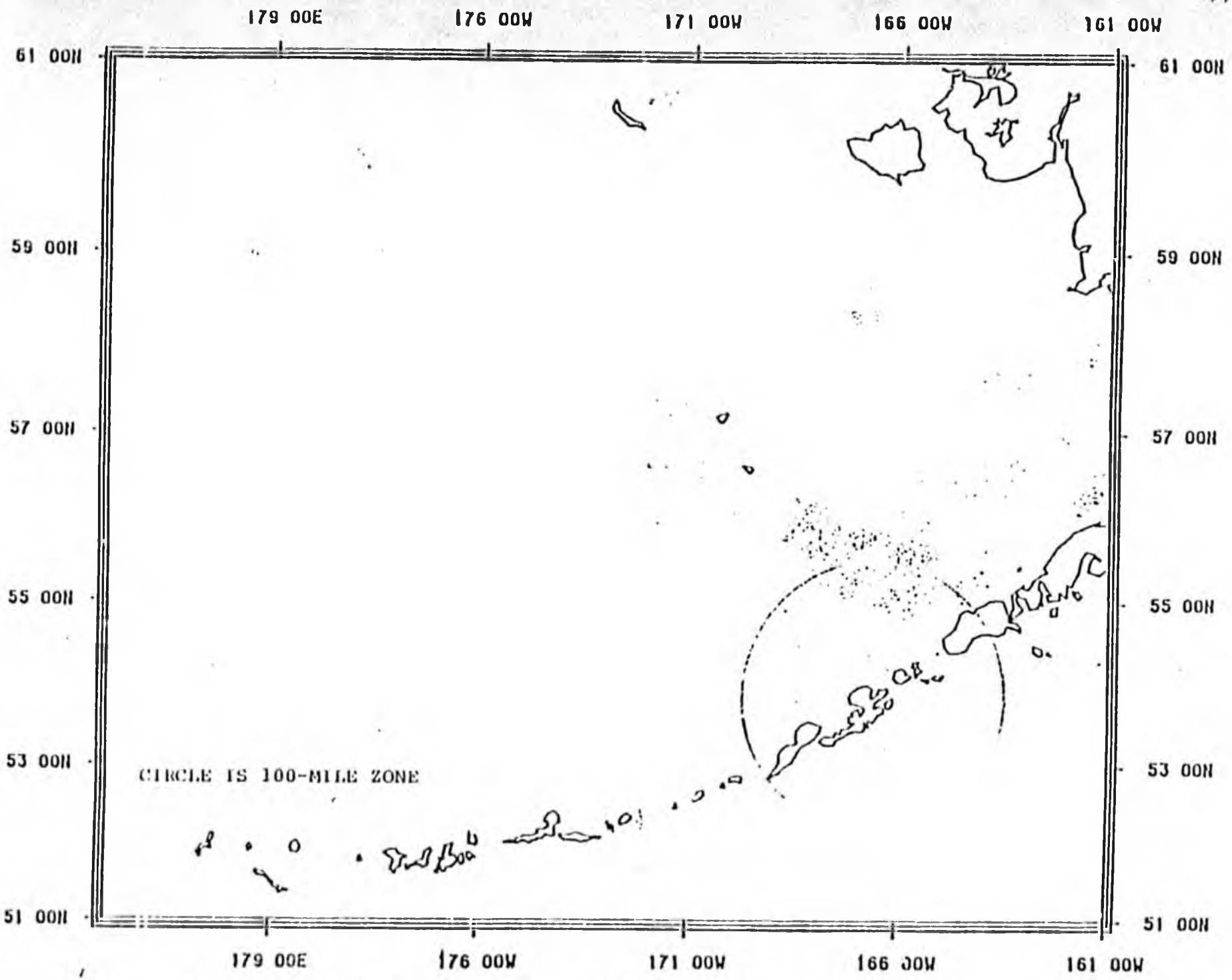
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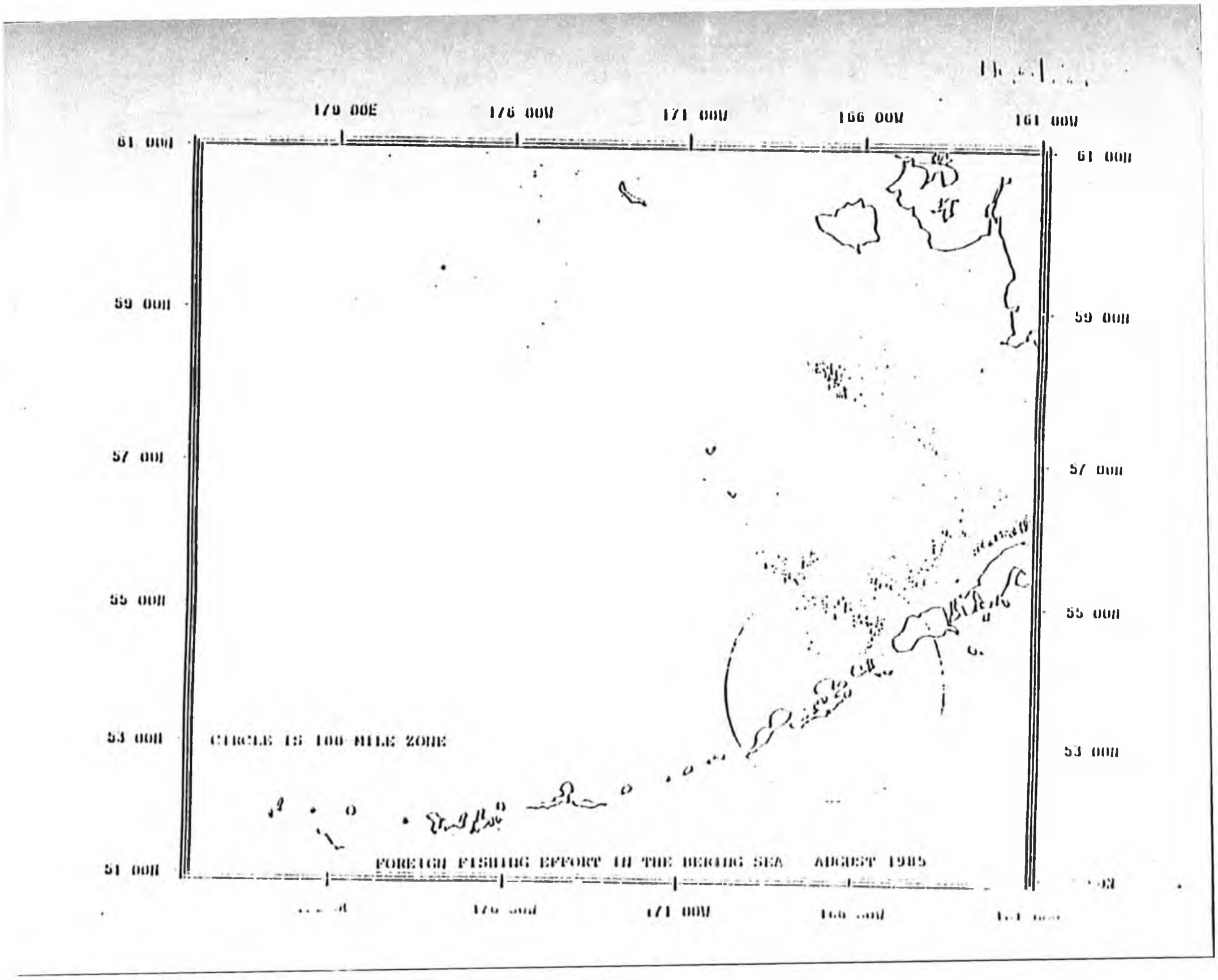
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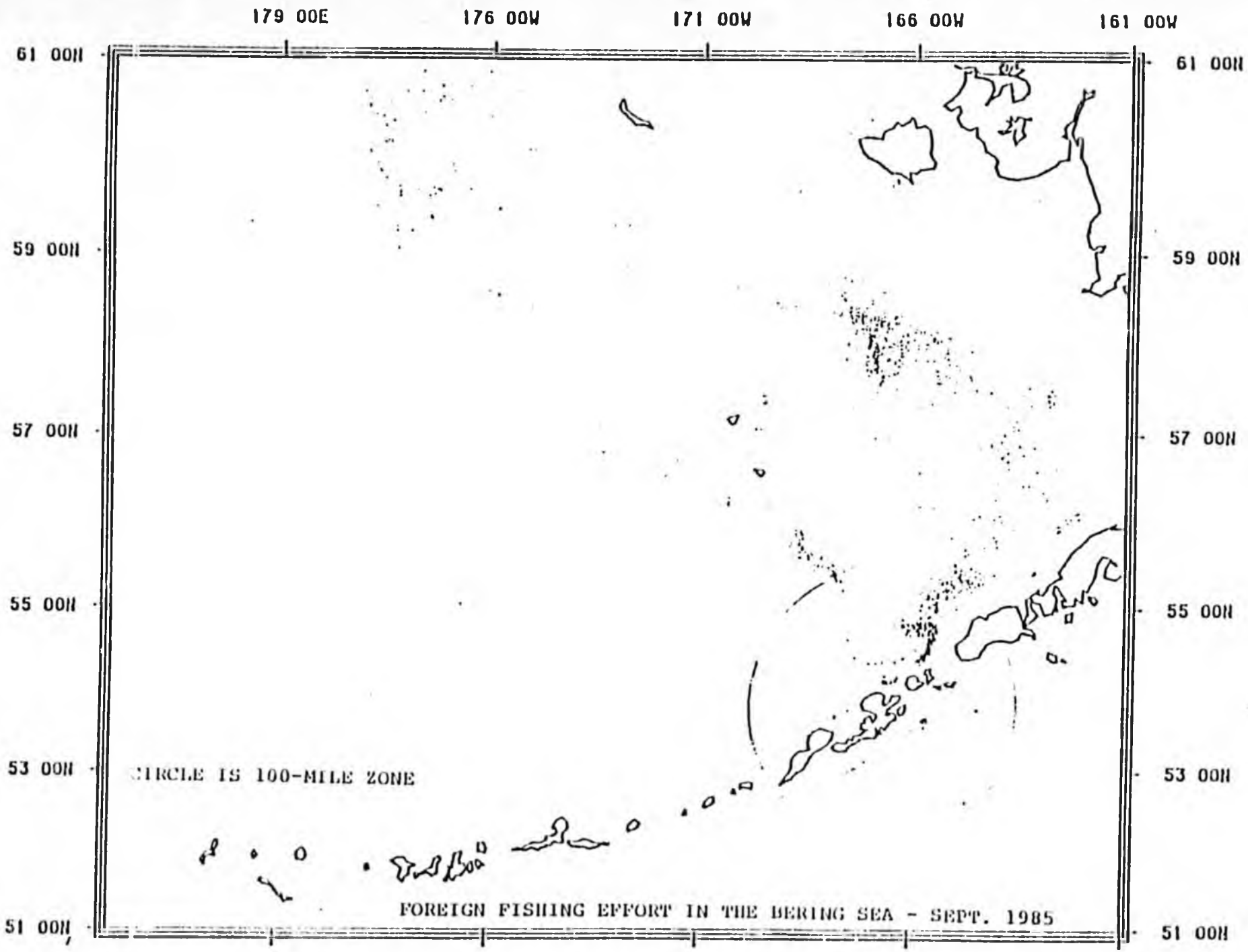
FOREIGN FISHING EFFORT IN THE BERING SEA AUGUST 1985

SEPT. -BER



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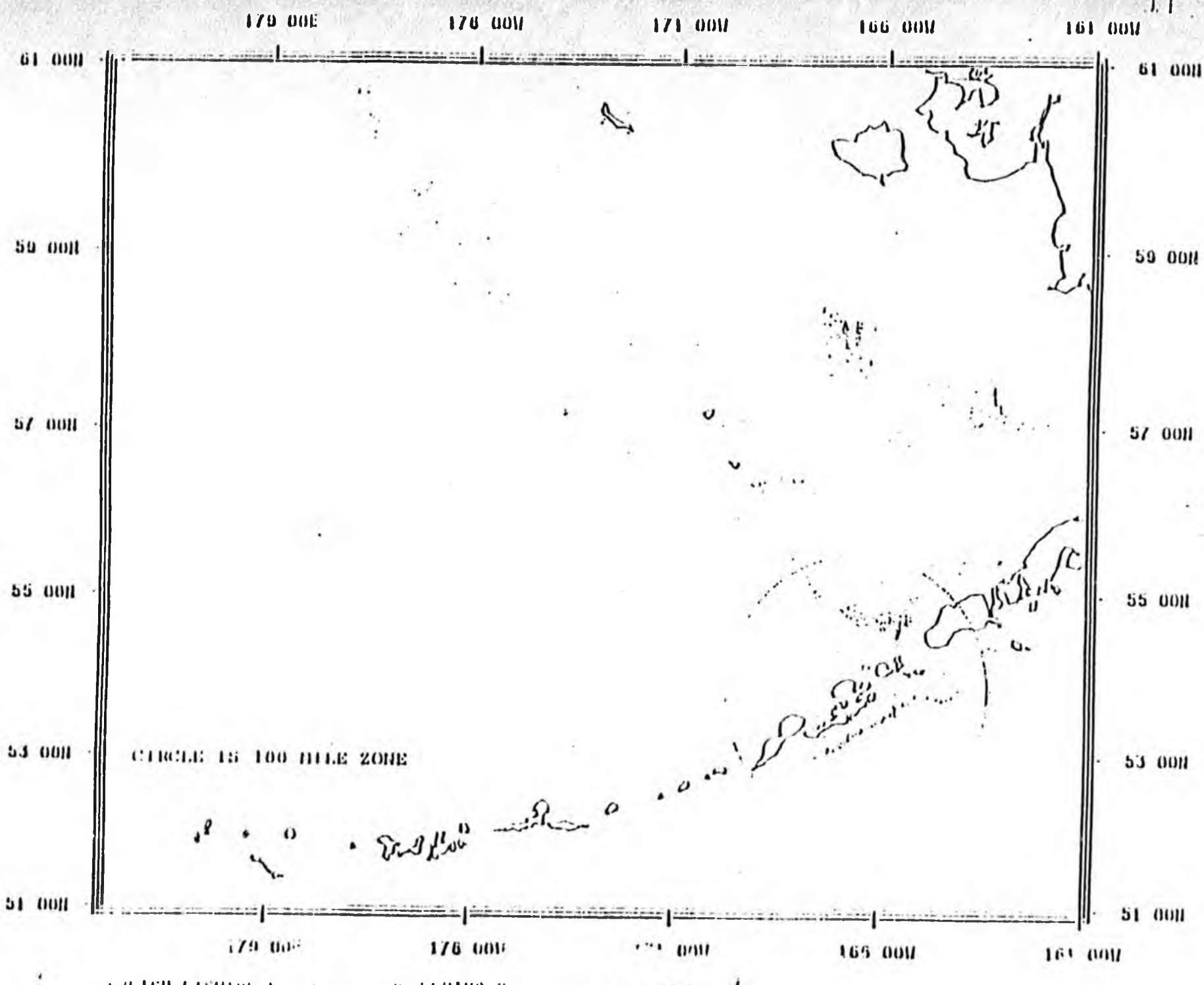
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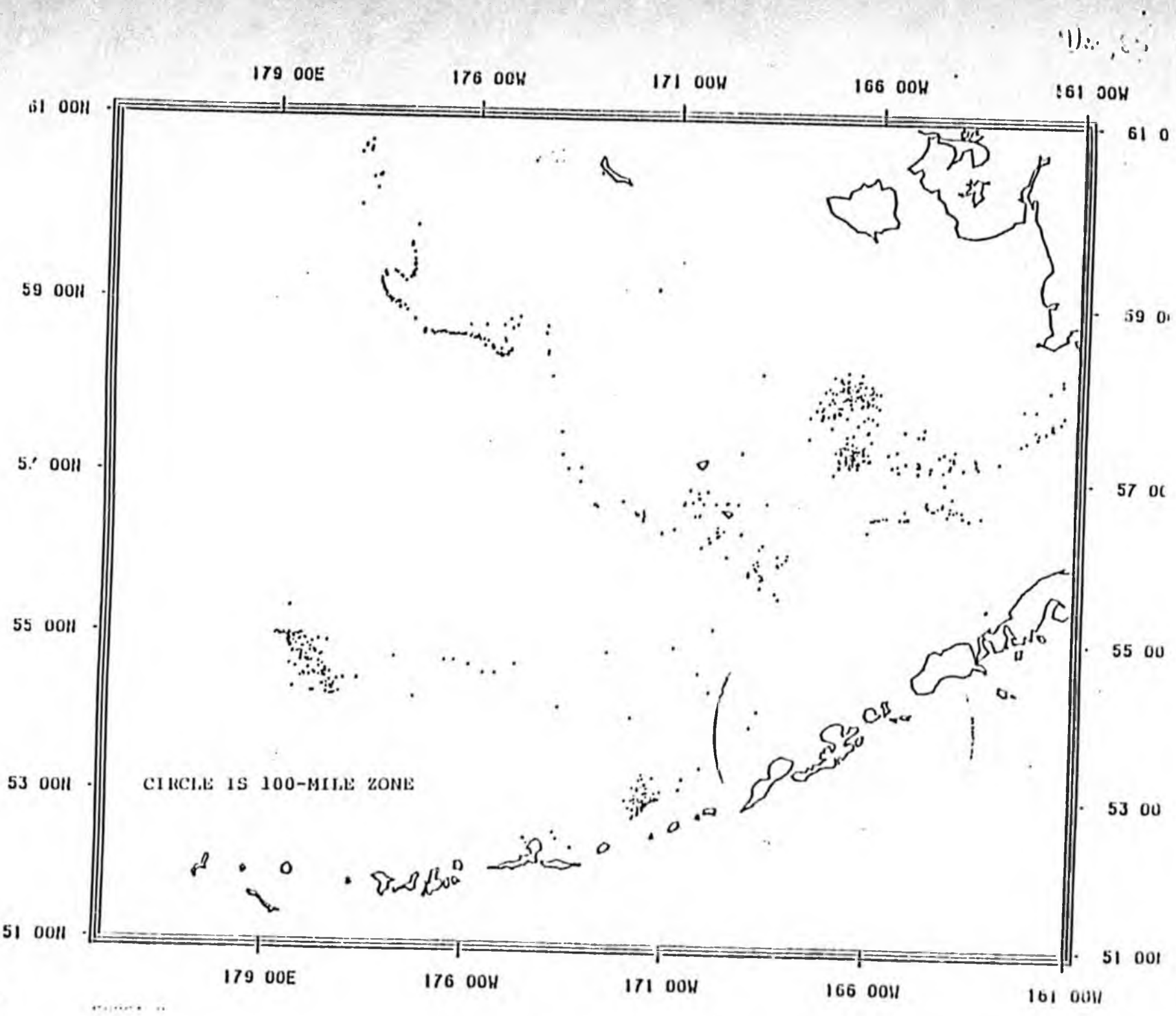
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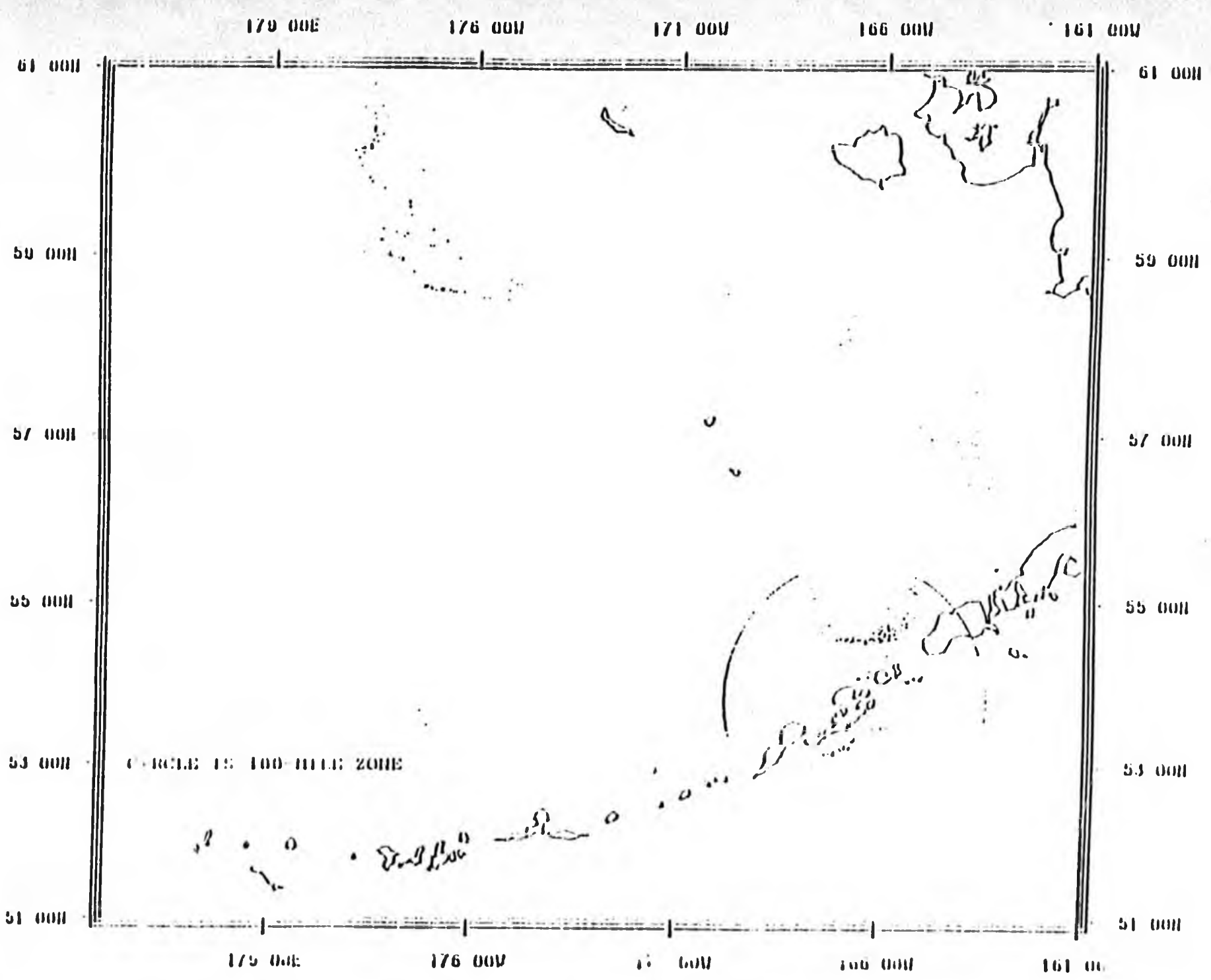
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