


MEMORANDUM

TO: Council, AP, and SSC Members

FROM: Clarence G. Pautzke
Executive Director 

DATE: June 14, 1989

SUBJECT: Domestic Observer Programs

ACTION REQUIRED

1. Receive final report from Council's pilot domestic observer program. Approve final payment of Contract No. 87-6.
2. Status report on industry and NOAA-funded, voluntary observer program.

BACKGROUND

In 1987 the Council awarded a contract to the University of Alaska Sea Grant Program to develop a voluntary pilot program to provide observer coverage of the emerging domestic groundfish fishery. Program objectives included obtaining harvest information on species composition, age composition, and catch-per-unit-effort in directed fisheries by various gear types. Bycatch information, particularly on catches of fully-utilized species, was also a primary objective. Secondary objectives included obtaining knowledge and experience in administering an observer program off Alaska.

A final contract report is due at this meeting. Dr. Ron Dearborn, Director of the Alaska Sea Grant Program, is available to present an oral summary. Written reports will be available at the Council office to those interested in receiving a copy. Following receipt of the report, the Council is scheduled to close the contract by approving final payment.

We also have a status report [item C-5(a)] on the voluntary observer program that is supported by industry contributions and matched by NOAA Fisheries.

AGENDA C-5(a)
JUNE 1989

REPORT NO. 2 - NMFS/INDUSTRY DOMESTIC OBSERVER PROGRAM

This is the second report on the progress and activities of the NMFS/Industry Matching Funds Domestic Observer Program. Progress and activities are summarized through May, 1989. The program is funded through both industry contributions and by NMFS. Participation in the program by vessel owners is on a voluntary basis. NMFS is interested in placing observers aboard all types of vessels participating in the groundfish fisheries and the crab fisheries. The primary area of interest for sampling by the observers is the Bering Sea/Aleutian Islands region.

Operational control and administration of the program is being handled by the NMFS Alaska Fisheries Science Center's Observer Program. NMFS is responsible for the overall administration, training, equipping, debriefing and data management of the program. Observer services are provided through the NMFS observer contractor, Frank Orth & Associates, Inc.. The contractor is responsible for employment of observers and all logistical arrangements required to place observers aboard the vessels. While aboard vessels, the observers are responsible for obtaining data on the total catch, fishing effort, location of catch, catch composition, incidental catch of prohibited species, biological data on target and prohibited species and the incidental take of and interactions with marine mammals.

The program began operations in March, 1989 with the training of four observers by the Alaska Fisheries Science Center's Observer Program. Those four observers were then stationed at Dutch Harbor, Alaska and deployed to vessels participating in the trawl fisheries in the Bering Sea. An additional two observers were trained in April and also stationed at Dutch Harbor. Observers are stationed in the field for three-month periods where they make as many trips as possible on vessels and then return to the Alaska Fisheries Science Center for debriefing. One of the original four observers deployed in March returned to Seattle in April due to an injured knee. He will be redeployed in June.

Through May, the observers had sampled aboard 7 different vessels participating in the trawl fishery for a total of 108 days. The vessels sampled by the observers spent 43 days fishing in subarea 511 (Figure 1), 17 days in subarea 513, 1 day in subarea 515, 23 days in subarea 517 and 24 days in subarea 521. Throughout this period vessels carrying observers targeted on pollock which was also the species generally targeted on by the trawl fleet as a whole throughout this period. The percent species composition by weight and by subarea for the data collected through May is listed in Table 1. As mentioned, pollock has been the target species of the vessels observers have been aboard and has accounted for 94.3% of the catch from subarea 511, 98.5% from subarea 513, 96.3% of the catch from subareas 515 and 517 (data from subarea 515 has been combined with 517 to allow release of data from subarea 515 under rules of confidentiality); and 97.9% of the catch from subarea 521. Pacific cod and rock sole were the primary bycatch species taken in these fishing operations.

The incidence (number per metric ton of groundfish) of each of the prohibited species and the percent by weight of total catch of Pacific halibut and Pacific herring are listed in Table 2 by subarea. The incidence of each of the prohibited species was less than 1 fish or crab per ton. For Chionoecetes bairdi, the incidence ranged from 0.017 crab/t in subarea 513 to 0.111 crab/t in subarea 511. The incidence of other species of Tanner crab was less than 0.1 crab/t in all subareas. Red king crab were taken as incidental catches only in subareas 511 and 515+517 where the rates were 0.014 crab/t and 0.004 crab/t, respectively. Chinook salmon were observed in catches made in subareas 511, 513 and 515+517 and the incidence rates were less than 0.03 fish/t. Pacific halibut occurred in catches taken in all areas. The incidence of halibut by subarea was: 0.543 fish/t in subarea 511, 0.016 fish/t in subarea 513, 0.384 fish/t in subarea 515+517 and 0.074 fish/t in subarea 521. By weight, halibut made up less than 0.09% of the catch in all areas. Pacific herring were taken at times in the catches from all subareas but composed less than 0.01% of the catch. A more detailed summary of the data collected will not be available until the observers have completed their deployments and the data have been entered into the Center's data base and edited.

The program has been successful in placing observers during the first few months of operation and we appreciate the cooperation we have received from the industry. The continued success of the program is dependent on the continued cooperation of vessel owners and crew from all segments of the domestic fishery in Alaska. We want to emphasize our desire to sample all segments of the fleet; longline and pot fisheries as well as the trawl fisheries. If you have an interest in participating in the program please contact the Observer Program by writing or telephoning:

NMFS Observer Program
ATTN: Ms. Angela Luis-Dougherty
Alaska Fisheries Science Center
7600 Sand Point Way NE.
BIN C15700
Seattle, WA 98115

Telephone no. (206)526-4191

Table 1. Species composition (percent of catch by weight) of groundfish catch taken aboard U.S. groundfish vessels participating in the NMFS/Industry Domestic Observer Program summarized by subarea in the Bering Sea for the period March through May, 1989.

SPECIES	PERCENT SPECIES COMPOSITION			
	SUBAREA			
	511	513	515+517	521
	(%)	(%)	(%)	(%)
Pollock	94.3	98.5	96.3	97.9
Pacific cod	3.4	0.9	2.7	1.2
Rock sole	1.4	0.1	0.4	0.1
Yellowfin sole	<0.1	0.0	<0.1	0.0
Other flatfish	0.4	<0.1	0.1	0.2
Arrowtooth flo.	<0.1	<0.1	<0.1	0.1
Greenland turb.	0.0	0.0	0.0	0.0
Sablefish	0.0	0.0	0.0	0.0
Atka mackerel	0.0	0.0	0.0	0.0
POP	0.0	0.0	0.1	0.0
Other rockfish	0.0	0.0	<0.1	0.0
Squid	0.0	0.0	<0.1	0.0
Other fish	0.1	0.4	0.2	0.2
Non-allocated	0.4	0.1	0.2	0.3

Table 2. Incidence of prohibited species (no. per metric ton of groundfish) and percent of total catch by weight of Pacific halibut and Pacific herring in catches taken aboard U.S. groundfish vessels participating in the NMFS/Industry Domestic Observer Program summarized by subarea in the Bering Sea for the period March through May, 1989.

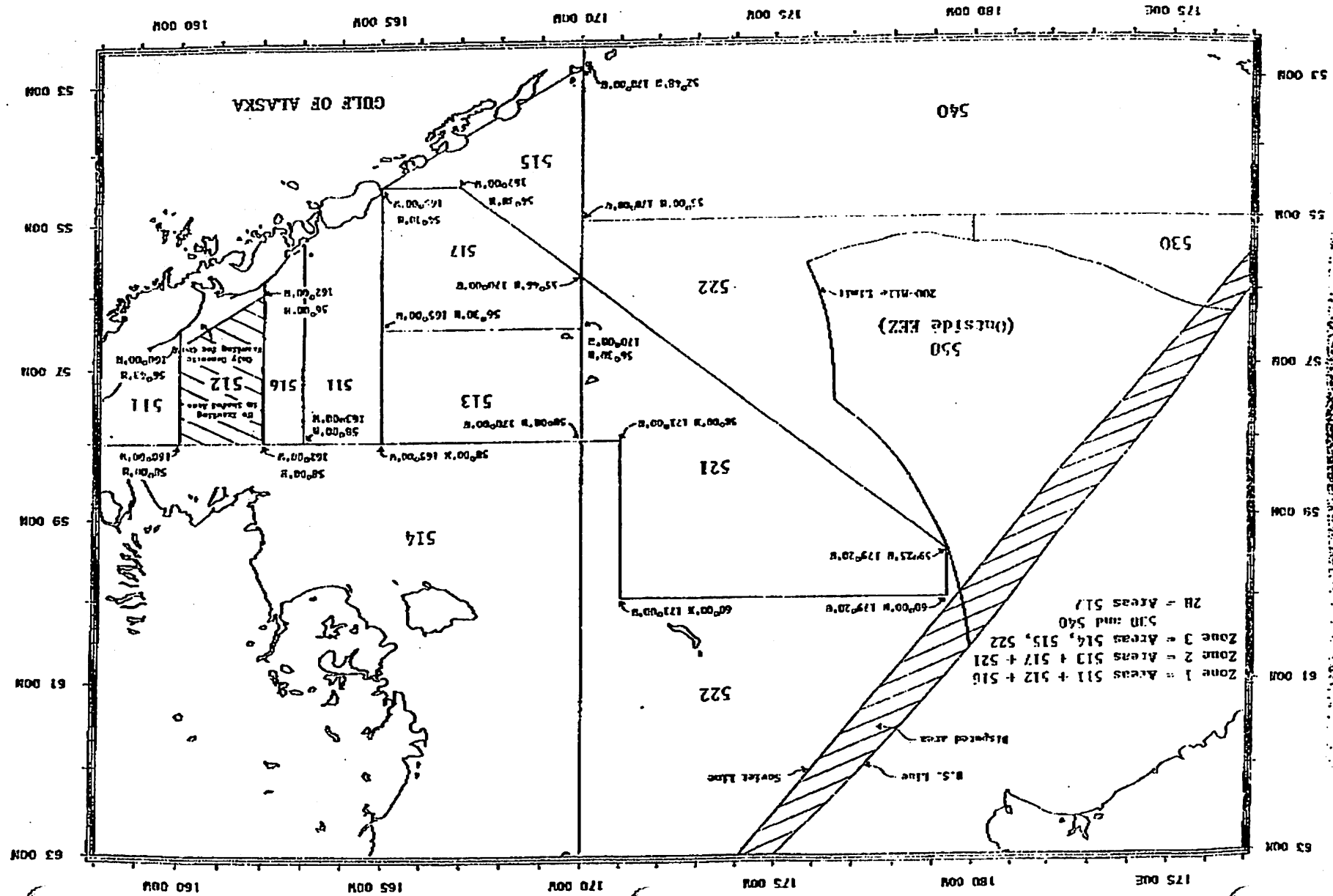
A.

SPECIES	INCIDENCE OF PROHIBITED SPECIES SUBAREA			
	511 (No./t)	513 (No./t)	515+517 (No./t)	521 (No./t)
<u>C. bairdi</u>	0.111	0.017	0.094	0.048
Other Tanner crab	0.008	0.088	0.004	0.001
Red king crab	0.014	0.0	0.001	0.0
Chinook salmon	0.008	0.003	0.022	0.0
Other salmon	0.0	0.0	0.0	0.0
Pacific halibut	0.543	0.016	0.384	0.074

B.

SPECIES	INCIDENCE AS PERCENT BY WEIGHT OF CATCH SUBAREA			
	511 (%)	513 (%)	515+517 (%)	521 (%)
Pacific halibut	0.08	<0.01	0.06	0.03
Pacific herring	<0.01	<0.01	<0.01	<0.01

FIGURE 1. Statistical sub-areas utilized in the Bering Sea/Aleutian Islands groundfish fishery.



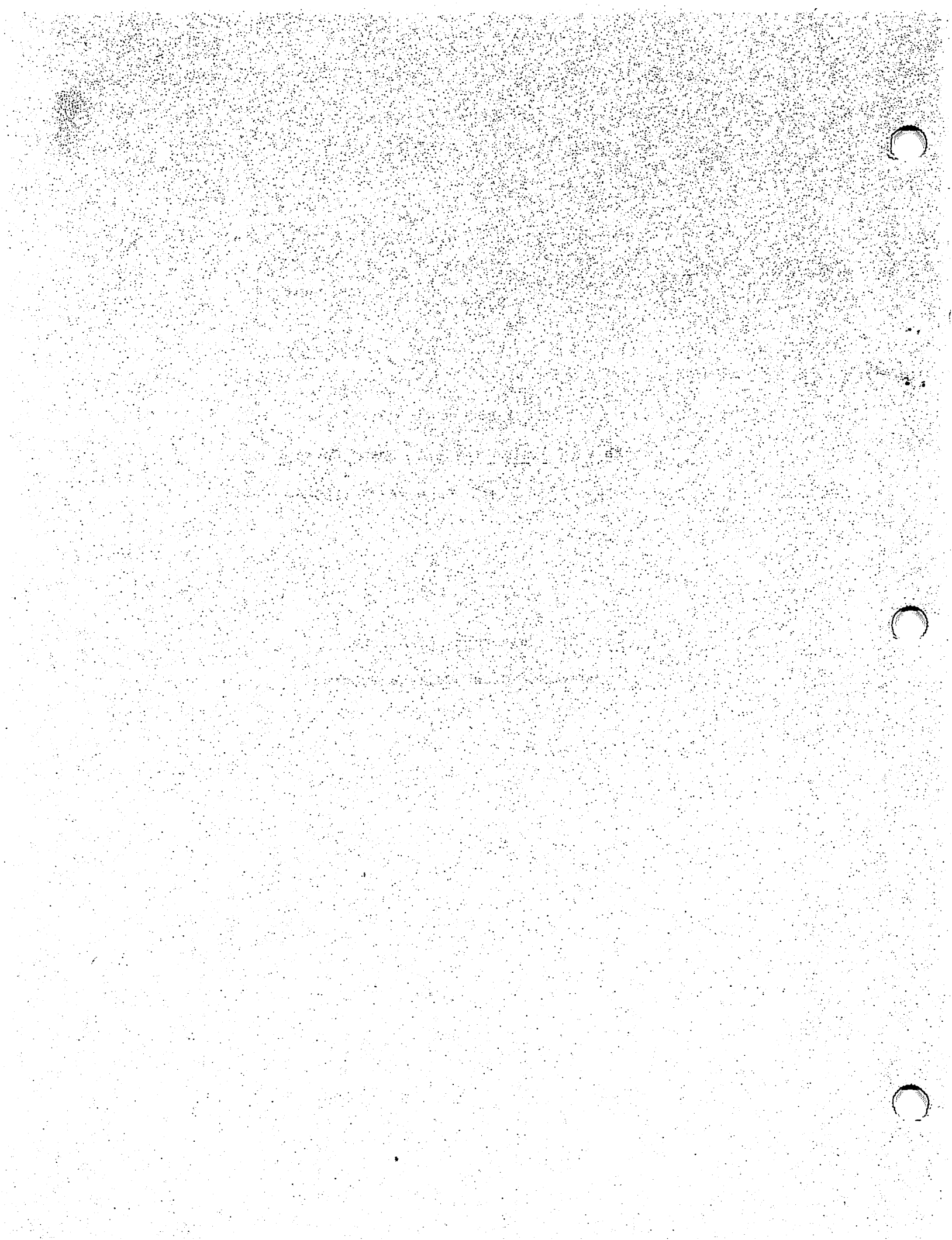
D R A F T

Final Report to the
North Pacific Fishery Management Council
on the Pilot Domestic Observer Program

by

The University of Alaska
Alaska Sea Grant College Program

June 14, 1989



DRAFT

**FINAL REPORT
PILOT DOMESTIC OBSERVER PROGRAM**

In August 1987 the Alaska Sea Grant College Program joined in contractual agreement with the North Pacific Fishery Management Council to administer a pilot domestic observer program. Under that contract Sea Grant agreed to be the major contact for vessels volunteering to take observers, to join in help solving insurance coverage problems associated with the program, to ensure that data reports from observers were conveyed in a timely manner to the Northwest and Alaska Fisheries Center, and to make recommendations on how a future program could be better constructed. The contract, originally anticipated to terminate in October 1988, was extended by mutual agreement.

Sea Grant has provided interim reports to the Council over the course of the contract, in December 1987, April, June, and December of 1988, and April 1989. This report is intended to serve as the final report for the contract.

Summary

From September 1987 through May 1989 the pilot domestic observer program provided 29 man-months of observer coverage plus eight man-months of field-based logistics coordination, or a total of 37 man-months of service. A total of 785 observer days were spent in the field of which 454 or 57% were spent at sea.

In calculating available observer days, all seven days per week are counted. The time for the field based logistics coordinator is not calculated as part of the base for observer days.

Observer Coverage

Periods of coverage were:

September 22 - November 15, 1987
February 1 - June 12, 1988
June 21 - August 6, 1988
January 23 - May 26, 1989

During the first period, September to November 1987, four observers were hired providing seven man-months of coverage. The second period, February through June 1988, provided 13 man-months of coverage with four observers plus a logistics coordinator. The month and a half June - August coverage was provided by one observer. The January - May 1989 period provided seven man-months of coverage by two observers and employed a logistics coordinator*.

* the two periods during which a field based coordinator was employed accounted for a total of eight months of manpower. This time is not counted in the base for observer coverage. The field-based logistics

coordinator also helped NOAA Fisheries with shoreside sampling at processing plants.

Observer Training

All observers employed in the pilot domestic fishery observer program were experienced foreign fisheries observers and received one week of supplementary training at the NMFS Northwest and Alaska Fisheries Center. In addition, for the last observer team, the Alaska Marine Advisory Program safety specialist provided eight hours of safety and survival training when the observers arrived in Kodiak.

Participating Vessels

Aleutian Trawler, c/p trawler
Alyeska, SSD trawler
American No. 1, c/p trawler
Arcturus, SSD trawler
Barbara Lee, SSD trawler
Dominion, SSD trawler
Eldan, SSD longline
Elizabeth F, SSD trawler
Half Moon Bay, SSD trawler
Harvester Enterprise, c/p trawler
Hickory Wind, SSD trawler
Julie Jolynn, SSD trawler
Mar del Norte, SSD trawler
Margaret Lyn, SSD trawler
Miss Corine, SSD trawler
Ocean Enterprise, c/p trawler
Ocean Hope III, SSD trawler
Pacific Glacier, c/p trawler
Pacific Star, SSD trawler
Peggy Jo, SSD trawler
Pelagos, SSD trawler
Prowler, c/p longline
Royal Baron, SSD trawler
Speedwell, c/p trawler
Starfish, SSD trawler
Tassigne, SSD trawler
Tonquin, SSD trawler
Tremont, c/p trawler
Unimak Enterprise, c/p trawler
Vanguard, SSD trawler
Volunteer, tender delivery trawler

Key: SSD = Shore Side Delivery, c/p = catcher processor

Thirty-one different vessels participated in the pilot program. Six vessels participated during two or more periods of coverage. Alaska Sea Grant very much appreciated the leadership and example set by these six vessels.

Four additional vessels with fully signed participation agreements for the last period of coverage were unable to participate due to closures and schedules.

Insurance

Insurance continues to be a serious issue for the observer program. During this pilot domestic observer program significant strides were made in addressing insurance, but as the private sector plays a larger role in providing logistics services, new problems will replace some of the problems successfully addressed by Sea Grant and the University of Alaska Fairbanks.

On January 11, 1988 Alaska Sea Grant arranged a meeting in Seattle with many of key people providing marine insurance for this region. Under the leadership of Craig Wiese of the Sea Grant Marine Advisory Program, brokers, insurance agencies, and reinsurance companies (list appended) were pulled together with several vessel owners to address the nature of employment for domestic observers and the liability of the University and the participating vessels. Through this meeting a substantial base of common understanding was created, and the insurance problems were greatly alleviated. However, part of the solution to the problem was the fact that the University of Alaska was willing to absorb risk under its workers' compensation program without cost to the observer contract. Smaller private companies would find this an expensive alternative. As the observer program expands, there should again be further consultation and discussion with the insurance industry about the nature of the program.

As a matter of reasonable precaution, Sea Grant would allow its observers to work only on insured vessels. Sea Grant offered to buy a rider to the vessel's insurance policy to cover the observer. Generally vessels had adequate coverage, and did not take the program up on its offer. When a rider was purchased, it cost a few hundred dollars.

The University of Alaska required a signed boarding agreement before placing observers on board. The purpose of this agreement was to clarify the nature of the observers assignment, to clarify the vessel owner's responsibilities, and to clarify the insurance issue. The insurance issue was the most contentious of the issues on the agreement, and the issue which caused the most delays in getting the agreement signed. Often these delays were for the purpose of reviewing the need for an insurance rider to cover the observer.

Technical Debriefing

Technical debriefing, i.e. the handling of data, was undertaken by the NOAA Fisheries Center at Sand Point. Because of the confidentiality issues, no technical data was received by Sea Grant or others at the University of Alaska Fairbanks.

A request was made by each of the pilot program observers to each vessel ridden to share the data with the Alaska Department of Fish and Game. Generally this request was met. On occasion the request was refused.

Informational Debriefing

Although Sea Grant did not hold technical debriefings for the purpose of collecting data, it did debrief observers concerning issues of employment, logistics, safety, and morale. It is clear that the present method of employing observers as has been done for the foreign program, for several of the ad hoc domestic programs, and for this pilot program has significant shortcomings which should be re-evaluated in order to ensure a successful long-term program.

The success of an observer program depends heavily on the quality of the people working as observers. The NMFS experience with the foreign program showed that seasoned observers do a better job than observers on their first ride. The current system for employing observers, however, clearly encourages early burnout and high turnover. Over the long term this will affect the quality of people in the program and will cause high administrative costs due to the high rate of training. Careful thought should be given to both attracting and retaining high quality people.

Sea Grant was very pleased by the quality of the people we were able to recruit to this pilot domestic program. Feedback from the industry was consistently positive. Words of appreciation from our observers throughout their period of employment, even when overworked, made us feel good about our role as well. It is our belief that the excellent pool of people that has been developed through the NOAA Fisheries programs is quickly diminishing, however. The scatter of diverse programs is leaving present and prospective observers with such an uncertain future that the entire pool may soon be lost. We encourage the Council to take an even greater leadership role in pulling together the multiple observer programs.

Several issues are yet inadequately addressed. The multiple observer programs now operated by NOAA Fisheries, ADF&G, the Council, and Alaska Sea Grant for groundfish, shellfish, and marine mammals do not have common training requirements and/or certification processes. Therefore quality people trained for one program are not necessarily employable in another. A professional pool from which all observer needs could be filled would provide assurance of observer availability and increased stability of employment for observers.

The ad hoc approach to filling observer needs has led to a proliferation of payment structures and procedures which are causing the industry considerable anguish. Some of these programs (the Council's pilot program, the ADF&G groundfish program, and the Sea Grant marine mammal observer program) are without charge to the vessel. Others are at the full expense of the vessel. Some of the programs are relatively well insulated from conflict of interest. Others which are operated with only remote governmental supervision and with a close association of observer contractor and the fishing vessel are at high risk for an unhealthy conflict of interest. The stakes are tremendously high, and competing pressures among gear types will be escalating over the coming years. A common and sound procedure for observer programs will do much to ensure the soundness of the data base for future management purposes.

The expectations of the domestic fleet for the observer program are likely higher than those of the foreign fleet which had little leverage with which to

address concerns anyway. The professional level of the new observer corps is critical to the success of the long term program. The foreign observer program relied on recruiting young graduates from the nation's universities and then supplementing their broad education with an intensive period of specific training. The value of the work to be accomplished plus the excitement of riding foreign vessels attracted quality people with some of the same motivations as Peace Corps volunteers. The domestic program will not necessarily hold the same attraction. The domestic program may not want to live with the same rate of turnover. Consideration should be given to providing more substantial training to people with a lesser educational background. This may also provide a system for modest career advancement and employment for several years instead of several months.

Other Logistic Details: There are other things which could be done to enhance the longevity of observers. Sea Grant's success in providing housing ashore for observers working on shore delivery boats was scattered. Costs were reduced well below normal per diem rates, but the quality of the housing provided by "bed and breakfasts" was inconsistent; sometimes very good, but at other times barely adequate. The housing issue would be more easily solved for a long term program than for a short term pilot program.

Because of limited resources for data collection, Sea Grant and NOAA Fisheries agreed to share the services of the shoreside logistics coordinator in Kodiak, using that person both to coordinate the on-board observer program and also to provide shoreside sampling at processing plants. These two efforts are more than one full time job. We recommend a more careful evaluation of this split workload before proceeding in the same way in the future.

At the beginning of each coverage period it took a matter of weeks for the active fishermen to become confident in the observers and the logistics coordinator. In the future, this period of wariness can be overcome by assigning the same individuals to an area.

Volunteer Programs

The determination by the Council to manage fisheries conservatively in the absence of adequate data has been an important factor in the broad acceptance of an observer program. A successful pilot program has helped nurture acceptance. Those in the industry who do not commonly participate in the Council process, however, are without the benefit of those discussions which led to the logical conclusion that an observer program is needed both by the industry and its managers. Some vessels remain uninterested in participating in a volunteer program. Even when there was strong leadership encouraging participation in the voluntary program, fewer than half of the vessels approached were willing to participate. Without that strong leadership, the proportion of volunteering vessels was even smaller. We have significant reservations that a voluntary program can collect adequate representational data. We are certain that a voluntary program boosts the administrative costs of coordination. The one benefit of a voluntary program is that it provides an avenue for finessing the insurance issue.

Financial Report

Sea Grant pulled the last observer from the field at the end of May. All costs are not yet posted. However, the figures on the following financial summary page will be very close to the final tally of expenditures for the program.

Pilot Domestic Observer Program

Expenditures through May 1989

	Fall '87	Spring '88	Summer '88	Spring '89	Total
Salaries	\$19,585	\$49,276	\$ 7,645	\$ 33,550	\$110,056
Support salaries ¹				2,899	2,899
Travel ²	13,614	23,605	2,298	22,942 ³	62,459
Services	1,506	3,859	-	9,917	15,282
Administrative Fee	736	2,416	328	2,404	5,884
Total	\$35,441	\$79,156	\$10,271	\$ 71,712	\$196,580
% of total \$205,000	17	39	5	35	96
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Manmonths of observer coverage	7	13	2	7	29
Manmonths of coordinator	4			4	8
% of total 36 manmonths	20	47	4	30	101

¹ support staff at Kodiak FITC

² includes transportation, lodging and meals

³ includes travel for all observers from Seattle/Alaska/Seattle

A P P E N D I X

Domestic Observer Program Meeting with Insurance Industry 1/11/88

<u>Name</u>	<u>Affiliation</u>
Bauer, Jim	Bauer, Moynihan & Johnson
Bodal, Trond	Collins Burdick Hunter
Bonet, Linda	St. Paul Fire & Marine
Charlton, Ike	University of Alaska
Collier, Barry	Pacific Seafood Processors Association
Edick, David	Alaska Sea Grant Program
Farnsworth, George	Corroon & Black
Fitzpatrick, Scott	Johnson & Higgins
Frary, Lori	Royal Insurance
French, Robert	Alexander & Alexander
Hall, Margaret	Rondys, Inc.
Ingman, Jeff	Corroon & Black
MacDougall, John	Maddon & Puliak
McReynolds, Patrick	Corroon & Black
Melteff, Brenda	Alaska Sea Grant Program
Ness, Kaari	Royal Viking Inc.
Orr, Bill	Alaska Factory Trawler Association
Porter, Russell	Pacific Marine Fisheries Commission
Price, Steve	Kemp Pacific Fisheries
Suits, Ted	North Pacific Fishing Vessel Owners Assoc.
Terry, Angela	Corroon & Black
Thiemens, N.C.	Peter Pan Seafoods
Thomson, Arni	Alaska Crab Coalition
Wall, Janet	NMFS Observer Program
Wiese, Craig	Alaska Marine Advisory Program
Zenor, Margie	GRE Talbot Bird

1988 Domestic Observer Program Vessel Participation Agreement

Observer _____
Name of Vessel _____
Name of Owner _____
Mailing Address _____
Corporate Tax ID or Social Security Number _____

The vessel owner (Contractor) agrees to allow a University of Alaska observer to collect data on catch rate, fishing locations, species composition and incidental catch of prohibited species from approximately _____ to approximately _____ in accordance with the terms outlined herein.

- 1. The Contractor will carry a University of Alaska employee as an observer during the period of this agreement.
2. The Contractor will provide space for the observer to carry out his/her duties on board a seaworthy vessel...
3. University of Alaska observer duties do not include any legal enforcement responsibilities...
4. The University of Alaska will accept responsibility for employment-related injury and illness...
5. The University of Alaska hereby agrees to indemnify and hold harmless the Contractor...
6. The Contractor shall provide to the University of Alaska proof of and keep in effect during the term of this agreement Protection and Indemnity Insurance with minimum limits of \$500,000 per occurrence...

Nothing in this agreement is construed to relieve the vessel owner of his negligence or the negligence of his crew or of his vessel to other third parties, or for damage to his own vessel.

Contractor, by the signature of its authorized representatives, hereby acknowledges that he has read this agreement, understands it, and agrees to be bound by its terms and conditions.

Vessel Owner or Master _____

University of Alaska Representative _____

Date _____

Date _____

Insurance information:

Name of Insurance Carrier _____

Cost of rider to cover observer \$ _____

Amount of Protection and Indemnity coverage \$ _____