



JUN - 6 1988

KEMP PACIFIC FISHERIES, INC.

2613 N.W. 54th • Seattle, Washington 98107-4179 • Phone: (206) 783-7512 • Telex: 32-0323

June 1, 1988

Ms. Nancy Munro, Chairperson
Future of Groundfish Committee
North Pacific Management Council
P.O. Box 103136
Anchorage, AK 99610

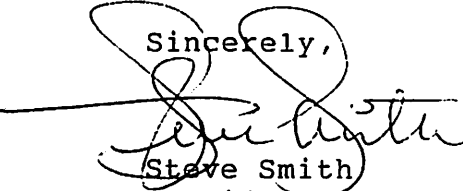
Dear Nancy:

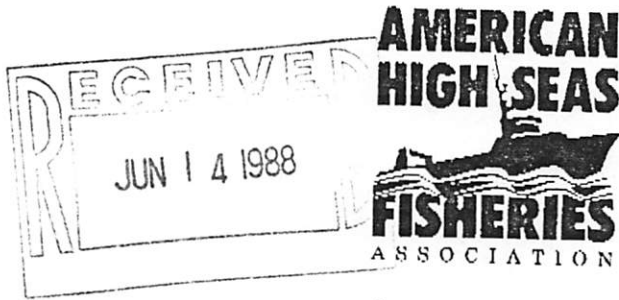
As you are aware, Kemp Pacific Fisheries has stated its position in reference to the Future of Groundfish. As the time approaches for the final presentation report to the North Pacific Fisheries Management Council, I would like to commend you and your committee for the work you have accomplished to date. I feel the committee has been fair and rational in its approach to such a monumental task. Besides the complex issue you are faced with, you also have the diverse personalities of the fishing industry whose livelihood will be determined by the outcome of final council decisions. You personally and as a committee have done a good job.

Kemp Pacific Fisheries remains steadfast in supporting the "Riley Proposal." As members of the Alaska Factory Trawlers Association, we are in a minority position. We remain opposed to open access approaches to fishery management. Long term business commitments make open access an uneconomical solution for our company.

In closing, Kemp Pacific Fisheries compliments you and the committee for clarifying the issues. All phases of the industry need to know the future direction of the fisheries of which we are involved. Good luck during your presentation.

Sincerely,


Steve Smith
President



June 14, 1988

COPY FOR YOUR
INFORMATION

Jim Campbell
Chairman
North Pacific Fisheries Management Council
P.O. Box 103136
Anchorage, AK 99510

Dear Jim:

The American High Seas Fisheries Association does not favor any one alternative management scheme over another that is contained in the Future of Groundfish Committee's report to be presented at the June North Pacific Fisheries Management Council meeting. However, we continue to share the concern of others that the rapid expansion of the groundfish harvesting fleet in the U.S. EEZ off Alaska will compound the difficulties in management of the fisheries.

We continue to advocate a Council process to identify and implement the most effective and politically viable alternatives to groundfish management that will insure a more rational management scheme in the years ahead.

Our position on this matter has not changed since the September 1987 Council meeting. AHSFA therefore continues to call for an effective cut-off date to be set at the earliest possible time in order to halt speculative expansion.

Sincerely,

Pete Granger
Executive Director

PG:r

Ralph Bullis
P.O. 2295
Cordova, AK 99574

Dorothy Lowman
North Pacific Fishery Management Council
Box 103136
Anchorage, AK 99510

Limited Entry in the ground fish fisheries is wrong. It is ruining Alaska. The right to fish is becoming like a stock market with many of the (salmon) permits going to non-residents because they often have money.

Another question that nobody has an answer to is "what about the crew members?" Traditionally a man works on a boat until he has the experience and capital to enter a fishery. Now he has the added expense of buying a permit, which in the case of some salmon permits is a very major investment, impossible for a man on deck to earn. Shouldn't someone who's spent many years on deck get a permit too?

Limited entry is against free enterprise and against the Alaska way of life where a man can make something of himself without a lot of money.

Sincerely Ralph Bullis Captain F.V. Scope Flow

P. O. Box 825
Port Townsend, WA 98368

April 28, 1988

Dorothy Lowman, FOG Coordinator
North Pacific Fisheries Management Council
Box 103136
Anchorage, Alaska 99510

Dear Ms. Lowman:

I read with interest the article in the May issue of "National Fisherman" concerning limited entry for the North Pacific bottom fishery. I'm confused and concerned with my status in this fishery.

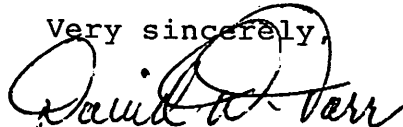
I owned and operated the fishing vessel "Lady Barbara" in 1984 and 1985. I was also licensed to fish in 1986 but, due to a personal crisis in my life, was unable to do so and lost my boat in the spring of that year. I fished exclusively off the coast of Washington with this boat.

Early last year, I began the process of building another boat. Progress to date has been slow due to a lack of money, but I expect to make considerable headway this summer and fall. However, I will not be ready to fish this boat until the 1989 season. My investment to date has demanded considerable sacrifice and more will be required before this boat is ready to fish. I would like to stress that this boat is for fishing and is not a cabin cruiser with a fish box. It would have little market value as anything else.

I would like to know where I stand with this limited entry issue and would appreciate a response from you in this regard. The boat I had before was used to longline for halibut and black cod and, while I did not fish Alaska with it, I would like to be able to do so with my new boat.

In closing, I have spent many years in the fishing industry before having a boat of my own. It would be a tragic irony if a change in the regulations prevented me from realizing a goal that I worked so long to achieve. Thank you.

Very sincerely,



David D. Tarr



KEMP PACIFIC FISHERIES, INC.

P.O. Box 70647 • Seattle, Washington 98107-0647 • Phone (206) 283-6808

June 17, 1988

Mr. James O. Campbell, Chairman
North Pacific Management Council
411 W. 4th, Suite 2D
Anchorage, AK 99501

Dear Mr. Campbell:

We would like to congratulate the Council and it's Future of Groundfish Committee for accomplishing in a few months what many thought would take years.

In our opinion, the credit for this must be shared between the Council and the Committee. The Council provided the Committee with both the guidance and the latitude that were necessary in accomplishing this task. The Committee performed well beyond expectations in sorting through the myriad of issues and interests and in delivering a report of genuine value. Everyone involved has reason to be proud. Although tremendous progress has been made, we still have a long way to go toward finding a solution to the over capitalization problem. We believe that if the Council continues with it's patient, systematic approach to this issue, a consensus will build around the optimum solution for all concerned.

The majority of the industry recognizes the fact that there are problems with the open access system of resource management, and the majority probably agree that there are, at least theoretically, systems that could alleviate those problems. The vast majority of the industry also recognizes the fact that there are systems of management that could be called limited access that would be extremely harmful to individual sectors of the industry and to the industry as a whole. For this reason, many in the industry have announced their preference for the certainty of the malaise of open access over the possibly catastrophic consequences of a limited access program that was improperly designed.

One approach that has been used to alleviate this fear is the analysis of "strawman" proposals. This has been a useful exercise, but we believe that no proposal will ever attract the necessary consensus because any proposal, no matter how fair, could be converted into an extremely unfair proposal through "minor" changes that occur as the proposal moves through the political process. Another problem with the evaluation of proposals at this time, is that there is no set of agreed upon criteria against which an individual proposal can be judged.

We believe that in order for this process to move forward along a track that leads to an eventual solution, we must take the time now to develop a set of general principles that state with clarity what limited access is supposed to do, and more importantly, what a limited access program is not supposed to do. These general principles would serve two purposes. The first purpose these would find is in rationally evaluating proposals. The second, and more important use for these principles would be to provide a set of constraints on the political process. Serious discussion of actual proposals can begin only after the scope of activity is adequately defined, and all sectors are assured of equitable treatment.

Mr. Jim O. Campbell

Page 2

6/17/88

The following is a listing of the general principles we would like to see endorsed. No significance should be attached to their order of mention.

What An Ideal System Would Do:

1. Minimize economic dislocation.
2. Maximize the pace of Americanization.
3. Maximize the long term economic efficiency of the industry.
4. Minimize the political pressure to over fish.

Proscribed Uses Of The Process

1. The use of the limited access process to reward one industry sector, to the detriment of another sector.
2. The use of the limited access process to expropriate revenue from the industry in excess of that which is necessary for legitimate management expenses.
3. The use of limited access to enhance the economic decision making power of any government agency.

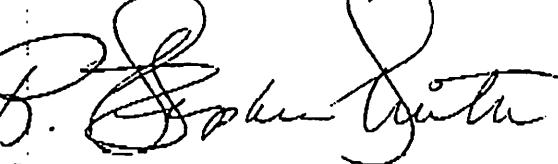
We believe that it will be far easier to gain a consensus on the goals of limited access than it would be to reach a consensus on any specific program. After we have a set of agreed upon goals, sensible discussions concerning individual proposals can begin.

We believe that this issue is, by far, the most important issue the Council has ever faced. The progress made by the F.O.G. Committee to date indicates that this group is the logical one to continue this work. Therefore, we urge you to consider the re-appointment of this committee to oversee any further work on this subject.

Once again, we feel the Council has done an excellent job with this issue so far, and we urge you to continue.

Sincerely,

KEMP PACIFIC FISHERIES, INC.



R. Stephen Smith
President

RSS/bpe

Approved

Quick Summary of FOG Recommendations

1. Direct staff to "flesh out" the alternatives including the future under open access.
2. Appoint a revised FOG committee to act as a sounding board to the staff and consultants developing the alternatives.
3. Have the Council take part in a series of seminars with the industry and interested groups. These seminars would summarize the thinking and debates FOG has heard, and the various alternatives.

Recommendations 1-3 refer to a set of alternatives which FOG believes hold promise. FOG is explicit in stating that they believe status quo/open access should be included in any set of alternatives. The other alternatives are: *should ~~be~~ not be limited include but*

Groundfish

- a) IQs allocated equally to harvestors and processors
- b) Multi-species permit system for all trawl species
- c) ProChoice where fishermen would choose to fish in an open access or IQ.

Longline

- a) ProChoice
- b) Multi-species permit

Crab

- a) ProChoice
- b) Permit system with a buyback program

4. ~~Cut-off date. If a harvesting vessels has not fished or is not "in the pipeline by June 30, 1988 it may not earn credit in any eventual limited access system.~~

TELEGRAM

TO: James Campbell
Chairman

FROM: Ray Evans
FV/Southeast

DATE: June 23, 1988

Supports June cut-off date for groundfish moritorium.

TELEGRAM

TO: James Campbell
FROM: Sigurd Mathison
Petersburg
DATE: June 22, 1988

We urge you to adopt the FOG recommendations for a June 30, 1988 cut-off date for new entry into the groundfish fisheries off Alaska.

TELEGRAM

TO: James Campbell
FROM: Cainhart Samuelson
Fishing Vessel - Pacific Sea
Petersburg
DATE: June 22, 1988

I support June 20 cut-off date for all bottomfish off Alaska.

MEMORANDUM

TO: Council, SSC and AP Members

FROM: Clarence G. Pautzke
Executive Director



DATE: June 16, 1988

SUBJECT: Sablefish Management

ACTION REQUIRED

- (a) Review analysis of selected options.
- (b) Adopt preferred management alternative.
- (c) Provide direction for further analysis.

BACKGROUND

In April the Council reviewed the results of the sablefish management workshops and selected five major alternatives for further analysis. The alternatives are summarized in C-9(a). The analysis was mailed to you on June 14.

In the Statement of Commitment approved last September, the Council committed to developing license limitation and individual fishing quota strategies for the sablefish longline fishery off Alaska with a goal of implementing the selected management strategy for the 1989 season. In January the Council adopted the following schedule:

- June 20-24, 1988: Review analysis and adopt preferred management method
- June 25 - July 31: Further analyze preferred management method
- July 31: Release analysis for public review
- September 26-30: Final Council action

For the Council to adhere to this schedule, the preferred management alternative and its analysis must clearly inform the industry of the Council's intended action. Item C-9(b) is a generic checklist of the aspects the Council should consider in structuring a preferred management alternative for public review.

Summary of Sablefish Management Alternatives

1. Status Quo
2. Individual Fishing Quotas (IFQs)
 - (a) 50% of the IFQs issued to vessel owners/50% to permit holders.
 - (b) IFQs are percentages of specific management area TACs and would be transferable.
 - (c) Initial eligibility based on landing 1,000 lbs or more in any one year, 1984-87.
 - (d) IFQs based on the average two best years landings during the period 1984-87.
3. License Limitation
 - (a) Transferable license issued to vessels with landings of 5,000 lbs or more in any one year, 1984-86.
 - (b) Two-year nontransferable licenses issued to vessels with less than 5,000 lbs in landings in any one year, 1984-86, or that participated in the fishery for the first time in 1987.
 - (c) Separate licenses issued for Gulf of Alaska, the Bering Sea and Aleutian Islands.
 - (d) Licenses issued by vessel size, classified by length overall.
 - (e) Licenses could be transferred laterally and down in class, or two licenses could be combined for a vessel of the next largest size.
4. Combination Systems
 - (a) IFQ/License Limitation
 - (1) Qualified vessel owners would choose between the use of IFQs or licenses on an annual basis.
 - (2) The IFQs of those choosing to fish in a licensed fishery would be pooled to form the TAC for that fishery.
 - (3) Entitlements would be transferable.
 - (4) Licenses would be issued by vessel size with the same transfer restrictions described in Alternative 3 above.
 - (b) IFQs/Open Access
 - (1) Transferable IFQs issued as described in Alternative 2 above.
 - (2) 90% of the sablefish TAC would be allocated to the IFQ fishery.
 - (3) 10% of the TAC would be allocated to an open fishery.
 - (4) Fishermen with IFQs would not be allowed to fish in the open fishery.
 - (c) License Limitation/Open Access
 - (1) Transferable licenses issued as set out in Alternative 3 above.
 - (2) 90% of the TAC would be allocated to the licensed fishery.
 - (3) 10% of the TAC would be allocated to an open fishery.
 - (4) No limited license holders could fish in the open fishery.

5. Multi-Species Longline Fishery

- (a) 25% of the sablefish and halibut TACs would be allocated as retainable bycatch in other longline fisheries.
- (b) Each landing of other longline species could include up to 10%, round weight, each of sablefish and halibut.

Aspects of Alternative Sablefish Management Regimes

1. Nature of the entitlement:
 - (a) license
 - (b) IFQ
2. Entitlement recipient:
 - (a) vessel owner
 - (b) fisherman
3. Eligibility criteria:
 - (a) participation:
 - (1) past participation
 - (2) current participation
 - (3) participation before/after September 26, 1985 control date
 - (4) participation as a skipper
 - (5) participation as a crew member
 - (b) investment in fishery
 - (c) economic dependence on the fishery
 - (d) special case exemptions
 - (e) other considerations
4. Entitlement conditions:
 - (a) transferability: sale/lease/gift
 - (b) limits on ownership
 - (c) ownership by corporations and other business entities
 - (d) ownership by foreign citizens
 - (e) whether entitlement holder must be on board when landings are made
 - (f) whether entitlement must be used every year
 - (g) area restrictions
 - (h) gear restrictions
 - (i) vessel size restrictions
 - (j) duration of entitlement
5. Possible moratorium:
 - (a) whether moratorium on new entry is to be imposed pending implementation of preferred alternative
 - (b) eligibility for participation during moratorium
6. Administration and enforcement:
 - (a) administered by:
 - (1) Council
 - (2) NMFS
 - (3) Council/NMFS
 - (4) 3rd party
 - (b) funding for additional administrative and enforcement costs

KODIAK LONGLINE VESSEL OWNERS ASSOCIATION

HALIBUT, SABLEFISH AND PACIFIC COD

P.O. BOX 135, KODIAK, ALASKA 99615

May 18, 1988

RECEIVED
MAY 25 1988

ACTION	ROUTE TO TELEPHONE (907) 486-3781	INITIAL
	Deputy Dir.	
	Admin. Off.	
<i>Orig. to J.C., cc: R.M.</i>	Exec. Sec.	<i>hlc</i>
	Staff Asst. 1	
	Staff Asst. 2	
	Staff Asst. 3	
	Economist	
	Sec./Bkkr.	
	Sec./Typist	

Mr. James O. Campbell, Chairman
NORTH PACIFIC FISHERY MANAGEMENT COUNCIL
P. O. Box 103136
Anchorage, Alaska 99510

Chairman Campbell:

The Kodiak Longline Vessel Owners Association has been following the limited access discussions regarding the Sablefish fishery with great interest. We realize that in any fishery it is important to keep an open mind and be willing to consider other ideas of management.

The alternatives currently being analyzed by staff include the status quo, an individual fishing quota system, license limitation, combination of IFQ or license limitation with open access, and a modified status quo which would develop a multi-species longline harvest strategy that could solve many problems in the longline fisheries.

While the KLVOA members currently are not supporting any option other than the status quo, we strongly urge the Council to closely study the option of a modified status quo which would incorporate bycatch allowances of sablefish and halibut in the directed longline fisheries of less-utilized species such as Pacific cod and rockfish.

In light of the many practical problems and economic cost that will be encountered in the implementation of any "formal" limited access program in the sablefish and halibut fisheries, such a low-cost and progressive approach to alleviating some of the problems could well prove to be the wisest course of action.

We are presently working with NPFMC and IPHC staff along with other fishing groups coastwide to have the format of such a management plan and an outline of a small pilot program for the 1989 longline season ready for review at the upcoming June meeting.

We would urge the Council to include this alternative in any options being sent out for further staff analysis and public review.

Sincerely,

Linda Kozak

Linda Kozak

cc: Council Members
SSC Members
AP Members

June 15, 1988

Jim Campbell, chairman
North Pacific Fishery Management Council
P.O. Box 103138
Anchorage, Alaska 99510

RE: Black cod limited access

Dear Mr. Campbell:

As you are aware the prospect of limiting access to the longline black cod fishery is of great concern to Kodiak fishermen and the community of Kodiak.

Each of the fishing associations and organizations in Kodiak has extensively discussed the pros and cons of the proposals before the council at the June meeting. Also FIN (Fishing Industry Network) which is a forum for Kodiak's diverse fishing interests to discuss issues met June 15 to discuss the longline black cod fishery proposals.

At the FIN meeting it was agreed to submit a joint letter supporting the status quo in the black cod fishery. We ask that if the council takes any action other than further review of the FOG Committee and sablefish limited entry proposals, that action be to support the status quo.

For the two limited access options we have the following comments:

Vessel Licenses: This will not prevent vessels from upgrading or increasing their efficiency; therefore, this option does not appear able to achieve the stated goals of stabilizing or reducing effort in the black cod fishery.

Share Quotas: There has been no analysis of the costs of implementing a share quota system where the shares are freely transferable in-season and landings are made at-sea and at many ports. Based on the information from New Zealand it appears this would be a very costly system to implement and monitor in Alaska.


We do not see how any combination of the above two systems, even with a pro-choice component, can avoid the basic problems outlined above.

page: 2

We have many other problems with limited access in the black cod fishery which have been detailed in other correspondence to you by some of the organizations listed below and stated again and again in public testimony during the many years limited entry has been a topic of discussion and we do not feel it is necessary to repeat those arguments again in this letter.

Again, if any action is taken, we feel that status quo is the only workable option.


Sincerely,



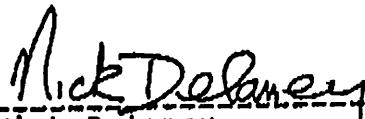
Jeff Stephan
United Fishermen's Marketing
Association



Al Burch
Alaska Dragger Association



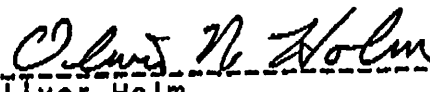
Chris Blackburn
Alaska Groundfish Data Bank



Nick Delaney
Kodiak Fishing Vessel Owners
Association



Dave Woodruff
Kodiak Processors



Oliver Holm
Kodiak Longline Association



KODIAK LONGLINE VESSEL OWNERS ASSOCIATION

HALIBUT, SABLEFISH AND PACIFIC COD

P.O. BOX 135, KODIAK, ALASKA 99615

TELEPHONE (907) 486-3781

MULTI-SPECIES LONGLINE FISHERY PROJECT

PILOT PROGRAM BENEFITS

The purpose of the attached pilot program is to gather information that could help develop a more rational and cost-efficient approach to the harvesting and management of all commercially valuable longline-caught species in the Gulf of Alaska. It provides an ideal opportunity for industry and management to study and analyze the benefits and drawbacks of such a plan without implementing an expensive and possibly, destructive limited access program.

A certain percentage of the present directed fishery harvest quotas for halibut and sablefish would be set aside as a longline bycatch quota in the directed fisheries of other more under-utilized groundfish species; Pacific cod, rockfish, turbot, and others. Some of the presumed benefits of such a management plan are shown below:

1. Quality and availability of halibut and sablefish to fresh markets. This could command a substantially higher value for the fishing and marketing sectors of the industry than when product is taken in the short directed fisheries for those species where intense pulse fishing periods now occur. More fish would be marketed fresh without the resultant cause of cold-storage holding.
2. Quality of both halibut and sablefish would be improved. The longline bycatch fishery would have much lower daily catch rates of these species. Individual vessels would have an easier task of handling the fish properly. This improved quality should enhance market value.
3. Safer fishing conditions for the longline fleet. As harvest takes place over a longer period, lost fishing time due to weather and marginal fishing conditions would not result in such potentially severe economic effects on the participants.
4. "Economy of effort" in retaining multi-species during a single fishing trip. Besides the added-value addition to lower priced groundfish species created by such a bycatch retention system of halibut and sablefish, the level of biological conservation of those resources is greatly increased by the diminished wanton waste than what is now taking place in both directed fisheries due to lost gear and congested pulse fishing conditions.

5. Fuller utilization of fisheries resources. Presently, the available biological catch (ABC) of Pacific cod in the Gulf of Alaska is substantially greater than the yearly quota (TQ). This is due to the cap placed on the level of halibut bycatch which in effect shuts down the present directed Pacific cod fishery long before ABC is reached. A management plan that utilizes some of the directed quota of halibut as longline bycatch would allow higher levels of harvest of Pacific cod than otherwise possible. The halibut caught in the multi-species management plan would be deducted from the directed fishery halibut quota rather than the bycatch cap set by Federal management.

6. Greater flexibility for industry management would result. The framework of such a multi-species longline fishery management plan would allow the opportunity to be flexible in the implementation of the plan and to the yearly changes in stock abundance levels within the entire "complex" of interrelated species. Specific bycatch allowances of the higher valued species such as halibut and sablefish could be changed from one management area to another depending on biological conditions and levels of fishing effort. Since such a plan would operate in conjunction with the traditional directed fisheries for halibut and sablefish, economic disruption of the industry - a very strong concern among longliners with other limited access schemes - could be minimized. Failures of this plan to alleviate present problems in the longline industry would result in the simple termination of the plan. Other limited access programs with complicated economic and bureaucratic consequences would be much more difficult to unravel if such "cures" proved to be deadlier than the disease.

MULTI-SPECIES LONGLINE PILOT PROGRAM - 1989

DRAFT

Time Period: February 1 - March 31, 1989

Location: Gulf of Alaska (Halibut Regulatory Areas 2C, 3A and 3B Southeast-East Yakutat, West Yakutat, Central, and Western Gulf Federal Management Zones).

Ports: Ketchikan, Petersburg, Sitka, Juneau, Cordova, Seward, Homer, Kodiak, Sand Point and Dutch Harbor. Other year-round ports not listed would be able to participate if interested.

Project Guidelines: During the pilot program, a total of 250,000 pounds of both halibut and sablefish (dressed weight) may be retained for commercial sale as bycatch while longline vessels are engaged in fishing for other species: Pacific cod, turbot, rockfish and other commercially valuable species.

The total of these bycatch allowances would be deducted from the directed fishery quotas of halibut and sablefish in the regulatory areas in which they were caught.

The maximum quantity of halibut and sablefish that a vessel could retain would be set at a percentage of overall catch.

Bycatch allowances would be set at 10% of total catch if vessel's targeted species catch are held on board in round condition (undressed).

Bycatch allowances would be set at 20% of total catch if targeted species are headed and gutted (dressed).

Each participating vessel would have the option to determine whether the vessel would handle fish H & G, or in round condition. If vessel's mixed targeted species were H & G and in the round, the vessel would be allowed only the lower bycatch allowances (10%).

Permits to Participate in Project: Permits for both commercial vessels and commercial buyers to participate in the project would be made available at the local ADF&G offices in each port. These special project permits would be required in addition to the normal licenses and permits necessary to engage in the fishery of the directed species. There would be no cost for these permits.

Vessel Permits: Attached to the vessel permit would be a fishing log information sheet. It would be mandatory that each fishing participant keep an accurate log during the time period of the project. The fishing log would include such categories as daily number of hooks fished, estimated pounds of targeted species caught, estimated pounds of bycatch species retained, and estimated pounds of bycatch species released due to overages of maximum allowable retainable percentages. A section of the fishing log information sheet would include a final landing tally summarization for each trip that would show a breakdown of targeted species landed, halibut and sablefish bycatch landed and the ex-vessel prices received for each species. In addition, a space for comments, suggestions and observations will be provided for fishing participants.

Commercial Processor-Buyer Permits: Each commercial buyer participating in this project would be required to obtain a special project permit. Attached to the buying permits would be a buying log information sheet. It would be mandatory that each buyer keep an accurate log during the time period of the project. This buying log would be comprised of two parts.

The first part would consist of a breakdown of each vessel delivery, the buyer purchased targeted species landed, halibut and sablefish bycatch landed, ex-vessel prices paid for each species, and a fairly detailed analysis of the product quality of each landing.

The second part of the fishing log would be a marketing information sheet that would identify the end markets to which the fish products went (fresh vs. frozen etc.), the comparative values received by the buyer in relationship to prices received for halibut and sablefish during the previously directed fisheries of those species, and general comments reflecting problems encountered, suggestions and observations.

Project Co-ordination and Funding: It is hoped that in each port a local fishing organization will sponsor the pilot program. Because of the simplicity of the project, this sponsorship should consist of minimal financial expense, but rather a commitment to spend time coordinating the project between interested fishermen and buyers, and to a certain degree, assisting local fishery management and enforcement.

One area that would greatly help enhance the quality of field data generated from the project would be organizing the timely collection of fishing and buying logs and the forwarding of this information to the North Pacific Fisheries Management Council staff in Anchorage.

It would be encouraged for fishermen participating in this project to have on-board observers and to work with Federal and State agencies to ensure that data accumulation is conducted properly and accurately.

For this project no direct funding requirements are anticipated.

Pilot Program Development Work Group: It is suggested that a work group be established which would include representatives from the North Pacific Fishery Management Council, International Pacific Halibut Commission, Alaska Department of Fish & Game, Alaska Seafood Marketing Institute, interested processors and marketing firms, Kodiak Longline Vessel Owners Association (co-sponsor), other longline fishing groups, and interested parties.

The Pilot Program Work Group would meet at the September and December North Pacific Fishery Management Council meetings in Anchorage to finalize guidelines for the Pilot Program.

It is anticipated that a full review and analysis of this pilot program would be presented at the June, 1989 North Pacific Fishery Management Council meeting.

Anton Bowers
Box 1445
Sitka, Alaska 99835

10 June 1988

North Pacific Fishery Management Council
P.O.Box 103136
Anchorage, Alaska 99510

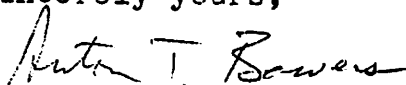
Re: My letter of 29 May 1988

Gentlemen:

A rather significant typo in my letter of 29 May 1988 has come to my attention and I would like to correct it.

The sentence beginning on line four page three should read:
For many, outwitting the fish-cops I did not intend to
indicate that all fishermen are pirates. But far too many are.

Sincerely yours,



Anton Bowers

The boomers, on the other hand, have only entered longlining during the last few years since it has become a viable fishery and will disappear as soon as they find somewhere else to put their money which looks more profitable.

Nine years ago Canadians were still fishing halibut in U.S. waters although we could not fish in theirs. U.S. longliners, who were primarily halibut fishermen then, successfully worked to make the U.S. waters strictly for U.S. halibut fishermen. Then there was the battle over the 60-40 split in area two; that gave Canadians 60% of the quota in area two and U.S. fishermen 40%. We argued and eventually convinced the IPHC that the division should be determined on the biomass and not by a fixed ratio.

The Japanese were allowed to catch nearly all the blackcod in those days and would only pay a piddling amount for U.S. caught fish. Consequently, there were few U.S. blackcod fishermen. But the Magnuson Act was on the books and we gradually caught more and more of the quota until we finally pushed the Japanese out of the fishery. This brought the price up closer to where it should have been all along. Pot boats began to increase and trawlers began to target on the specie.

During the early 80's we continued to attend meetings and lobbying when we should have been fishing until we succeeded in getting regulations which banned pot boats from the Gulf of Alaska and reduced the trawler take to incidental catch only. Now that those who pioneered the U.S. blackcod fishery, paid their dues and fought the necessary battles to make longlining in general and fishing blackcod in particular a viable fishery, every body wants to get into act.

It seems to me the traditional longline fleet should be the recipients of the fishery no matter what method is instituted to regulate the effort. They have shown the stability to hang in there even when the prices were down and the fish were scarce and they have demonstrated the ability to catch the quota as well as being the ones who fought the battles which made the fishery what it is today.

Determining who among the traditional fleet should be allowed to participate in the blackcod fishery would tax Solomon. How this is determined will depend in some degree on what method of regulation is selected.

NMFS prefers a share-quota system because they think it is simple and would require no enforcement. All they need do is divide a persons or a boat's catch over the years by the respective quota and, voila, that's the share the guy gets. But is that fair to those who fought the battles and stayed with the fishery in both good and bad times. It seems to me it would favor the big boat newcomer who can carry big crews, stay out in bad weather, have automatic baiters and have come in with big catches during the last few years.

As far as enforcement is concerned it strikes me that NMFS is

Terrribly naive and doesn't understand a fisherman's nature. A fisherman is a guy who is willing to stake his bankroll and even his life on his ability to outwit the weather as well as the fish. Outwitting the fish-cops is a mere warming up exercise. Especially with the penalties so miniscule in comparison with the potential profits involved.

For example: What will a boat do when he comes in and finds that he has accidentally gone over his allotment. He will simply make a deal with someone who has not used up their share yet to deliver the excess in the other man's name. That may not seem like a big problem but before long some financier who has bought up a lot of shares will put a tender in a secluded cove on the way to town and relieve fishermen of their excess fish or buy blackcod from fishermen who have no shares at all - all this at a reduced price of course - and deliver them in his own name without ever having put a hook in the water. How would that be controlled without an enforcement effort. I'm sure that there are many more ways to get around the share quota concept that will have to be ferretted out by enforcements types. Even the New Zealanders say that this system has turned out to be much more complicated than they thought it would be and they have not yet gotten the bugs out of it yet.

New Zealand, Iceland, and Canada all limit foreign investment in their countries whereas we do not in the United States. What is to stop foreign (e.g. Japanese) investors from buying up these shares behind the scenes? We would be right back to where we were before the FCMA. It wouldn't even surprise me if it was these foreign interests who have convinced NMFS to favor the transferable share quota system. The State of Alaska has already instituted a limited access system for Blackcod in state waters of Southeast Alaska. Why have a completely different system for the same fish in federal waters?

If a fisherman were limited to a given poundage of fish and the price ranged from \$1.10 per pound for under two pounders and increased 15% per pound for each pound size to a maximum of \$1.75 a pound for fish over five pounds, would he be inclined to throw mack the smaller, less valuable fish - even when they had little chance of surviving - and fill his share with the large, valuable fish? The boomers who are out to make a quick buck in spite of what damage they do to the resource definitely would. These are the guys who gaff, horn (even though it tears off half its head) and throw back an undersized halibut because the law does not allow them to keep it. That fish has absolutely no chance to survive and grow bigger. The traditional professional longliner probably would not. He is the type who skillfully shakes an undersized halibut with a minimum of damage to the fish even though it takes more time.

The limited access system, on the other hand, is the one which has been successfully tried in this country. It has gone through the courts already, its bugs have been worked out and it works. If the quota shares are fairly distributed (i.e. based on more factors than just numbers) Limited Access is no more complicated when

determining who gets to fish. Also I see no more enforcement involved - and perhaps less - than with a share quota system.

Such a system would have to limit boat size to the status quo so that all the little boat permits do not suddenly become big boat permits. I would even suggest a maximum length and/or tonnage to discourage catcher-processors. Remember 13 Japanese catcher-processors used to be all that was necessary to catch the whole quota and then some, Ninety feet maximum l.o.a. and/or about 120 tons maximum gross weight sound reasonable to me.

The permits should be tied to the Statistical areas. There is no reason why someone who qualifies for a permit in Southeast Alaska and has never fished west of the Fairweather Grounds should have a permit he can sell to someone who will use it to fish in other areas. We're trying to reduce the effort - not increase it. If a person qualifies for permits in more than one area, however, then he should receive permits for all those areas.

The council must then decide how many boats of the various sizes involved can fish in any given area. Then the fun begins. The council must formulate a point system with points allowed for previous crewing on blackcod boats, ownership in blackcod boats, ownership in blackcod gear, operating blackcod boats, income dependancy on the fishery, and any other valid factors. Determining how much weight to put on each of these considerations will prompt much animated discussion - but it can be done. Then the applications are sent out and a deadline set for their return. Upon their return the applicants are listed in order of their total points. The total number of boats allowed is then reduced a certain percentage to allow a reserve for those whose point totals change upward due to appeals, etc. The list of applicants is then struck off at that number. Those above the line get permits - those below do not.

Permits should be issued only to United States citizens and a person should be limited to one per area. They should be limited to individuals - not to corporations and not to boats. The State of Alaska has been doing it this way for years. It has been tested in the courts and once in place it is relative simple and it works.

No matter what system is chosen, participation after 26 September 1985 should not be considered in qualifying for a permit or shares. Those who entered the fishery after that time had fair warning that they might not be considered in any effort-limiting scheme. To choose any other date will be inviting lawsuits.

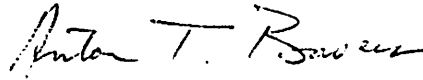
The Bering Sea and the Western Aleutian Areas should also be considered for limiting effort in conjunction with the gulf. But since the 26 September 1988 date only applies to the gulf other dates might be set for those areas.

At the workshops on this issue there was some concern about

financing a buy-back program for these don't qualify for permits. The State of Washington had a buy back program when they instituted Limited Entry but the only boats they acquired were hulks which no one else would buy. The good boats round uses in other fisheries. The State of Alaska also had a buy-back program authorized but never had to use it. Certainly no boats entering the fishery or getting a new owner after 26 September 1985 should be considered for buy-back nor should boats involved in other fisheries during or after their participation in blackcoc.

Any financing needed to implement a buy-back program should come from a surcharge on blackcod delivered. I personally think this whole buy-back idea is a red herring and will never come to pass.

Lots of luck,



Anton T. Bowers

NORTH PACIFIC FISHERY MANAGEMENT COUNCIL
411 WEST 4TH AVENUE, SUITE 2D
ANCHORAGE, ALASKA 99501
ATTENTION JAMES O. CAMPBELL

RECEIVED MAY 23 1988 TELETYPE UNIT	ACTION 05/16/88 ROUTE TO Exec. Dir.	INITIAL
	Exec. Dir.	1
	Secy. Dir.	
	Asst. Dir.	RL

DEAR MR. CAMPBELL

IN JAN. OF 1988 I PURCHASED A 47 FOOT LONGLINE VESSEL IN ORDER TO PARTICIPATE IN THE 1988 BLACKCOD FISHERY. TO DATE WE HAVE INVESTED OVER \$300,000.00 IN BOAT GEAR AND EQPT. I ALSO OWN A STATEWIDE SALMON TROLL PERMIT.

I HAVE JUST COMPLETED READING DISCUSSION PAPERS PRODUCED BY MR. RON MILLER & MR. DICK TREMAINE CONCERNING I.T.Q.'S AND LICENSE LIMITATION. BOTH MEN ARE TO BE COMMENDED FOR THEIR FINE WORK.

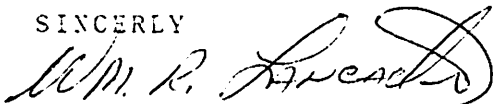
HOWEVER: DURING THE RECENT BLACKCOD FISHERY IN ALASKA I HEARD FROM DIFFERENT SOURCES THAT ONLY FISHERMAN OR BOATOWNERS HAVING LICENSE DURING 1985 AND PRIOR WOULD BE ISSUED PERMITS UNDER THE NEW SYSTEM.

I HAVE SPOKEN TO OTHER BOAT OWNERS THAT HAVE INVESTED CONSIDERABLE AMOUNTS OF MONEY AND THE ONLY WAY TO RECIEVE A RETURN ON INVESTMENT IS FOR US TO BE ABLE TO PARTICIPATE IN THE BLACK COD FISHERY.

WE ARE PRESENTLY CONSIDERING PLACING AN AD IN THE FISHERMAN NEWS IN ORDER TO DETERMINE HOW MANY BOATS AND OWNERS WOULD BE EFFECTED. SINCE WE HAVE ALREADY INVESTED SO MUCH MONEY AND SINCE OUR LIVELYHOOD IS AT RISK AND SINCE SOME BOAT OWNERS WILL BE FORCED INTO BANKRUPTCY WE FEEL WE HAVE NO CHOICE EXCEPT TO POOL OUR REMAINING RESOURCES AND TAKE WHATEVER LEGAL ACTIONS ARE AVAILABLE TO US.

BEFORE WE TAKE THIS DIRECTION I WANTED TO REQUEST FROM YOUR OFFICE AS MANY FACTS AS MAY BE AVAILABLE IN ORDER THAT WE MAY CHOOSE A PROPER DIRECTION. WE UNDERSTAND THAT THE SECRETARY OF COMMERCE WOULD APPROVE THE COUNCILS RECOMMENDATIONS PROVIDING THOSE RECOMMENDATIONS MEET THE NATIONAL STANDARDS AND OTHER PROVISIONS OF THE MAGNUSON FISHERY MANAGMENT ACT OF 1983. WE DO NOT FEEL IT WAS THE INTENTION OF THE ACT TO PUT FISHERMAN OUT OF BUSINESS. WE SINCERLY HOPE THAT YOUR OFFICE WILL SEE FIT TO INSURE THAT ALL FISHERMAN PRESANTLY INVOLVED IN FISHING FOR BLACKCOD WILL BE ABLE TO PURCHASE A PERMIT IN 1989 AND THE FUTURE YEARS.

SINCERLY



WILLIAM R. LANCASTER
F/V SILVER QUEST
P.O. BOX 2685
SITKA AK. 99835

P. O. Box 667
Petersburg, AK 99833
April 5, 1988

COPY FOR YOUR
INFORMATION

Dr. John Harville
C/O North Pacific Fisheries Management Council
P. O. Box 103136
Anchorage, AK 99510

Dear John,

It was a pleasure seeing you again on your recent visit. I was impressed with how well your staff was prepared and with the way the workshop was conducted. Hopefully you fared as well in Sitka.

The article from the local paper that you requested is attached. I thought that Katie did a fairly good job of presenting such a complex issue. She is just getting back into reporting after playing "mother" for a couple of years.

I have given the ISQ concept a fair amount of thought since you left. The following comments are my own and do not necessarily reflect Department policy. That is one reason that I chose not to write this under State letterhead.

While it is important to set up an effort limitation system which can be sold to all users, I am a little concerned that if the Council is not careful, effectiveness might be compromised to the point where no gains are made over the current situation. I am specifically concerned about the management cost and/or effectiveness of a two or three tier combination program. For example, the system we discussed where the vessels would be registered to fish a specific area for a portion of the season under a share quota and then all vessels are allowed to fish freely until the balance of the quota is taken, would increase management costs dramatically. That would occur because the managers would have to shift from individual vessel tracking to intense in-season management very quickly and both systems would need to be maintained. It would also greatly increase the risk of over harvest and create market gluts at the end of the season because the "mop-up" portion of the season could become extremely intense particularly if the remaining quotas are small. Possibly a closed period between a share quota fishery and an open access fishery would reduce the problems and also allow for a more accurate accounting of what was left to take after the exclusive registration fishery is completed.

I feel that the following elements should be considered for any limitation program:

1. The system should be set up to reduce management costs. If not, then the industry should bear the brunt of the increased costs. The simpler the system can be made, the less expensive it will be to administer and manage. This should be kept in mind if the program must be compromised to sell it to the industry.

2. The system should set up in such a way that the risk of a disproportionate amount of the Gulf-wide TAC being taken in any one Regulatory District is minimized. This implies some sort of area pre-registration, exclusive registration or allocation of shares by area.

3. The fishing season should be established in such a way that biological risks to the sablefish and other species are minimized while market value and processing capability are maximized. This to me would suggest a later opening period, say from June 1 through October 15.

4. Free market transferability may be beyond the reach of many individuals because of the product cost and large catches of many of the vessels. For example, if the rule of thumb of 3 to 3.5 times ex-vessel value used at the workshop is applied to this fishery, the cost of 100,000 pounds worth of shares at the 1987 ex-vessel value would be between \$360,000 and \$420,000, or comparable to the higher value permits in the state. This is important in view of the magnitude of some of the individual vessel landings and the argument against any system which encourages windfall profits.

This is just some food for thought. In general, I favor the concept of share quota allocations over either open access fisheries or license limitation systems. For the most part, the advantages appear to outweigh the disadvantages. The Council must be cautious, however, because there are some stumbling blocks. I would rather see status quo than have an ISQ system in place which complicates management, increases management costs, makes enforcement more difficult, does not protect the resource from over exploitation, and/or does not promote increases in product quality. In other words, we must make certain that reasonable management objectives are not bargained away just for the sake of implementing an ISQ system.

That is a pretty tall order and I wish you all luck. I am looking forward to viewing the specific proposals as this program develops.

Regards,

Benny

Local fishermen favor blackcod quota system

Fishing is one of the last frontiers for rugged individualists, but Petersburg black codders are willing to sacrifice independence for fishing quality and allow more fishery management.

That was their consensus Tuesday and Wednesday at a North Pacific Fishery Management Council workshop about limited access.

Black cod seasons have decreased in the last four years from 150 fishing days to 10 days in the Southeast, East Yakutat management area. Industry asked the North Pacific Management Council to prevent shorter seasons and a derby-like fishery similar to halibut. Council representatives brought the workshop to Petersburg to ask local fishermen for input on how to limit the fishery.

About a dozen Petersburg participants agreed individual fishing quotas (IFQ's) are the desirable option, said John Harville, of the NPFMC, who managed the

meeting. Limited entry was the group's other choice.

"They recognized they are losing some of the rugged individualism of fishing. But, Petersburg fishermen say they would rather do it intelligently," Harville said.

Homer fishermen felt similar to Petersburg fishermen at their March 15-18 workshop. In contrast, Kodiak fishermen were adamant about preserving open fisheries and about keeping the fisherman's way of life untouched by management controls, Harville said.

"They want to fish anywhere, anytime. So they are opposed to any proposals. They want it to go along as it is now," he said.

Kodiak fishermen still fish about 60 days each year for black cod.

With effort increasing from less than 200 boats in 1984 to about 700 boats in 1987, local fishermen worry about short seasons, poor quality product and being forced to fish in bad weather. Individual fishing quotas seemed the better

choice, Harville said.

The other option, limited entry, puts a lid on the number of fishing licenses issued. License holders fish during managed openings until the quota is reached. Under an IFQ system, each participant gets a specific share, or percentage of the catch and can choose when to fish.

If local fishermen have their way, a black codder's yearly share of fish would be determined by past performance. Fishermen could pick their best year from past landing records and receive a yearly percentage accordingly, Harville said.

Workshop participants liked the IFQ option because they could choose their fishing times and even mesh fisheries. If they were fishing halibut, for example, and caught black cod, they could keep their catch instead of throwing the black cod overboard.

Although shares would be limited, share holders could easily sell their portions a few at a time or all at once. People could buy into the fishery at a nominal amount. As a result, fishermen see IFQ's as a way to keep doors open for sons and grandsons, Harville said.

"The share system is self regulating," he said. "If someone is not very good at fishing or not very serious, they quickly decide it's not worth it and sell their shares to the professionals."

Should the NPFMC adopt an IFQ system, it would be a first for Alaska. Individual fishing quota systems exist in Australia, New Zealand and the Great Lakes. Their systems are models for the council and its staff to examine.

Harville said the council would win politically if it adopted a system that included IFQ's for a portion of the quota and if it allocated the remaining portion to an open fishery. Petersburg fishermen supported the two-tier alternative, he said.

Workshops have been held in Seattle, Homer, Kodiak and Petersburg. Harville said he hopes to attract some Petersburg herring fishermen at the March 25 and 26 workshop in Sitka.

Workshop results will be presented to the North Pacific Fisheries Management Council at its mid April meeting in An-

chorage. Harville expects the council will direct its staff to draft a detailed program for each option. At its June meeting council members could agree on an option and send it out for public review, he said.

In September the council would hear public testimony and could take action to adopt a program.

The program would be sent to the Secretary of Commerce in Washington D.C. for approval.

Harville said the new black cod controls could be in place by 1989 if each step in the decision making process goes smoothly, but it is unlikely.

"The council is serious about doing something," he said.

FREE Preview



March 25 - 26 - 27
Friday - Saturday - Sunday

on
Channel 23
PETERSBURG CABLEVISION

Free Gift & Special Low Installation Fee
March 28 through April 11

Call
PETERSBURG CABLEVISION
For Details: 772-3292

Come to Lee's Clothing
for Easter for
Nike Shoes for Kids...

New styles in stock NOW.

Alpha Force High #44
sizes 3-6

Performance basketball shoe featuring a soft full-grain leather upper and Velcro ankle strap.



Hoop High #26**
sizes 3-6

Classic canvas high top basketball shoe with colorful graphics and bright colors. Great for kids!



Road Runner #24
sizes 3-6

Velcro closure on a leather/nylon running shoe. Two-color EVA wedge.



Spirit #28
sizes 1-3

Velcro closure on a leather/nylon running shoe. Two-color EVA wedge.



Lee's
CLOTHING, INC.



Box 747, Petersburg, AK 99833 • Phone: 772-4229

J.R. OLSEN ENTERPRISES
772-3405

Rebuilt — New — Exchange

- Detroit Diesel & Genuine K.C. Parts
- Starters & Alternators
- Twin Disc Marine Gear Repair
- Borg Warner Gear Repair
- Dahl Fuel Separators & Elements
- KC Cummins Parts 855 Series
- KC Caterpillar Nozzles
- Magnafluxing

MARINE • INDUSTRIAL • TRUCK • ENGINES

★ ★ ★ NEW ★ ★ ★

Cylinder Block Boring
Surface Grinding Lathe Work

G.M. DIESEL
SALES & SERVICE

MOVING SALE

The Boutique is RELOCATING to the former Tatters store soon!

Selected:

Kitchen Items 50-75% Off
Gift Items 10-50% Off

This Weekend Only
Starting Thursday, 12 noon
through Sat., March 26th

Come in and see our:

- ★ New Gift Wrap
- ★ Greeting Cards
- ★ Carolina Soaps & Candles
- ★ Fabrics & Notions

The Boutique

