

Halibut Study Group Report

The special study group, preparing a report on the renegotiation of the International Pacific Halibut Convention, met twice, (once in April and once in May), according to Mr. Lokken, the group chairman. He said the study group would meet once more in June and at the June Council meeting would submit a final report. The final report is expected to consist of a 40-50 page document with a two to three page highlighted summary and will encompass three major areas, (1) life histories and general biological information, (2) alternative scenarios for management, and (3) the advantages and disadvantages of each scenario. Lokken concluded his report by saying that some of the material would be of a confidential nature because it represented negotiating options for the renegotiation of the International Pacific Halibut Convention.

Scientific and Statistical Report

The Scientific and Statistical Committee (SSC) report (Appendix K) was presented by Lee Alverson, Chairman of the SSC. Mr. Alverson reported that the SSC had met on Thursday, May 26, in the Council offices and discussed the following matters.

- o The 'discharging of fish and shellfish waste into receiving waters'. The SSC report concluded that in general, fish wastes released in high energy (high flux) water drainages was not damaging and that under similar certain circumstances shellfish waste was also not harmful.
- o SSC Review Procedures for management plans. A procedure has been designed which requires each SSC member to write an independent review of the management plan. All reviews are then incorporated in a single SSC position paper. The procedure is expected to be followed at the June 15th through 17th management plan drafting team/SSC meeting in Juneau at which time all comments and reviews will be incorporated into one position paper for the Council meeting in June.
- o The Bering Sea Tanner Crab Resource: U.S. Production Capacity and Marketing Study. Mr. Alverson told the Council that the report was published and would be submitted to the Council later in the day, which concluded the SSC report.

Gulf of Alaska Groundfish TAC

Mr. Alverson then responded on behalf of the Northwest and Alaska Fisheries Center and the Scientific and Statistical

Committee to a memo by Senator Tillion requesting additional information on the pollock total allowable catch figures used in the preliminary management plan for the Gulf of Alaska groundfish fishery. Alverson said that pollock populations inside southeast Alaska and inside Prince William Sound, were not included in the preliminary management plan, total allowable catch (TAC) figures, because they were inside three miles and would not contribute to a foreign fishing effort.

In justifying the 150,000 metric ton (TAC) for pollock in the Gulf of Alaska, Alverson stated that neither the SSC nor the the Northwest and Alaska Fisheries Center would advocate any change in the figure.

Councilman Frank Haw questioned the utilization of shrimp as a pollock food item. Mr. Alverson commented by saying that during the summer months shrimp constitute as much as 57 percent of the pollock diet.

Mr. Tillion then introduced the subject of joint ventures for discussion. Mr. Tillion stated that he was aware of a domestic fishing operation that could be located out of Sitka that wished to test harvest 10 to 15,000 metric tons of pollock and sell their catch to foreign processors located outside three miles. The pollock would be caught inside three miles. Mr. Tillion questioned why "we could not accommodate this American interest". He further requested an explanation by the Council as to why the total allowable level of foreign fishing could not be amended to subtract 10,000 to 15,000 metric tons from the foreign allocation for the domestic catch in a test fishery in southeast Alaska.

Mr. Alverson, in commenting on Mr. Tillion's remarks, stated that at this time the Scientific and Statistical Committee and the Northwest and Alaska Fisheries Center had no new information with which to recommend any change in the total allowable catch. And while he acknowledged Mr. Tillion was not seeking a change from the total allowable catch figure of 150,000 metric tons, it was his best judgment that the 150,000 metric tons remain untouched and that "to evaluate a new dimension at this late date in fisheries science because of a specific commercial fishing industry request was not appropriate."

Mr. McVey said that significant changes in the total allowable level of foreign fishing or the total allowable catch would require a new Environmental Impact Statement. He told the Council that review of the original draft of the preliminary

management plan resulted in changing the total allowable catch from 126,000 metric tons to 150,000 metric tons. He also said that the final PMP was a result of a tremendous amount of public and government input under both the NEPA and FCMA review processes. He felt therefore that this year's TAC of 150,000 metric tons should be adhered to.

Mr. McKernan then referred to the Governor's memorandum which listed the State's three priorities in this type of an operation. They were fishermen, (number 1 priority), processors (number 2 priority) and foreign allocations, (number 3 priority). Mr. McKernan continued by saying that approval of permits to process pollock caught inside southeast Alaska might set into motion a chain reaction and allow a rash of foreign vessels to operate in a similar fashion. He proposed the Council consider very careful study of the impacts before such a decision is made.

Mr. Tillion said that a precedent had already been set and that in past years sales of salmon had been made directly to foreign processors in Cook Inlet, Bethel, and Unalakleet and that currently herring in Bristol Bay, in his opinion, were being handled in much the same fashion. He also said that he would propose whatever safeguards necessary to maintain the integrity of the total allowable catch but could not see any reason to not allow this test fishery.

Vice-Chairman Lokken asked if the operation could be handled by Petersburg Fisheries Inc. who was geared to process pollock. Mr. Tillion responded that Petersburg was too far south but he would not propose any venture which would jeopardize their operations.

There being no motion before the Council, the discussion concluded and no action was taken.

Management Plans

The Council received a preliminary draft (Appendix L) of the Gulf of Alaska groundfish fishery management plan. The management plan contained a thorough description of the history of the fishery, the condition of stocks, the expected harvest in 1978 by American fishermen, optimum yield evaluations for each species or species groups, the amount of catch expected to be available to foreign fishermen in 1978 and a proposed management regime to cover both the foreign and the domestic groundfish fisheries.

In general, the plan contained a total optimum yield determination of 337,000 metric tons of groundfish (of which

pollock accounts for 169,000 metric tons). The projected 1978 domestic catch is expected to be 50,000 metric tons delivered to shore based processors and potentially 130,000 metric tons delivered to foreign processors.

In addition to catch limitations, the draft contains several time/area closures which apply to foreign fishermen and serve to provide sanctuaries to domestic fishery development or to protect severely depressed halibut populations.

The plan also deals with the domestic/foreign allocation of the catch and suggests a series of options to allow mid-season adjustments to the total allowable level of foreign fishing. The plan also proposes the foreign catch be apportioned by individual sub-areas similar to the INPFC sub-areas. This would prevent a disproportionate exploitation of localized stocks.

The plan is being internally reviewed by the Council, its Scientific and Statistical Committee and Advisory Panel. All comments and changes will be reviewed and incorporated into a Council approved draft at the June Council meeting. If the Council adopts the plan 750 copies will be printed and distributed in mid-July for review prior to the August public hearings.

Mr. McKernan was concerned with the lack of an option which he felt should be offered to provide specific 'nursery and spawning' area sanctuaries. He was told that such an option was considered but could not be used because of lack of data.

Mr. McVey stated that the National Marine Fisheries Service was preparing environmental impact statements for the Gulf of Alaska Groundfish fishery.

Don Collinsworth of the management plan drafting team for the Alaska Tanner Crab Fishery Management Plan presented that management plan to the Council (Appendix M). Seventy-five copies were distributed for internal review. Collinsworth said the plan involved a series of separate management plans for each separately managed stock of tanner crab throughout the State of Alaska and was extremely complex.

Mr. Larkins and Mr. Collinsworth concluded their remarks by stating that it was difficult to develop a management plan for 1978 while not having the data from the 1977 season with which to work because of the tremendous time element involved in the federal review process.

The matter of timing for the development of management plans was considered by the Council and they asked the Executive Director to check with other Councils to see how they handled this problem.

U.S.C.G. Enforcement

Commander Ralph Giffin, the U.S. Coast Guard representative on the Council, reported that enforcement activity off Alaska had been very routine. He said two Korean vessels had been boarded in Togiak Bay but that inspection indicated both had met U.S. Customs criteria. Neither None of the vessels had foreign permit applications to process or fish and that their only function was to transport herring.

Henry Eaton, Councilman, asked for a clarification on the degree of freezing which constituted processing. The general discussion indicated that this is an undefined area and that 'processing' needed to be identified in order to more accurately reflect the activity of a foreign boat.

NMFS Report (Appendix N)

Mr. McVey highlighted the foreign fishing activity off Alaska by reporting that the Japanese crab fishery had taken about 50 percent of their allocation for tanner crab in the Bering Sea. He also said that there was a considerable increase in activity in the eastern Aleutians by the Japanese, fishing primarily for Pacific Ocean perch. This increase in activity concerned the Council as it was learned that the Japanese quota for pollock and bottomfish in the Russian 200-mile Fishery Conservation Zone had been reduced by 80 percent and possibly Japan would be seeking replacement for this lost fishery elsewhere. The Japanese black cod fishery in southeast Alaska was reported to have taken 2/3 of their allocation. McVey also said that fees had been collected from all foreign boats operating off Alaska and that there were observers working on all Japanese mother ships. Six hundred fifteen (615) foreign vessels now have permits, which represents a 43 percent reduction from the 1,081 foreign vessels off Alaska last year.

Herring Report

Mr. Branson reported that he had investigated the possibilities of reducing the foreign herring allocation in the eastern Bering Sea by whatever amount is taken by American fishermen this spring along the coast. The total allowable catch for herring in the eastern Bering Sea was established at 21,000 metric tons and the unexpected domestic fishery, had already

surpassed 2,700 metric tons and was expected to be at least 3,000 metric tons. Given that development and the continued rate of expected foreign fishing, Branson said that the total allowable catch for herring in the Bering Sea would be exceeded. He also said there was 1,000 metric tons of herring expected to be taken by a subsistence fishery.

The sense of all Council discussion was that the total allowable catch should not be exceeded under any circumstances and that domestic fishermen should receive a priority in the allocation and total allowable catch. This particular case was complicated by a domestic fishery which exceeded all expectations but which would exceed the total allowable catch if the foreign fishing were not curtailed. The Council also discussed the concept of mid-year reductions of foreign catch allocations and wished to alert the Secretary of Commerce as to an impending request. The request to be made will be based on a re-evaluation of the total allowable level of foreign fishing remaining for calendar year 1977 after reassessing the domestic herring catch at the June Council meeting.

The Council unanimously approved a motion made by Mr. Brooks which said, "It is now a certainty that the U.S. harvest of herring in the Bering Sea will far exceed the 1,000 metric tons estimated in the preliminary management plan. Should the foreign allocation be harvested, it will exceed the total allowable catch (TAC). At the present time, 9,000 tons of this foreign allocation remain to be taken but no further catch effort is expected before November. Therefore, the Council feels it is essential that all or part of the unfilled foreign allocation be cancelled. Specific recommendations relative to such action will be developed at the regular June Council meeting based on the performance of the U.S. fishery as of that time."

A letter is appended (O) which relays this response to Commerce Secretary Kreps.

The general question was raised as to how a foreign allocation could be changed? Carl Price, Department of State Representative, told the Council that it probably would require an amendment to the preliminary management plan and could be done on an emergency order by the Secretary of Commerce.

Mr. Brooks (referring to FCMA Section 305(e)(2)) stated that emergency regulations could be promulgated by the Department of Commerce for preliminary management plans. NOAA legal counsel, Kim White, confirmed this observation by stating that the Secretary of Commerce did have the power to introduce emergency regulations.

Personnel

The Council unanimously accepted the recommendation of the ad hoc personnel committee to approve Carlene M. Welfelt as the replacement for Judith Ayres who resigned from the Advisory Panel last month.

Foreign Permit Review

Keith Specking, Chairman of the Advisory Panel and of the ad hoc group studying foreign permit applications reported that the group had met at 1:30 p.m. on the second day in the Council meeting room.

The ad hoc group studied 35 foreign permit applications and offered the following recommendations (Appendix P).

The Committee recommends that the South Korean Refrigerator/Transport Vessel the O YANG HO #70 which requested a permit to operate in the Bering Sea and Aleutian area to transport herring under contract to a Japanese firm (and which would be purchased from U.S. fishermen) be conditionally approved if the permits specifically state "that they would be transporting only and not processing."

The Council unanimously approved a motion to accept this conditional recommendation.

The Committee after studying 23 Japanese applications from refrigeration and transport ships, recommended conditional approval of these permits if "they be specifically restricted to the support of Japanese fishing operations only and not to the support of U.S. fishing operations." The applications considered were:

JINYO MARU	REIYO MARU
JUYO MARU	MIHO MARU
HAKUYO MARU	TOSA MARU
ITOHAM MARU	SANPUKU MARU
DAIEN MARU NO. 18	SANTO MARU
SEIKOU MARU NO. 18	RYUTOKU MARU
KOEI MARU NO. 22	YACHIYO MARU NO. 26
MEI MARU NO. 7	SHINPRIMA MARU
NIPPONHAM MARU NO. 1	HOKO MARU NO. 31
RYUSHO-MARU NO. 5	TSURA MARU
KUROSHIO MARU NO. 27	MISHIMA MARU
ISE MARU NO. 8	

The Council unanimously approved a motion to accept this motion to recommend approval for the 23 Japanese applications.

The Committee considered an application from a Japanese tanner crab pot boat, the KUROSHIO MARU #27, which requested a supplement to its permit to allow it to fish snails. The Committee recommended that the permit be issued with the specific stipulation "that the KUROSHIO MARU #27 not be allowed to fish crab and snails at the same time." The Council unanimously approved this recommendation to grant the permits.

The Committee considered the application for the ISE MARU #8 as a replacement in the Japanese snail fishery for the RYOYOSHI MARU #18. The Committee recommended the Council approve the issuance of a permit which the Council unanimously approved.

The Committee studied 11 USSR applications with the following recommendations. The four (4) stern trawlers which requested permits to operate in the Bering Sea and Aleutian area trawl fishery and the two (2) stern trawlers which requested permits to operate in the Gulf of Alaska groundfish fishery should be granted. The Council approved a motion unanimously accepting this recommendation.

The Committee then considered two applications from Soviet ships requesting permits as research vessels, the stern trawler MYS DALNY and the side trawler ADLER. The Committee emphasized that the research projects must be coordinated with and sanctioned by U.S. research officials. Under the FCMA, a research vessel does not require a foreign permit license if the research is coordinated with U.S. officials. Specking said, however, if the research is not coordinated, then this Committee recommends a foreign permit application be rejected on the basis of the expressed intent to catch crab and shrimp which, under the current agreements, are not allowed in the Russian catch. The Council unanimously accepted this recommendation.

Three Russian patrol vessels requesting permits were studied. One was learned to be for the southern Pacific area off California and was disregarded. The other two were not recommended for permits because patrol ships are not required to have permits. It was learned that the patrol ships were considering supplying food and stores to other fleet vessels and the Committee recommended that if that were the case permits be issued for that purpose.

Advisory Panel Report

Mr. Specking continued with an extended Advisory Panel report (Appendix Q).

- o The AP had also discussed a questionnaire given them by Walt Jones, NMFS, for use by the Advisory Panel to develop recommendations for bottomfish development projects. Specking said the Panel thought the questionnaire was good and extended their compliments to NMFS for the development of the questionnaire.
- o Sig Jaeger, AP member, had presented a report which requested the Council to establish a data bank for currently under-utilized or un-utilized species off Alaska for further reference by the Council.
- o In conclusion, Specking said that the Advisory Panel wished to strongly recommend that publicity be widespread for public hearings and that where possible they be coordinated with fishery closures to insure maximum industry participation.

A motion to accept the report was seconded and unanimously carried.

PUBLIC TESTIMONY

Mr. Charles Perkins, Vice-President, New England Fish Company (NEFCO), Seattle, told the Council that NEFCO had purchased one-half million dollars worth of processing equipment and would be ready by late August or early September to handle 15 to 30 million pounds of groundfish in Alaska annually.

Mr. Scott Stafne, Manager of the Alaskan Longline Fishermen's Association, told the Council that the black cod fishermen in his group were gearing up for an expanded fishing effort because of pending substantial price increases for black cod (Appendix R).

Mr. Ralph Jones, representing Alaska Shell Co. and the Alaska Crab Institute, reported that the crab industry was showing signs of increased processing potential. He urged the Council to continue to give a priority to domestic shore-based operations, and recognize their potential for expansion.

Mr. Sig Jaeger, Manager of the North Pacific Fishing Vessel Owner's Association, and a member of the Council's Advisory Panel, presented a report (Appendix S) which outlined the

tanner crab catch by American fishermen in the Bering Sea for 1977. The report estimated that by June 15th, 46 million pounds of crab would be caught by domestic fishermen and that if allowed to remain open until July 7th, an estimated 60,700,000 pounds could be captured. He stated the daily processing capacity was about 700,000 pounds per day. Jaeger told the Council that domestic fishermen will be forced to quit fishing because of an Alaskan Board of Fisheries emergency closure to protect molting and mating crab stocks. However, the Japanese would continue to fish the same area for approximately two more months. He requested Council consideration of this problem.

Mr. Darrel Peterson, Manager, Vita Food Products, reported that the present harvest and processing schedule for tanner crab in the Bering Sea was ahead of expectations. He reminded the Council of his earlier presentation which predicted this level of activity and said he hoped the Council could, in the future, accept in good faith, industry testimony.

Mr. Tom Casey, Manager, United Fishermen of Alaska, read excerpts from letters from Senator Stevens and Congressmen Young, and Senator Les AuCoin, Jerry Studds and Stan Murphy indicating their apposition to violating the total allowable catch (TAC) for any species under management plans. Mr. Casey reemphasized the need not to violate the total allowable catch for pollock in the Gulf of Alaska. He also reported on the current status of the tanner crab harvest in the Bering Sea.

Mr. Vern Hayes, representing Mrs. Paul's Kitchens of Philadelphia read a letter (Appendix T) from the Company to the Council during the reconsideration of issuing permits for Korean pollock ventures. Mr. Hayes stated that Mrs. Paul's currently purchase 70 percent of all pollock caught in the world and had a standing contract for 5 million pounds of pollock blocks of which only 3.8 million pounds were available.

Mr. John Dirken, fisherman from Seward, reported on the conclusion of the Hansen Trust Case and on a system of National Limited Entry.

Mr. Hank Ostrosky, representing the Kvichak-Naknek, Bristol Bay Native Cooperative testified that the eastern Bering Sea herring population had declined from seven to four major runs. He asked the Council to consider conservation measures for herring and show a preference for Native Alaskan use of the herring runs.

Mr. James J. Seally, Lawyer, representing New England Fish Company from Philadelphia, presented a report which stated that departure from any total allowable catch as printed in the preliminary management plan was a major federal action which required (by the National Environmental Policy Act), a new environmental impact statement. He also said that any increased incidental catch over preliminary projections would also require a new environmental impact statement.

Mr. Clay Cook, lawyer, representing New England Fish Company (NEFCO), testified that the integrity of the total allowable catch figures should not be violated and that where possible, priority should be given the U.S. processing and harvesting industry. Mr. Cook further stated that NEFCO had no objection to any foreign allocation which could not be caught or processed by domestic fishermen. Mr. Cook suggested the Council consider subquotas: i.e., a U.S. catching capacity quota and a U.S. processing quota.

Mr. Ed Furia, lawyer, representing NEFCO commented on the Department of State foreign investment report. He urged the Council to support the AuCoin Bill requiring 25 percent or less foreign ownership in domestic fishing boats. He also questioned the Council's due process procedure for receiving public testimony and the scheduling of agenda items.

Mr. Bob Alverson, Manager, Fishing Vessel Owner's Association in Seattle, presented a resolution (Appendix U) from his organization opposing KMIDC-type ventures. He said the law did not intend to build up the catching capability and not the processing capability and that priority support for domestic utilization would have a favorable impact on the national balance of payments.

Mr. Nick Szabo, Vice-Chairman of the Alaska Board of Fisheries, and Vice-Chairman of the Council's Advisory Panel, reported on the Alaska Board of Fisheries' position in determining a June 15 closing for domestic tanner crab fishing in the eastern Bering Sea. He stated there was a biological justification for the closure which protected crabs that were mating and molting. He urged the Council to limit foreign fishing to the same rules and regulations, which would be in the best interest of the wise conservation and management of the species.

End of Public Testimony.

There being no further business before the Council, it was adjourned by Vice Chairman Harold Lokken.