

# North Pacific Fishery

# Agenda Item 16, August 1977 Management Council

Olmer Rasmuson, Chairman  
Jim H. Branson, Executive Director

Suite 32, 333 West 4th Avenue  
Post Office Mall Building



Mailing Address: P.O. Box 3136DT  
Anchorage, Alaska 99510

Telephone: (907) 274-4563  
FTS 265-5435

MEMO

To: Council Members, Advisory Panel Members, Scientific and Statistical Committee Members

From: Jim Branson, Executive Director

Subject: Fee Schedule for Foreign Fishing in 1978

Date: June 22, 1977

Attached is a memorandum from Robert Schoning announcing the proposed fee schedule for foreign fishing in 1978 and asking for Council recommendations on the following points. "1. Should fees be charged for valuable non-surplus species taken as by-catch with target species, 2. What should be the basis for calculating poundage fees, and 3. What should be the level of fees?"

Also attached is a Department of Commerce, draft fee schedule proposal for 1978. The following is a summary of this formal proposed fee schedule.

Six basic criteria have been established for developing fee schedules. In summary: 1. They prohibit fees to be used as management tools to restrict foreign fishing; 2. They prohibit excessively high fees which might prohibit nations from fishing; 3. Fees must recover an appropriate part of management costs related to foreign fishing; 4. The fee schedule must apply equally to all foreign nations without changing during the calendar year; 5. Fees must be simple to compute and collect; and 6. Every vessel must pay a fee which may vary with the size and function of the vessel.

The proposed fees schedule is as follows: 1. The permit fee will be \$1.00 per gross registered ton per year for fishing vessels; 50¢ per gross registered ton per year for processing vessels (with an upper limit for \$2,500) and \$200 for each support vessel. Ships engaged in multiple activities will be charged the highest applicable fee.

The poundage fees for 1978 are proposed at 3.5% of the 1976 ex-vessel price (including the by-catch when applicable) as follows:

Species	Average ex-vessel value (per metric ton)	
Cod, Pacific	\$ 282	(251)
Crab, Tanner	441	(441)
Flounders, Pacific (except Halibut)	387	(318)
Hake, Pacific	32	(34)
Herring, Pacific	344	(161)
Mackeral, Atka	<u>1/</u>	(130)
Other ground fish, Pacific	<u>1/</u>	(45)
Rockfish, Pacific	298	(350)
Sablefish	399	(372)
Squid, Pacific	<u>2/</u> 55	(82)

The figures in parentheses are the ex-vessel values from the fee schedule for 1977.

- 1/ Species not landed in U.S. Prices will be based on landings in foreign countries.
- 2/ Separate prices for Atlantic and Pacific squids are based on raw data used to develop the value for squid in fisheries of the United States, 1976. (Division of Data Management and Statistics, NMFS).

Total poundage fees are computed on the preseason allocation and recomputed after the total catch is determined at the end of the year.

Foreign nations will also be required to reimburse the U.S. for the total costs (salary, per diem, transportation, and overhead) of placing observers aboard foreign fishing vessels.

A copy of the draft fee schedule proposal for 1978 is available at the Council office for more detailed and complete information.

June 27, 1977

Mr. Robert W. Schoning, Director  
National Marine Fisheries Service  
3300 Whitehaven St., Page Bldg. 2  
Washington, D.C. 20235

Dear Bob,

The North Pacific Council, during their meeting in Anchorage June 23rd and 24th, discussed the proposed fee schedule for foreign fishing in 1978 as contained in your letter of June 10th. Because of your letter's arrival shortly before the meeting and the press of other business, the Council did not have time to discuss this matter in depth. They intend to study it further and will respond in more detail at a later date.

The Council makes one recommendation, in principal; that ex-vessel prices should be updated to current figures. As an example, during the recently completed U.S. tanner crab fishery in the eastern Bering Sea, the average price paid was 30¢ a pound, giving a value of \$660 a ton rather than the \$441 proposed in the 1978 fee schedule. Correspondingly, there has been some activity in groundfish in Alaska this year, and prices have been running approximately \$100 a ton for pollock, rather than the \$45 a ton shown in "other groundfish, Pacific." Sablefish are currently selling in southeastern Alaska ports for 70¢ a pound, over \$1500 a ton as opposed to the \$399 a ton proposed for the 1978 fee figure.

The Council has given this particular question to its Scientific and Statistical Committee for study and a further report, and will consider the remainder of the questions in your letter of June 10th at its next Council meeting, which is scheduled for August 25 and 26 in Kodiak.

Sincerely,

Jim H. Branson  
Executive Director

JHB:in



16 ✗  
**UNITED STATES DEPARTMENT OF COMMERCE**  
**National Oceanic and Atmospheric Administration**  
National Marine Fisheries Service  
Washington, D.C. 20235

F31/BN

300-04

19 JUL 1977

Mr. Jim H. Branson  
Executive Director  
North Pacific Fishery Management Council  
P.O. Box 3136 DT  
Anchorage, Alaska 99510

Dear Jim:

Thank you for your letter of June 27, 1977, on the subject of fish prices being proposed for the fee schedule for foreign fishing in 1978.

We recognize the desirability of using the most recent prices available as the basis for calculation of poundage fees. We also are aware of the high fluctuations in prices caused by short term changes in demand for and supply of fish products. The most recent information on fish prices does not necessarily reflect the trends, and in most cases this information is not properly documented.

The majority of prices in our proposed fee schedule are based on U.S. landings in 1976, as published in Fisheries of the United States, 1976, Current Fisheries Statistics No. 7200, April 1977. This is the most recently published, widely based information (landings from all regions, and for an entire year), available for the time at which the new fee schedule must be established. Any additional information, based on landings during a few months of 1977, is incomplete and of a preliminary nature. Using prices averaged over an entire year reduces the impact of seasonal or short term fluctuations. Using published data which is readily available to all eliminates any controversy about the source of base data. Both of these attributes make our basis for establishing fees far more defensible and help to assure that the fees charged are "reasonable" as required by law.

We appreciate the Council's recommendation as indicated in your letter, and we are looking forward to receiving more comments after the Council's meeting in August.

Sincerely,

*Robert W. Schonling*  
By Robert W. Schonling  
Director

cc : all (50) Council

JUL 25 1977





AUG 11 1977

F31/CW

Mr. Charles H. Meacham  
Director, International Fisheries  
and External Affairs  
State of Alaska  
Office of the Governor  
Juneau, Alaska 99801

Dear Chuck:

Thank you for your letter of July 18, 1977, concerning poundage fees and total allowable catch estimates. I acknowledge that the Councils have been asked to respond on these, as well as other important issues, within relatively short time frames. As of now, it is simply an inevitable consequence of implementing a new and complicated piece of legislation. However, let me assure you we are trying to keep such short turn-around requests to a minimum.

Concerning the particulars of the 1978 fee schedule for foreign fishing, Alaska pollock is not included in the "other groundfish, Pacific" category. Rather, pollock is a separate category with an ex-vessel price of \$84.00 per ton, a value based on 1976 landings data from Japan, and the latest such data available from which we could calculate a yearly average ex-vessel value for pollock.

The ex-vessel value for sablefish likewise reflects the 1976 yearly average price for the species. While the practice of using a yearly average price to develop a fee schedule reconciles the sometimes extreme monthly price fluctuations for some species, the necessity to publish a final schedule well in advance of the fishing season often means there is a difference of several months between any current price for a particular species, and the value of that species as shown in the fee schedule. On the whole, we feel the fee schedule reflects realistic values for the various stocks to be harvested by foreign fishermen. We are attempting to refine our figures so they will reflect more current average values for a particular species. We have not received any evidence that would justify a major revision of the 1978 fee schedule. Neither are we locked forever into any particular approach to fees. We are continuing our analysis of the procedures. Your comments and views are very helpful in evaluating an appropriate course of action.

Sincerely,

JOSEPH W. SLAVIN

Robert W. Schoning  
Director

*Handwritten signature/initials*

RECEIVED  
AUG 15 1977

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Control #NMFS 6414



Agenda Item #16, Aug. 77. 2.

UNITED STATES DEPARTMENT OF COMMERCE  
National Oceanic and Atmospheric Administration  
National Marine Fisheries Service  
Washington, D.C. 20235

F31/BN

19 JUL 1977

Mr. Jim H. Branson  
Executive Director  
North Pacific Fishery Management Council  
P.O. Box 3136 DT  
Anchorage, Alaska 99510

Dear Jim:


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We appreciate the Council's recommendation as indicated in your letter, and we are looking forward to receiving more comments after the Council's meeting in August.

Sincerely,

  
By Robert W. Schonling  
Director

JUL 25 1977

cc : all (50) Council



June 27, 1977

Mr. Robert W. Schoning, Director  
National Marine Fisheries Service  
3300 Whitehaven St., Page Bldg. 2  
Washington, D.C. 20235

Dear Bob,

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Sincerely,

Jim H. Branson  
Executive Director

JHB:in



STATE OF ALASKA  
OFFICE OF THE GOVERNOR  
JUNEAU

July 18, 1977

Aug 1977 <sup>aganda</sup> (16)

Mr. Robert W. Schoning, Director  
National Marine Fisheries Service  
U. S. Department of Commerce  
Washington, D. C. 20235

Dear Bob:

re: Fee Schedule for  
Foreign Fishing in 1978  
and United States Capacity

JUL 20 1977

We would like to comment in reference to two letters directed to you by the North Pacific Fishery Management Council on the above subjects, both signed by Executive Director Jim Branson. The first is dated June 27 and deals with poundage fees, and the second, dated June 30, deals with total allowable catch--domestic allowable harvest and total allowable foreign fishing.

We wish to express the concerns of this Administration relative to the late arrival of material from NMFS which makes it totally impossible for the Council to give these important subjects the thought and careful consideration they merit. The time frame allowed does not permit a true State position to be developed and, in order to respond, we must rely on an ad hoc viewpoint. Time is needed to develop this Administration's viewpoint in order for it then to be brought to the Council's attention and considered in their deliberations.

A particular item we wish to bring forth to you is the suggested fee for "other groundfish, Pacific," with a recommended average ex-vessel value of \$45 and which is footnoted to read, "Species not landed in U.S. Prices will be based on landings in foreign countries." It is our understanding that pollock is listed under this category and would be valued according to the \$45 per metric ton or at 2¢ per pound. I would like to bring to your attention that a contract has been offered to an Alaskan firm to purchase pollock at a price from 5¢ to 6¢ per pound. Therefore, we believe the Alaska-offered price should be reflected when calculating the resource value for foreign fishing, that is to say, \$110 to \$132 per metric ton for pollock rather than \$45 per metric ton. The fact that a contract has been offered should be ample justification to increase the price to foreign nations, the result of which would be to support United States industry, and put them in a better competitive position thus leading to the elimination of foreign fishing in the 200-mile zone in compliance with Public Law 94-265. As you know, sections under Findings, Purposes, and Policy, (a) (7) and (b) (6), call for the development of fisheries which are currently underutilized or not utilized, including bottom fish off Alaska.



July 18, 1977

Further, sablefish is currently selling in Southeastern Alaska ports for 70¢ a pound, or over \$1,500 a ton versus the \$399 a ton fee proposed for 1978. We recommend the price for sablefish also be brought into line with the true U. S. market price.

In regard to U. S. capacity, it is equally impossible to arrive at a meaningful harvest figure when NMFS estimates are placed before the Council at 8:30 a.m., requiring a decision by the day's end.

Bob, we bring these points to your attention in the hope that future requests for Council decisions will be received early enough that this Administration will have an opportunity to obtain input from its constituency which can then be brought forth to the Council for its deliberations.

Sincerely,



Charles H. Meacham, Director  
International Fisheries and  
External Affairs

cc: Council Chairman Rasmuson  
Council Director Branson  
NMFS Director Rietze

16  
PACIFIC FISHERY MANAGEMENT COUNCIL

526 S.W. Mill Street  
Portland, Oregon 97201  
Phone: 503-229-5769

CHAIRMAN  
John W. McKean

EXECUTIVE DIRECTOR  
Lorry M. Nakatsu

August 3, 1977

Mr. Robert W. Schoning, Director  
National Marine Fisheries Service  
U.S. Department of Commerce  
Washington, D.C. 20235

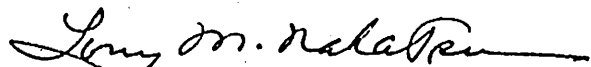
Dear Bob:

The Pacific Fishery Management Council reviewed the draft fee schedule for 1978 at its recent Boise meeting. Council members expressed concern with various aspects of the draft. Major dissatisfactions include their feelings that

- (1) Not enough information was provided on which to base an evaluation, *e.g.*, alternatives, if considered, were not mentioned; explanations as to how values were determined for each species were not provided and seemed unreasonably low in many cases; and
- (2) Not enough time was allotted for review by the councils.

The Pacific Council strongly urges that a national meeting of council representatives be convened as soon as possible by the National Marine Fisheries Service to review this schedule prior to implementation. Such a meeting would provide a forum for technical discussions of the fee schedule by all interested parties.

Sincerely,



Lorry M. Nakatsu  
Executive Director

cc PFMC Members  
Other Regional Councils  
Gerald V. Howard  
Harvey M. Hutchings  
Dick Schaefer

1977

Agenda Item #5  
Aug. 1977

# STATE OF ALASKA

DEPARTMENT OF FISH AND GAME

OFFICE OF THE COMMISSIONER

JAY S. HAMMOND, GOVERNOR

SUPPORT BUILDING - JUNEAU 99881

July 19, 1977

Mr. Jim Branson, Executive Director  
North Pacific Fisheries Management Council  
P.O. Box 3136 DT  
Anchorage, Alaska 99510

Dear Jim:

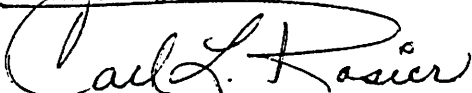
In reviewing the scheduling for submission of the fishery management plans for which we have been designated lead agency, I find that the scheduled date of 9-22-77 to submit the initial draft of the king crab plan to the Council to be a bit too optimistic. Most of the writing team personnel are fully committed to management and research activities during the summer months in addition to their participation in the development, review, and rewrite of the Tanner crab plan. In this light, I am suggesting that the date for submission of the king crab plan be changed to 2-23-78.

In addition to giving the writing team additional time to prepare the plan, we will have the advantage of seeing how the Tanner crab plan is received and the appropriateness of the format used and the EIS. Also, as I am sure you know, the SSC is to prepare a revised plan outline for Council consideration and approval, which if completed in a timely fashion could influence the development of the king crab plan.

Further, since this resource is harvested only by domestic fishermen and by most any measure, has to be considered a healthy fishery, we do not see that there would be any adverse impacts by operating under the PMP for an additional period of time. In fact, the advantages to be gained from having additional time to prepare the plan and the EIS using the new plan outline will outweigh any possible disadvantages of a short delay.

Jim, please contact me if you feel that this proposed delay is going to cause any problems, and we will see what we can work out.

Sincerely,



Carl L. Rosier, Director  
Division of Commercial Fisheries

