EXECUTIVE DIRECTOR'S REPORT

Upcoming Meetings

The next meeting involving Council members will be in Chicago on June 4-5 when Don Bevan, Ron Skoog, John Harville and I will meet with representatives from other regional councils to discuss amendments to the Magnuson Act and other matters in preparation for the Council Chairmen's meeting later in June. Terry Leitzell and Roland Finch have been invited to attend the Chicago meeting.

The Council Chairmen's meeting will be in Homer on June 22-24. So far about 40 people have indicated they will attend. NMFS will be sending most Pacific Coast regional and center directors plus Bill Gordon, Roland Finch, Bill Stevenson, and Jay Johnson from the Washington office. Ted Kronmiller, the designate for Deputy Assistant Secretary for Oceans and Fisheries Affairs at the State Department, will also attend. The Chairmen's meeting conflicts with a conference on The U.S. Fishing Industry and Regulatory Reform scheduled for June 21-24 in Rhode Island. This conference focuses squarely on the effects of MFCMA on the industry and comes at an inopportune time for Council representatives to attend.

Our Council's meeting schedule for the rest of 1981 is as follows:

July 23-24 Homer

August No Meeting

September 24-25 Anchorage

October 29-30 Sitka

November No Meeting

December 2-4 Anchorage (place and time depends on Board of Fisheries)

Sometime in the near future we need to hold a meeting of the Council's Scheduling Subcommittee to work up an annual schedule for processing plans and amendments. Suggestions on the meeting date are requested.

Marine Mammals

The Marine Mammal Protection Act was reported out of the Senate Commerce Committee with a two-year reauthorization and a provision that parties concerned with possible changes in the law achieve substantial progress towards agreement by July 31 or the bill would be amended on the Senate floor to a one-year reauthorization. The House Merchant Marine and Fisheries Committee reported out with a one-year reauthorization backed by Breaux and Young.

In other marine mammal news, on May 14 the Senate Foreign Relations Committee signed the protocol extending the four-nation Interim Convention on Conservation of North Pacific Fur Seals. Senator Stevens overcame a move by protectionist groups such as Friends of the Animals, Inc. that would not have allowed the U.S. to take its 18,000-animal share of the annual harvest.

Finally, NOAA has granted a three-year permit to the Japanese to take 5,500 Dall's porpoise annually incidental to the salmon gillnet fishery within the FCZ.

EEC Moves to Decrease U.S. Salmon Imports

The European Economic Community has proposed increased taxes on salmon imported from the Pacific Coast. The proposal would establish a reference price and compensatory tax system on imported U.S. Pacific salmon to protect markets for Atlantic salmon, specifically salmon from Ireland and the United Kingdom. The Pacific Council has written Ted Kronmiller at the Department of State protesting this new trade policy and indicating that the Pacific Council would look unfavorably at future requests for foreign allocations or joint ventures by EEC countries. See item B-1(a).

State/Federal Fisheries Funds

The Pacific Council has written Terry Leitzell about its concern over proposed reductions in federal funding for regional state-federal fisheries programs. They indicate that reducing funding for programs that yield badly needed research and fishery monitoring information could negatively impact their ability to manage and that some FMP's would require restructuring. We may want to send a similar letter requesting that funds be restored. See item B-1(b).

OMB Has Lengthened the Review Process

EO 12291, with its required review by the Department of Commerce and OMB, has made the plan amendment process even more cumbersome. The schedule for Gulf of Alaska Amendment #10 [shown under item E-5(a)] indicates that a non-significant amendment will now require 252 days from the start of Secretarial review to implementation of final regulations. This includes two complete reviews by DOC and OMB. Adding on about 90 days for the Council to review, approve, and process an amendment and 60 days for the PDT or PMT to generate it, about 400 days or over 13 months would be needed for the full process.

In addition, OMB is now requiring a complete cost analysis of every amendment including a cost breakdown of staff time and travel, PDT costs, printing and mailing, public hearings, research, and Council meetings, etc.

New Staff

We are pleased to have on board a new bookkeeper/receptionist, Becky Wetzler. She has taken over for Elise Zuspan who has enrolled in the University of Alaska to work toward her CPA.

PACIFIC FISHERY MANAGEMENT COUNTY

CHAIRMAN
Portland, Oregon 97201
E. C. Fullerton
Phone: Commercial (503) 221-6352
FTS 8-423-6352
May 14, 1981

Mr. Ted Kronmiller
Deputy Assistant Secretary

Dear Mr. Kronmiller:

Washington, D.C.

Department of State, Room 7831

Designate for Oceans and Fisheries Affairs

I am writing to you on behalf of the Pacific Fishery Management Council (PFMC) to lodge a formal protest against the European Economic Community's (EEC) proposed new trade policy with respect to imported fishery products. At its May meeting in San Rafael, California, the PFMC became aware of the EEC's proposed fishery trade policy in which "countervailing charges" would be imposed on imported fishery products to bring their prices up to a "reference price." This "reference price" would be based on the EEC's own prices for each species class (e.g., for non-canned Pacific salmon the "reference price" would be based on the much higher prices of EEC-produced Atlantic salmon).

It is clear that implementation of the EEC's fishery trade proposal would impose severe economic and social hardships on the Pacific coast fishing industry. The Pacific salmon industry would be the hardest hit. The European market is vital to Pacific salmon fishermen and processors. In 1977, for instance, approximately 35% of the non-canned Pacific salmon produced by the U.S. and Canada was exported to EEC countries. The European market for Pacific salmon is quite distinct from the Atlantic salmon market, a fact which the EEC proposal ignores.

In the Pacific Council's jurisdiction (i.e., the waters off Washington, Oregon and California), approximately 10,000 commercial fishermen depend on salmon for their livlihood, as do numerous processing companies, support industries and coastal communities. These salmon fishery participants already are suffering economically from regulations necessary for conservation and allocation purposes. The further loss of the European market as a result of the EEC proposal would cause severe economic dislocation in the Pacific salmon industry. Participants in the Pacific coast shrimp and halibut fisheries would also suffer significantly if the proposal is put into effect.

The PFMC has always supported the concept of free trade and has encouraged the removal of trade barriers for fishery products through support of the "fish and chips diplomacy" concept. The Council has promoted international cooperation in fisheries by allowing international joint ventures and foreign fishing allocations in its area of jurisdiction. However, any move by the EEC to implement a restrictive fishery trade regime such as the proposal currently

under consideration would have to be viewed as a breach on the EEC's part of the spirit of free trade in fisheries. In response to such trade restrictions, the Pacific Fishery Management Council would have to look unfavorably on any future requests by EEC countries for joint venture fisheries or foreign catch allocations within the PFMC's jurisdiction. We would be prepared to recommend that all other Councils support our initiative.

I hope you will convey our concerns to the appropriate EEC authorities and forestall the adoption of this harmful fisheries trade policy.

Yours Sincerely

Lorry M. Nakatsu Executive Director

cc: Hon. Les Aucoin

Hon. John Breaux, Chairman Merchant Marine & Fisheries Committee

Hon. Don Clausen

Hon. Alan Cranston

Hon. Slade Gorton

Hon. Mark Hatfield

Hon. S.I. Hayakawa

Hon. Henry Jackson

Hon. James McClure

Hon. Bob Packwood

Hon. Joel Pritchard

Hon. Steven Symms

Terry Leitzell, National Marine Fisheries Service

Nancy Adams, Office of U.S. Trade Representative

Regional Fishery Management Councils

Council Members

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PACIFIC FISHERY MANAGEMENT COUNCIL

AGENDA B-1(b) May 1981

May 13, 1981 Economic Section 1981 Economic 1981 Econo

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Mr. Terry L. Leitzell
Assistant Administrator for Fisheries
National Marine Fisheries Service
U.S. Department of Commerce
Washington, D. C. 20235

Dear Terry:

The Pacific Fishery Management Council is deeply concerned over the projected reductions in federal funding for regional state-federal fisheries programs and requests that this funding be restored. The proposed reductions will heavily impact the abilities of the states to carry out relevant fisheries monitoring, data collection, and research and that, in turn, will severely affect Council operations. The Pacific Council may well be forced to restructure its fishery management plans along more primitive lines that do not require either timely fisheries data or continuing stock assessments and related research.

Let me illustrate our problem. The Pacific Council has developed and the Secretary of Commerce has approved and implemented management plans for Pacific salmon every year since 1977. A multi-year anchovy plan has been in effect since 1978. The Secretary currently has under review a groundfish management plan which has taken the Council four years to develop due to the complexity of this fishery. And, the Council presently has under preparation a plan for pink shrimp which is nearing completion. Implementation of all these plans and several other plans under development depends heavily upon a continuous and timely flow of high quality fishery catch and effort data. These plans also will require continuing stock assessment and other biological studies as well as socioeconomic evaluations of impact as the basis for annual update and revision.

To assess program needs for FY 1982 budget planning, the Council recently requested its member states to identify FY 1982 plan development, research and management programs for which federal funding will be required. This funding is necessary in order to permit the states to actively support their involvement in Council planning activities, provide data flow and perform stock assessments and other fishery-related studies required under those plans currently in place or under development. Their requests totaled nearly \$1.4 million, an amount far beyond Pacific Council funding capabilities, but addressing program needs vital to implementation of Council plans.

Discussions with the three states reveal that some \$800,000 of that total cost can be funded under the two fisheries grant-in-aid programs (P.L. 88-309 and P.L. 89-304) if those programs continue to receive adequate federal support in FY 1982. The Pacific states believe that shared federal-state funding of those programs is appropriate in accordance with the cost-sharing formulas mandated by the Acts, and they are prepared to commit the necessary state matching funds if the federal government continues to maintain its share of the support responsibility.

The Pacific Fishery Management Council therefore urges that you take all possible steps to assure continued federal support for regional fishery monitoring, data collection, and research programs addressing management requirements of Council plans. The ideal mechanism appears to be continuance of the two federal grant-in-aid programs.

Sincerely,

Lorry M. Nakatsu Executive Director

cc: Hon. Les AuCoin
Hon. John Breaux
Hon. Don Clausen
Hon. Alan Cranston
Hon. Slade Gorton
Hon. Mark Hatfield
Hon. S.I. Hayakawa
Hon. Henry Jackson
Hon. James McClure
Hon. Bob Packwood
Hon. Joel Pritchard
Hon. Steven Symms
Mr. Bud Walsh

Pacific Council Members

Regional Fishery Management Councils

STATUS OF FISHERY MANAGEMENT PLANS

1. Salmon FMP.

Amendment #2 for the 1981 season was approved by the Council in March. Secretarial review began on April 6. The commercial fishery in Alaskan waters opened May 15.

2. Herring FMP.

The Regulatory Impact Analysis/Regulatory Flexibility Analysis, FMP, and FEIS have been edited and are ready to go to the Secretary of Commerce for review.

3. King Crab FMP.

The Council will give final consideration to the Draft Joint Statement of Principles and the King Crab Management Framework at this meeting.

4. Tanner Crab FMP.

The Council will consider inconsistencies between federal and state regulations and determine if the FMP should be amended.

Amendment #7, setting new OY's, was approved by the Secretary of Commerce on March 10. A cost analysis is being prepared for OMB so the review can proceed.

Amendment #6, making minor technical changes to the FMP, is being held from publication as a Notice of Final Rulemaking for lack of a cost analysis, now being prepared, for OMB.

5. Gulf of Alaska Groundfish FMP.

Amendment #10, curtailing foreign trawling in the Eastern Regulatory Area, began Secretarial review on April 20. Final regulations should become effective December 27.

Amendment #9, implementing the Lechner line around Kodiak, will be published as a Notice of Proposed Rulemaking on June 16 and should be implemented by the start of king crab season on September 15.

6. Bering Sea/Aleutian Islands Groundfish FMP.

At this meeting the Council will give final consideration to Amendment #3 which provides protection for incidentally-caught prohibited species.

The FMP and Amendment #2 are in final review stages awaiting implementation. Amendments #1 and 1-a were recently sent to Washington to begin Secretarial review.

North Pacific Fishery Management Council

Clement V. Tillion, Chairman Jim H. Branson, Executive Director

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

April 24, 1981



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

Telephone: (907) 274-4563

FTS 271-4064

Mr. Terry L. Leitzell Assistant Administrator for Fisheries National Marine Fisheries Service 3300 Whitehaven Street, Page Bldg. 2 Washington, D.C. 20235

Dear Terry:

Under the authority delegated to me by the North Pacific Fishery Management Council, which includes authority to review applications from foreign ships wishing to work with joint ventures previously approved by the Council, I recommend approval for the following permit applications.

6LZT	KS-81-0001	GAE YANG HO
6MME	KS-81-0002	SEO YANG HO
6LZV	KS-81-0003	CHEOG YANG HO
6MLB	KS-81-0004	PUNG YANG HO

These four ships are applying for revisions to their permits, which already allow them to engage in a directed fishery off Alaska, in order to support the existing Korean/U.S. joint venture in the Gulf of Alaska. U.S. fishermen have been exceeding the processing capacity of the foreign processors available and these ships are intended to be used when additional processing capacity is required.

Sincerely,

Jim H. Branson Executive Director

cc: Dick Cashdollar

Fred Bilik Ron Naab

North Pacific Fishery Management Council

Clement V. Tillion, 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 271-4064

May 12, 1981

Mr. Phil Chitwood National Marine Fisheries Service P. O. Box 1668 Juneau, AK 99802

Dear Phil:

Confirming our telephone conversation today, total estimated costs of the 1981 salmon amendment for the period August 20, 1980 through May 8, 1981 are listed below.

Research	\$153,000
Six (6) public hearings	16,000
Plan Development Team State travel PDT-Council	7,225 1,245
Council Meetings	63,000
Staff (administrative) Extra Travel Plan Coordinator Support Staff	1,000 18,000 9,000
Pass-through funds, ADF&G staff	7,000
Printing and mailing costs for 3 mailings to public	3,000
Communications	1,000
Miscellaneous, supplies	500
Total	\$234,970

Sincerely,

Judy Willoughby

Administrative Officer

North Pacific Fishery Management Council

Clement V. Tillion, Chairman Jim H. Branson, Executive Director

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

April 17, 1981



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

Telephone: (907) 274-4563

FTS 271-4064

Mr. Stephen H. Hoag Senior Biologist International Pacific Halibut Commission P. O. Box 5009 University Station Seattle, WA 98105

Dear Steve:

I think we're going to have trouble going ahead with crab pot modifications to reduce the incidental halibut catch if we don't have an accurate estimate of the incidental halibut catch in crab pots. As you point out, all the evidence indicates that the catch is substantial; but it also indicates that it is very uneven in time and area. There are probably some crab fisheries that don't catch very many incidental halibut, whereas others do, although not necessarily consistently.

To go ahead with any expensive or elaborate program of pot modification before we have the problem thoroughly identified is probably a waste of time and money. It is going to take a good argument to force modifications of the crab pots now in use and a good economic justification. Even if we could come up with a good modification to reduce the incidental catch of halibut for only \$25 per pot, it would be a direct expense to the Bering Sea crab fleet of almost \$2 million. At the moment, we don't know what the catch of halibut is in the Bering Sea fishery. Questions that will have to be answered are:

Is the catch large in the king crab fishery, or is it just in the Tanner crab fishery? Or is it both?

Does it occur in all areas of the Bering Sea, or is it localized?

What time of year is the worst?

Is the incidental catch bait related?

And I'm sure there are other questions that are going to be asked.

It might be appropriate to ask the Northwest and Alaska Fisheries Center, which has some gear technology capability in-house, and perhaps the University of Alaska as part of their proposed technology center in Kodiak, to start some work on pot modification. I would expect that something could be worked out with ADF&G to do some of the test work in the course of their normal resource assessment work with crab pots.

Mr. Hoag April 17, 1981 Page Two

I would urge you not to give up on the observer program. It still looks like the only way to identify the problem in any detail, and I think that is critical before we can ask the crab fishing industry to seriously consider modifying their fishing techniques.

By copy of this letter, I am asking the Council's Scientific and Statistical Committee to consider the suggestions in your letter of April 10.

Sincerely,

Jim H. Branson

Executive Director

Steve Pennoyer, ADF&G

Don Rosenberg, University of Alaska-Sea Grant Dr. Bill Aron, NWAFC

CONFLICT

MAY 13 1981

INITIAL

THE U.S. FISHING INDUSTRY AND REGULATORY REFORM

June 21-24, 1981
Center for Ocean Management Studies
University of Rhode Island

The passage of the Fisheries Conservation and Management Act (FCMA) in 1976 highlighted a concernfor the management of our nation's fishery resources. Both conservation and development measures were stressed in the legislation, and new efforts were initiated to assess the stocks and develop the fisheries. The FCMA and other regulatory actions have affected all sectors of the industry: harvesting, processing, marketing and trade. Now, five years after the passage of the FCMA and implementation of other legislation, it is appropriate that we evaluate the impact of these regulations and discuss alternative futures.

PROGRAM

Sunday, June 21

Registration and Reception (5:00 p.m. - 8:00 p.m.) - Helen Mosby Center, Bay Campus

Monday, June 22

Registration (8:00 a.m. - 4:00 p.m.) - Watkins Building, Bay Campus

Morning Session (9:00 a.m. - 12:00 p.m.) - An Overview of the Problem
Chairman: Walter Gray, Director, Division of Marine Resources, URI

Welcome: Representative Claudine Schneider (R.I.), House Merchant Marine and Fisheries Committee, U.S. Congress

The Regulatory Review Process: Martin Belsky, Assistant Administrator for Policy and Planning, NOAA

and Planning, NOAA Industry Views of Regulatory Reform: Gustave Fritschie, Director, Government Relations, National Fisheries Institute; Christopher Weld, Member of the New England Regional Fishery Council

The Regulatory Process: James Curlin, Consultant, Washington, D.C. Problems and Opportunities: Virgil Norton, Professor, University of Maryland

Lunch (12:00 p.m. - 2:00 p.m.)

Afternoon Session (2:00 p.m. - 5:00 p.m.) - Fisheries Conservation and Management Chairman: John Gates, Associate Professor, Resource Economics, URI

Regional Fishery Management Council Decision-Making: Timothy Hennessey, Professor, Political Science, URI

Panel: Dayton Alverson, Natural Resources Consultants, Seattle, Washington; Spencer Appolonio, Maine Department of Marine Resources, Augusta, Maine; Frederick Bell, Professor, Florida State University, Tallahassee, Florida; Lucy Sloan, President, National Federation of Fishermen, Washington, D.C.; Roland Smith, Deputy Director, Office of Conservation Management, NOAA/NMFS, Washington, D.C.

Dunes Club Banquet (6:00 p.m. - 11:00 p.m.)

Banquet Address: "The U.S. Fishing Industry and Regulatory Reform" - The

Administrator of the National Oceanic and Atmospheric Administration will
be invited to speak.

Tuesday, June 23

Morning Session (9:00 a.m. - 12:00 p.m.) - <u>Harvesting, Processing, and Marketing</u>
Chairman: Conrad Recksiek, Chairman, Department of Fisheries and Technology, URI

Government's Role in the Fishing Industry: Terry Leitzell, Assistant Administrator for Fisheries, NOAA

Panel: Ronald Jensen, Castle and Cooke, Inc., San Francisco, California; Jay Lanzillo, Chairman, Fisheries Committee, National Advisory Committee on Oceans and Atmosphere; Brian Veasy, New Bedford Seafood Co-op, New Bedford, Massachusetts Afternoon Session (2:00 p.m. - 5:00 p.m.) - <u>Trade and Development</u> Chairman: Joel Dirlam, Professor, Economics, URI

Trade and Development Issues: Lee Weddig, Executive Vice President, National

Fisheries Institute
Panel: Ian Dore, Fisheries Broker, Greenlawn, New York; Sarah Hemphill,
Alaska Fisheries Development Foundation, Anchorage, Alaska; William Lewis,
Seacrest International Trading Co., Inc., Saugus, Massachusetts;
Robert Tobin, President, Ralboray, Inc., New London, Connecticut

Dinner Cruise and Seafood Buffet (6:00 p.m. - 10:00 p.m.)

Address: "Seafood Marketing in Rhode Island" - Ralph Boragine, Executive Director, R.I. Seafood Council

Wednesday, June 24

Morning Session (9:00 a.m. - 12:00 p.m.) - New Directions Moderator: Jack Botzum, Editor, Ocean Science News

Panel: Earl Conrad, President, Zapata Protein, Houston, Texas; Theodore G. Kronmiller, Legislative Analyst, House Merchant Marine and Fisheries Committee, U.S. Congress; Brian Rothschild, Professor, University of Maryland, Solomons, Maryland

THE U.S. FISHING INDUSTRY AND REGULATORY REFORM

June 21-24, 1981 Center for Ocean Management Studies University of Rhode Island

Center for Ocean Management Studies University of Rhode Island 19 Upper College Road Kingston, RI 02881



N. Pacific Fish. Mgmt. Council P.O. Box 3136 DT Anchorage, AK 99510



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