

PUBLIC TESTIMONY SIGN-UP SHEET

Agenda Item: C-4(b) CRAB EDR

NAME (PLEASE PRINT)	TESTIFYING ON BEHALF OF:
1 Steven Minor	AFPA NPCA
2 Jake Jacobsen	ICE
3 Edward Poulsen	Alaska Bay Sea Grubbers
4 Shawn Doughtermann	CREWMAN'S ASSOCIATION
5 Tim Smith	NONE FISHERMEN'S ASSOCIATION
6 Stephen Taufen (6)	Groundswell Fisheries Movement
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NOTE to persons providing oral or written testimony to the Council: Section 307(1)(I) of the Magnuson-Stevens Fishery Conservation and Management Act prohibits any person "to knowingly and willfully submit to a Council, the Secretary, or the Governor of a State false information (including, but not limited to, false information regarding the capacity and extent to which a United State fish processor, on an annual basis, will process a portion of the optimum yield of a fishery that will be harvested by fishing vessels of the United States) regarding any matter that the Council, Secretary, or Governor is considering in the course of carrying out this Act.



**ALASKA
BERING SEA
CRABBERS**

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Date: March 14th, 2011

To: Eric A. Olson, Chairman
Chris Oliver, Executive Director
North Pacific Fishery Management Council
605 West 4th Avenue, Suite 306
Anchorage, Alaska 99501-2252

From: Alaska Bering Sea Crabbers

Re: Agenda item, C-4(b) Review Alternatives Economic Data Collection (Crab EDR)

The Alaska Bering Sea Crabbers (ABSC) represent approximately 70% of the harvesters fishing crab in the Bering Sea off the coast of Alaska. ABSC firmly supports the process to review and revise the Economic Data Collection (EDR) forms. As the Council is aware, the EDR process is extremely laborious, easily exceeding the regulations of the Paperwork Reduction Act. What is worse is that the data that results from the process is often unusable as it is of such poor quality. Finally, the data has been posted publicly by the Alaska Fisheries Science Center with few caveats and could be used by anyone to draw incorrect conclusions about the Bering Sea/Aleutian Island crab fisheries.

It is also important to consider what the intention of the EDR process is at this time. ABSC feels strongly that the intention of the process should be to identify those critical elements that are important to gather in order to better understand the success of the Crab Program. The intention should not be to build a profit and loss statement for the average vessel of the fleet. This will simply never be possible to accomplish accurately, and in fact additional data elements would need to be developed. Since it will never be possible to develop profit and loss detail, many of the data elements currently collected can be removed and the focus can be shifted to those data elements that truly are critical to understand.

With this quick overview, as well as attachments of previous correspondence to the Council, ABSC would like to recommend three options for analysis (one being status quo) to revise the EDR forms for the future.

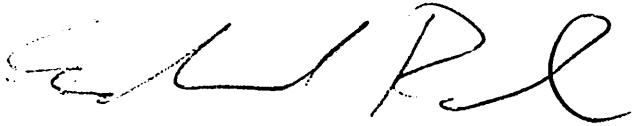
- Alternative 1 would simply be the status quo Alternative with the potential to revise the collection methodology for each of the data elements.
- Alternative 2 would be more restrictive than status quo. This Alternative would include many data elements which may be viewed as critical elements but may be of questionable quality with the

hope that the analysis process will help to refine how the element is gathered to result in better data.

- Alternative 3 would simply gather the most critical data elements that are either already of acceptable quality or there is confidence that modification of the forms could result in acceptable quality.

The following table provides the ABSC recommendation for the 3 alternatives for analysis as well as detailed comments and justification for each data element.

Sincerely,

A handwritten signature in black ink, appearing to read 'E. Poulsen', written in a cursive style.

Edward Poulsen

Catcher Vessel Alternatives

Data type	Data element	Alt 1. (status quo)	Alt 2.	Alt 3.	Accuracy	Cost of Collection	Utility	Possible Shortcomings	Substitute Sources	Comments
Fishing data	Fish ticket number	all fish ticket numbers collected for all crab fisheries	-	-	High	Low	Used to verify consistency of records and link to other data sources	None	Fish Tickets- Fully redundant with fish tickets	Redundant; this collection is not necessary, as analysts have access to these data elsewhere
	Days fishing	by crab fishery - includes time transiting between strings, which may be operationally similar to traveling to offload	-	-	Medium	Medium	Useful for analyzing operational and efficiency changes; unclear the extent of any improvement on existing fish ticket data	May lose some accuracy without partial days; includes days transiting on grounds (which is operationally different from fishing); no direction on treatment of partial days	1) fish tickets define days fishing as days from first gear deployment to date of landing 2) logbooks collect date and time of setting and hauling for each string, catch in each string, and offload date	Redundant; current methodology results in questionable data quality; alternate data source would likely provide more consistent information
	Days traveling (from port to grounds) and offloading	by crab fishery - does not distinguish traveling and offload, which are operationally different	-	-	Medium	Medium	Useful for analyzing operational and efficiency changes; unclear the extent of any improvement on existing fish ticket data	No distinction between traveling and offloading time, which are operationally different; reports may or may not include time transiting between ports; may need to know base port to assess meaning of the data (e.g., King Cove, Kodiak, Dutch Harbor)		
	Landings by share type - pounds	by crab fishery	by crab fishery	by crab fishery	High	Medium	Useful for determining distribution of catch by share type	None	These data are redundant with IFQ data	Although redundant with fish tickets, may be important to collect for pricing by share type
	Deadloss by share type - pounds	by crab fishery	by crab fishery	-	High	Medium	Useful for determining distribution of catch by share type	None	These data are redundant with IFQ data	This is redundant with fish tickets and it is questionable as to whether deadloss by share type is a critical element
	Landings by share type - revenues	by crab fishery	by crab fishery	by crab fishery	Medium	Medium	Allows for comparison of prices by share type	Often difficult to separate payments by share type; requires tracking of bonuses, which may occur over an extended period; may involve some judgment concerning proportional distribution across different share types; unclear whether sales to affiliates should be identified (currently they are	None	This is a critical element and collection should continue even though collection is difficult; data element revision should be considered to reduce collection burden and increase accuracy
Deliveries and revenues	Vessel owner's IFQ used on the vessel by share type	by crab fishery	-	-	Medium/Low	High- requires extensive spreadsheets	Used to show the distribution of activity and revenues in the fishery	Ignores pooling of quota by cooperatives- data may not reflect fishery operation; cannot be consistent, as vessel owner is not defined; does not allow for entry of owner held C shares	None	The Cooperative nature of the crab fishery as well as the variety of structures of vessel and share ownership prevents the collection of meaningful data of this type; although leasing is a critical element, other leasing data elements provide more accurate and informative data
	Vessel owner's IFQ used on other vessels by share type	by crab fishery	-	-	Medium/Low	High- requires extensive spreadsheets	Used to show the distribution of activity and revenues in the fishery	Ignores pooling of quota by cooperatives- data may not reflect fishery operation; cannot be consistent, as vessel owner is not defined; does not allow for entry of owner held C shares	None	The Cooperative nature of the crab fishery as well as the variety of structures of vessel and share ownership prevents the collection of meaningful data of this type; although leasing is a critical element, other leasing data elements provide more accurate and informative data
	Leased quota by share type - pounds	by crab fishery	by crab fishery	by crab fishery- arms length only	Medium/Low	Medium	Used to show the distribution of activity and revenues in the fishery	May not be accurately reported due to complex ownership structures and owners of multiple vessels; cannot be consistent, as lease is not defined	None	This is a critical element and although difficult to collect, this data element should continue in the EDR with possible revisions to improve accuracy and reduce the burden of collection; it is questionable as to whether all lease data should be collected or only arms length data
	Leased quota by share type - cost	by crab fishery	by crab fishery	by crab fishery- arms length only	Medium/Low	Medium	Used to show the distribution of activity and revenues in the fishery	May not be accurately reported due to complex ownership structures and owners of multiple vessels; cannot be consistent, as lease is not defined	None	This is a critical element and although difficult to collect, this data element should continue in the EDR with possible revisions to improve accuracy and reduce the burden of collection; it is questionable as to whether all lease data should be collected or only arms length data
	Leased quota by share type - crew contributing shares	by crab fishery	aggregated all crab fisheries- count of crew leasing	-	Medium/Low	Medium	Used to show the number of crew on a vessel holding shares in the fishery	May not accurately reflect cooperative structure and share pooling, cannot be interpreted as active share holders	May be redundant with active participation reporting	Cooperative structure prevents clear tracking of shares by vessel - a more relevant question may be to identify crew that hold C shares; likely that in the future very few crew lease at arms length; important leasing data elements are Leased quota by share type pounds and cost which will be gathered

Catcher Vessel Alternatives

Data type	Data element	Alt 1. (status quo)	Alt 2.	Alt 3.	Accuracy	Cost of Collection	Utility	Possible Shortcomings	Substitute Sources	Comments
	Number of crew by fishery	by crab fishery	-	-	High/Medium	Low	Used to examine changes in fishery operations	Subject to inconsistency and misinterpretation- does not show number of crew on vessel at any time (reflects either the sum of crew employed in the season or the most on the vessel at any one time)	Elandings includes number of crew on vessel at time of landing	Redundant; Elandings includes number of crew on vessel at time of landing; Elandings data is more accurate than what is currently being collected
	Payments to crew	by crab fishery	by crab fishery	by crab fishery	High/Medium	Low	Used to examine payments to labor	Some uncertainty over non-crab fishery payments; some uncertainty of compensation, if crew pay certain expenses; captains payments may be non-market, when the captain also owns the vessel; data may be misleading for some purposes as booyard and transiting work are not available	None	Critical element and continue to collect with possible revisions to clarify that amount reported is after all crab fishing related deductions and charges (excluding personal spending)
	Payments to captain	by crab fishery	by crab fishery	by crab fishery						Critical element and continue to collect with possible revision to identify captains that also have an ownership interest in the vessel
Crew	Labor payment details - charges and deductions	in all crab fisheries	-	-	High/Medium	Low	Used to examine changes in labor payment structures	Data have very limited information since details for charges and deductions are not provided (i.e. amount charged/deducted); no provision for identifying if crew are not subject to share system; may not be consistent between fisheries so data could be meaningless	None	The critical element is crew pay as well as gross vessel revenue which both will continue to be collected and provide much better information than this data element; as a result, there is no reason to continue collecting this data element
	Revenue shares - owner/crew/captain	by crab fishery	-	-	High/Medium	Low	Used to examine the distribution of revenues (after deductions)	Details of deductions creates uncertainty in meaning- without detailed deductions and charges (which are not collected) this can be misleading and is uninformative; captain's share may be non-market, if captain is also vessel owner	None	The critical element is crew pay as well as gross vessel revenue which both will continue to be collected and provide much better information than this data element; as a result, there is no reason to continue collecting this data element
	Crew license number/CFEC permit number	by crab fishery	-	-	High/Medium	Low/Medium	Used for analyzing distribution of crew and identifying unique crew	Crew license residence data may be unreliable, includes no demographic data; cannot necessarily be used to estimate distribution of benefits by location, since we don't know how much any crewmember was paid or how much any crewmember worked	None currently, State of Alaska may have an alternative in data source in the future	Unclear the extent of additional information provided by these data, as crew demographic information may be unreliable; may provide limited information since we don't know specific payments to any particular crew; may be appropriate to determine if the State of AK effort moves forward or not
	Insurance premium - crab only	aggregated across all crab fisheries and aggregated across all fisheries	-	-	Low	Medium	Used for examining changes in cost structure	Variety of insurance contracts complicates any interpretation; usually prorated by the submitter to separate crab/non-crab; prorating is somewhat arbitrary and may differ across submitters; is often confused with 5.2c; too many types of insurance to decipher meaning (e.g. P&I, Hull, liability, vehicles, commercial liability, cargo, longshoreman's breach of warranty)	None	Remove this data element as 5.2c would be the more appropriate element to gather for insurance, if at all; can not accurately collect insurance information for crab only

Catcher Vessel Alternatives

Data type	Data element	Alt 1. (status quo)	Alt 2.	Alt 3.	Accuracy	Cost of Collection	Utility	Possible Shortcomings	Substitute Sources	Comments
	Paid deductibles - crab only	aggregated across all crab fisheries	-	-	Low	Medium	Used to examine changes in cost structure	Payments are often spread over several fiscal years- or are not incurred in years of incident; may overlap with repair and maintenance	None	Remove this data element as data is impossible to collect in a meaningful way and this is not a critical element
	Pot purchases - number	aggregated for all crab fisheries	aggregated all fisheries new pots only	-	Medium/Low	Medium	Used to examine operational and cost structures	No distinction between new and used gear; for used gear may be difficult to get accurate count (as damaged gear may/may not be counted); may be difficult to separate crab costs from other fisheries; will not reflect actual operations; costs may or may not include refurbishment costs; omits exchanges and pooling of pots that is currently occurring	Substantial data are currently collected through Federal log books/State pot registration/State port sample interviews to show the number of pots used and effort levels in the fishery; no cost information is available	There is some redundant data and impossible to accurately report data due to leasing of gear, purchases of old gear, and purchases of new gear; impossible to split this out by fishery as cod and crab pots could be used interchangeably; Questionable whether worthwhile to continue to collect; if continue, data element should be revised
	Pot purchases - cost									
	Pot purchases - location	aggregated for all crab fisheries	-	-	Medium/Low	Medium	Used to examine distribution of economic activity	Difficult to track location from companies with multiple locations or purchases of pots from storage; economic effect of pots purchased from storage is very different from pots purchased new; value of data is compromised by its dependence on the pot number and cost information	None	Remove this data element as data quality is poor and this is not a critical element
	Line and other gear purchases - costs	aggregated for all crab fisheries	-	-	Medium	Medium	Used to examine operational and cost structures	Typically cannot separate out crab costs; may be confused with repair and maintenance to the extent that purchases are for gear maintenance	None	Remove this data element as data quality is poor and this is not a critical element; may be more appropriate to revise pot purchase data elements to include this information, if at all
	Line and other gear purchases - location	aggregated for all crab fisheries	-	-	Medium	Medium	Used to examine distribution of economic activity	Difficult to track location from companies with multiple locations	None	Remove this data element as data quality is poor and this is not a critical element
	Bait used - species/pounds by fishery	by crab fishery	-	-	Medium/Low	High/Medium	Used to examine operational and cost structures	May be difficult to separate by fishery and season and identify bait types; inventories may be carried over to other crab fisheries or non-crab fisheries, but are excluded from collection; disregards bait caught by vessel	None	Remove this data element as data quality is poor, very difficult (if not impossible) to gather, and this is not a critical element
	Bait used - species/cost by fishery									
	Bait used - purchase location by fishery	by crab fishery	-	-	Medium	High	Used to examine distribution of economic activity	May be compromised by problems with underlying data; difficult to track location from companies with multiple locations	None	Remove this data element as data quality is poor, very difficult (if not impossible) to gather, and this is not a critical element

Catcher Vessel Alternatives

Data type	Data element	Alt 1. (status quo)	Alt 2.	Alt 3.	Accuracy	Cost of Collection	Utility	Possible Shortcomings	Substitute Sources	Comments
Crab costs	Fuel used - gallons by fishery							Difficult to separate by fishery, as a substantial number of operations are uncertain of estimates and a variety of methods are used to make estimates; difficult to separate fuel used transiting to Alaska; charges to crew on settlements may not match use by fishery (since transiting is excluded from reporting, but may be charged to crew)	None	This could be viewed as a critical element; however, data quality issues may make rough estimates by analysts a more practical solution; however it may be necessary to continue collecting this data element and pursue revisions to improve data quality
	Fuel used - cost by fishery	by crab fishery	aggregated all fisheries	-	Medium/Low	High/Medium	Used to examine operational and cost structures			
	Fuel used - purchase location by fishery	by crab fishery	-	-	Medium/Low	High	Used to examine distribution of economic activity	Fuel is often carried over between fisheries and purchases complicating distribution of use by location of purchase (i.e. need clear methodology for assigning from multiple purchase locations- first in, first out); compromised by underlying data issues	None	Remove this data element as data quality is poor and this is not a critical element
	Food and provisions - costs	aggregated across all crab fisheries	-	-	Medium	Medium	Used to examine cost structure	Inventories may be carried over from or to groundfish fisheries and year to year; some crews purchase own food; crew deductions are often per day estimates and are not actual cost	None	Remove this data element as data quality is poor and this is not a critical element
	Other crew expenses	aggregated for all crab fisheries	-	-	Medium	Medium	Used to examine cost structure; but these often are crew discretionary spending that is not relevant to operations	Open ended element creates uncertainty; amounts often change after preliminary settlements	None	Remove this data element as data quality is poor and this is not a critical element
	Freight costs for landed crab	aggregated for all crab fisheries	-	-	Unknown	Unknown	Used to examine costs associated with direct sales	This is a very small portion of sales-element just confuses most, as it is typically not relevant	None	Remove this data element as it is not relevant
	Storage, wharfage, delivery costs for gear	aggregated for all crab fisheries	-	-	Medium/Low	Medium	Used to examine cost structure	May be difficult to separate costs from groundfish fishery and from costs of other boats, if multiple vessel operation (may just be apportioned by number of pots used); typically involves some judgement concerning which costs to include	None	Remove this data element as data quality is poor and this is not a critical element
	Observer costs - by fishery	by crab fishery	-	-	High/NA	Low/NA	Used to examine cost structure	Observers cost are incurred only in the golden king crab and blue king crab fisheries	easily estimated by an analyst	Remove this data element as it is easily estimated and is not a critical element
	Landing taxes and fees	aggregated across all crab fisheries	-	-	Medium	Medium	Used to examine cost structure	Adjustments applied after year end, which may be necessary for both taxes and fees (such as buyback and arbitration assessment)	easily estimated by an analyst	Remove this data element as it is easily estimated and is not a critical element

Catcher Vessel Alternatives

Data type	Data element	Alt 1. (status quo)	Alt 2.	Alt 3.	Accuracy	Cost of Collection	Utility	Possible Shortcomings	Substitute Sources	Comments
	Cooperative fees	aggregated across all crab fisheries	-	-	Medium	Low	Used to examine cost structure	Does not clearly distinguish cooperative cost as a vessel from cooperative cost as a share holder (unclear, if and whether a distinction exists); unclear whether and why other costs are/are not included (i.e., FCMA cooperative negotiation costs seem to be included, but might not include arbitration costs and negotiation costs, if those are conducted independently, also may include research foundation costs)	None	Remove this data element as a new data collection process would need to be developed to gather the data accurately (directly to coops); if data were to be gathered, it likely would be of limited use due to confidentiality restrictions and the small number of cooperatives; questionable whether this is a critical element
	Other expenses	aggregated across all crab fisheries	-	-	Low	Medium	Used to examine cost structure	Limited direction on elements to include; may omit substantial expenses or include marginally relevant expenses; unclear whether independent arbitration/negotiation costs would be included	None	Remove this data element as data quality is poor and this is not a critical element
	Vessel and equipment investment - cost	aggregated across all fisheries (excluding exclusively non-crab costs)	aggregated all fisheries, including R&M	-	Low/Medium	High	Used to examine cost structure	May be somewhat arbitrarily assigned between investment and repair/maintenance; current collection excludes costs exclusively for non-crab fisheries; unclear whether new vessel purchase would be included	None	If data element continues to be collected, it needs to be revised to address shortcoming; specifically repair and maintenance should be included in this data element; questionable whether this is truly a critical element
	Vessel and equipment investment - location	aggregated across all fisheries	-	-	Low	High	Used to examine distribution of economic activity	difficult to identify location for vendors with several locations	None	Remove this data element as data quality is poor and this is not a critical element
	Repair and maintenance - costs	aggregated across all fisheries	-	-	Low/Medium	High	Used to examine cost structure	May be difficult to report whether it is a crab only expense; may be somewhat arbitrarily assigned between investment and repair/maintenance	None	Remove this data element as data quality is poor; it could be argued that R&M costs should be included with vessel and equipment investment but questionable whether this is truly a critical element
Vessel costs	Repair and maintenance - location	aggregated across all fisheries	-	-	Low	High	Used to examine distribution of economic activity	Locational information is difficult to separate as vendors have several locations; often several locations may be involved (up to 50 in one case); collection excludes costs exclusively for non-crab fisheries (which is inconsistent with some other entries in this section)	None	Remove this data element as data quality is poor and extremely difficult to gather in an accurate manner; questionable as to whether this is a critical element
	Insurance premium	aggregated across all fisheries	Aggregated All Fisheries	-	Medium/Low	Medium	Used to examine cost structure	Confusion between two insurance premium requests (see 5.1); may be prorated for crab on an unknown basis	None	If insurance information will continue to be gathered, this is the appropriate insurance data element to gather; questionable as to whether this is a critical element
	Fuel, lubrication, fluids - annual - cost	aggregated across all fisheries	Aggregated All Fisheries	-	Medium	Medium	Used to examine distribution of economic activity	Difficult to separate crab/non-crab costs; purchases may be for fuel used in the following year; location information is thought to be a poor estimation	None	Questionable as to whether this is a critical element; if it continues to be collected, it is important to revise the data element
	Fuel, lubrication, fluids - annual - location	aggregated across all fisheries	-	-	Medium	High	Used to examine cost structure			Remove this data element as data quality is poor and extremely difficult (if not impossible) to gather in an accurate manner; questionable as to whether this is a critical element
	Other vessel specific costs	aggregated across all fisheries	-	-	Low/Medium	Medium	Used to examine cost structure	Element is too discretionary to be consistent	None	Remove this data element as it is too discretionary to be consistent and is not a critical element

Catcher Vessel Alternatives

Data type	Data element	Alt 1. (status quo)	Alt 2.	Alt 3.	Accuracy	Cost of Collection	Utility	Possible Shortcomings	Substitute Sources	Comments
All activities	Days at sea - all activities	aggregated across all activities	-	-	Medium	High	Provides estimate of relative share of use of vessel in crab fisheries	By not distinguishing crab related from non-crab related activities other than fishing (such as transiting) this may misrepresent crab related activities; unclear to some whether transiting is included	None	Remove this data element as a relative share of use of a vessel is meaningless as the different activities are so vastly different i.e. tendering versus crab fishing are completely different; not a critical element and no reason to collect data
	Gross revenues - all activities	aggregated across all activities	Aggregated All Fisheries	-	High/Medium	Medium	Used to examine crab dependence	Some payments are not made until after year's end; will not know source of non-crab revenues (i.e., tendering, chartering, fishing); clarify instructions that revenues from IFQ leases should not be included	None	This data element could be helpful in determining crab dependence of a vessel if the element is revised; Questionable whether it is a critical element
	Pounds - all fisheries	aggregated across all fisheries	-	-	High/Medium	Medium	Used to examine crab dependence	Will not know whether pounds correlate with revenues because of non-fishing activities; unclear whether pounds in non-fishing activities should be included	None	Remove this data element as pounds across fisheries are meaningless i.e. crab versus cod are completely different fisheries and little to nothing could be drawn from this; not a critical element and no reason to collect data
	Labor cost - all activities	aggregated across all activities	Aggregated All Fisheries	-	High	High	Used to examine crab dependence	May have different pay structures for fishing/tendering/other activities; provide instruction to include payments in all activities	None	This data element could be helpful in determining dependence of crew on crab fishing if the element is revised; Questionable whether it is a critical element

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March 22, 2010

Eric Olson, Chairman
Chris Oliver, Executive Director
North Pacific Fishery Management Council

Via facsimile (907-271-2817) and courtesy electronic mail (eolson@pci.net,
chris.oliver@noaa.gov; maria.shawback@noaa.gov)

Re: Request for standing agenda item – fair and equitable allocation in the Crab Rationalization program

Dear Chairman Olson and Executive Director Oliver,

I am writing on behalf of the Bering Sea Aleutian Islands (BSAI) Crab Crewman's Association with a request that the North Pacific Fishery Management Council adopt a standing agenda item to address data needs and allocation and compensation inequities in the crab rationalization program ("CR program"), especially as they relate to crew. The Crewman's Association represents over 170 crewmembers and skippers, with between 65-80 still prosecuting the NP crab fisheries, 19 previous skippers, and four vessel owners: with over 2,500 total years of combined experience crab fishing in the BSAI.

This letter provides background and justification for this request. Please include copies of this letter in the Council notebooks for the 203rd Plenary Session – under D-3 staff tasking as well as under C-4 BSAI Crab Management Issues.

As you know, the Magnuson Stevens Fishery Conservation and Management Act mandates, among other things, the following:

If it becomes necessary to allocate or assign fishing privileges among various United States fishermen, such allocation shall be (A) fair and equitable to all such fishermen; ... (C) carried out in such manner that no particular individual, corporation, or other entity acquires an excessive share of such privileges.

16 U.S.C. 1851(a)(4) (National Standard 4).

In 2002, then-Council Chair David Benton, writing on behalf of the Council, reported to Congress on the Council's progress in analyzing North Pacific fishery management options. In that report, he stated with respect to the Bering Sea and Aleutian Islands crab fisheries that:

the Council has concluded that these fisheries, their participants, and dependent communities would benefit from rationalization. Rationalization will improve economic conditions substantially, for all sectors of the crab industry. Community concerns and the need to provide for economic protections for hired crew will be addressed.

Council letter to Congress (August 2002); available at http://www.fakr.noaa.gov/npfmc/current_issues/crab/BSAICrab%20report%20to%20congress802.pdf.

In 2004, then-Council Chair Stephanie Madsen, writing on behalf of the Council, also committed in the context of the proposed crab allocation rule that the program

will improve economic conditions substantially, for all sectors of the crab industry. Community concerns and the need to provide for economic protections for hired crew are addressed.

Council Letter to NMFS (December 2004); available at http://www.fakr.noaa.gov/npfmc/current_issues/crab/crabcomments1204.pdf.

Yet to date, the Council has failed to live up to its obligation to comply with National Standard 4 with respect to the CR Program. That this is so is supported by numerous factors, including the Council's formal review of the CR Program. Five-Year Review of the Crab Rationalization Management Program for Bering Sea and Aleutian Islands Crab Fisheries (December 2010); available at http://www.fakr.noaa.gov/npfmc/current_issues/crab/5YearRev1210.pdf. The Council acknowledged that crew numbers are now significantly lower in the crab fisheries – nearly 1,000 fewer in Bristol Bay red king crab fishery, and nearly 700 fewer in Bering Sea opilio fishery – and replacing income for some of these crew “is reported to be problematic.” Five Year Review at 55-56.

As to financial losses for crew that remain in the fisheries, the Five Year Review notes that there is “a steady downward trend in the percentage of gross revenues paid to crew” and that the “propensity to charge or deduct IFQ costs for shares received in the initial allocation is said to be increasing over time.” Five Year Review at 65, 60. In some cases, the Council acknowledges that the percentage of crew compensation in relation to gross revenues is “less than half” the pre-2005 levels. Five Year Review at 61. Stated more plainly, and based on direct reports from the reduced numbers of crew that remain in the fishery, compensation has plummeted between 40 and 70% since 2005.¹

Despite this information, the Council's review only formally discussed inequities to vessel captains in its background “crew shares” discussion. See Five-Year Review at 15-16. While acknowledging through minor program changes the inequity to vessel captains, the

¹ The presentation of general crew compensation facts here should not be interpreted to mean that no crew are willing to present specific settlement documentation once the Council directly addresses crew inequity issues. Neither should it be interpreted to mean that crew accept specific contracts and settlements as legal and legitimate.

Council has not addressed crew inequities in the quota allocation, or even considered accurate data to inform a discussion of crew inequities.²

The Council did note that the overall CR Program “includes” a “crew loan program” to assist crew who so desired to buy crab quota share. Five Year Review at 18. This can hardly be considered “fair and equitable” given that other participants in the fishery (i.e. vessel owners, captains ...), who may or may not have had a similarly long and central business relationship as many crew members to the crab fisheries, were not required to pay for the quota privilege. Moreover, the loan program was not funded for years after the program began, and is only recently supported by a final rule. The crew loan program is not meaningful.

Notably, in December 2010 the Council did acknowledge problems with crew share in the BSAI crab fisheries, yet relegated them to an undefined “industry group” to work out. Predictably, this “industry group” has resulted in no process or recommendation to deal with the inequity in the crab fisheries.

As the North Pacific Council is aware, data integrity is an important foundation for reasoned decision-making. See e.g., 16 U.S.C. 1801(c)(3) (the “national fishery conservation and management program” must be based upon “the best scientific information available.”). Underlying the fairness and equity concerns in the CR Program is the fact that relevant authorities have abdicated their responsibility to collect data on the program. The Alaska Department of Fish and Game has abandoned efforts to collect this data. Neither did NOAA complete its promised report in time for the Five Year Review. While the Five Year review includes some data, see Five Year Review at 55-65, as the Review itself notes that many data quality issues combine to “limit the ability to fully and accurately understand crew or captain pay.” Five Year Review at note 20, page 56; see also Five Year Review at 59 (“amounts of any deductions and charges may be inaccurate in the Economic Data Reports”).³

All of this combines to undercut the Council’s conclusion that crew pay has actually increased since 2005. Five Year Review at 65. And notably these “data quality issues” are fully within the purview of the Council and other authorities to resolve, using existing information. Indeed, the Council’s own inquiries to quota share owners as to whether the Council could collect owner-crew contracts and settlement sheets were answered in the affirmative. (December 2010 meeting, 201st Plenary Session C-2 (c)). Including crab crew issues as a standing agenda item will thus also help address these data integrity problems.

² This is not to say that the program as applied to vessel captains is fair and equitable. Prior to the CR Program captains received a ~12-15% share, while in the CR Program they received merely 3% of the quota share. This is not fair and equitable, and this aspect of crew inequities should be part of the scope of a standing Council meeting agenda item on this topic.

³ Data integrity issues were well-illustrated by misleading and erroneous testimony submitted on behalf of quota share owners. For example, Professor James Wilen presented testimony on behalf of Bering Sea Crabbers that it is “mistaken to suppose that high lease prices leave less for crew payment.” Wilen, BSAI Crab Rationalization Program: Market Mechanisms and Policy Implications at page 2 executive summary (December 2010). When Professor Wilen repeated this assertion in his oral testimony it appeared that even some of his own clients distanced themselves from that erroneous statement. Professor Wilen also appears to believe that crew are somehow wage earning employees of quota share owners instead of independent businessmen and women. Accurate data can dispel the misleading effect of such testimony.

As the above discussion demonstrates, despite the legal mandate, and Council commitments and assurances, since its implementation in 2005 the CR Program has resulted in a large loss of crew jobs in the crab fisheries and a large loss in compensation for crew that accomplish the same tasks and take the same, and likely even greater, risks. This is a crippling double whammy for crew. The Council should thus establish a standing agenda item to focus on data integrity and equitable allocation issues in the crab program.

Sincerely,

/s/ Peter Van Tuyn

Peter Van Tuyn

Cc: Alaska Governor Sean Parnell
Washington Governor Chris Gregoire
Oregon Governor John Kitzhaber
Alaska Congressional Delegation
Washington Congressional Delegation
Oregon Congressional Delegation
Secretary of Commerce Gary Locke
NOAA Administrator Jane Lubchenco
NMFS Regional Director Jim Balsiger
ADFG Cora Campbell

North Pacific Fishery Management Council
191st Plenary Session-February 8, 2009
Seattle, WA RE: C-7 (b-d) Crab Rationalization

Chairman Olson and NPFMC Members,

My name is David Zielinski, I am a 20 year veteran of the Bering Sea crab fisheries, with over 35 seasons fished. This year I didn't go crabbing for the first time in a very long time. The reason plain and simple, this is just like being robbed every day you're fishing!

My last season for king crab (2008) I caught (the boat) a little less than 400,000 pounds, about \$1.7 million worth of crab for \$17,620.29 (total compensation settlement sheets for Opilios 2007 & 8 are attached) and 2 ½ months of very bone weary work, a pittance compared with what our normal pay scale would have netted, around \$75,000. This fishery is being stripped to the bone, as quota holders are taking 70% off the top. Snow crab isn't much better, the owners take 50% right off the top and this is just out of control! None of this money goes anywhere but to the owners, most who don't own boats anymore. I must admit not all boat owners are taking these outlandish fees, many are, but some are paying fair standard pay.

Towns are dying because not much if any money is trickling down to them to supply the businesses the crab industry once supported.

This business about it (the BS crab fisheries) being safer, I am sorry don't be misinformed, it's as dangerous as it always been. It's a bunch of hogwash! We're on a schedule for deliveries on a certain date. You've got to work like hell to make those dates with a full load, or it doesn't make much sense economically to come in and deliver with a partial load. So, the hours are the same, the dangers are probably higher now that there is usually not anyone fishing around you, like before (pre-rationalization). So really the only one this crab irrationalization absolutely helped wasn't anyone except the boat owners!!! No one else!!!

I don't agree with the crab committee's approach, I am from Seattle and the Deep Sea Fisherman's Union doesn't represent crabbers or me! I'm in support of a separate amendment for reallocation based on historic participation of 35% to 40% of the adjusted fishing income without leases coming off the top first.

The greed factor is so pervasive now in the crab fisheries, their jobs (crewmen) are in jeopardy for speaking out. Most crabbers are not as lucky as myself. I have other skills to have a way to live without these fisheries and so can speak freely and not worry about losing my job for speaking out against this injustice.

David Zielinski

