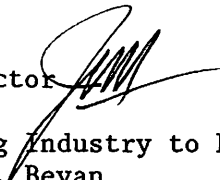


Agenda Item H-2
February, 1980

MEMORANDUM

DATE: February 4, 1980

TO: Council Members, Scientific & Statistical Committee and
Advisory Panel Members

FROM: Jim H. Branson, Executive Director 

SUBJECT: Incentives for the U.S. Fishing Industry to Harvest Bering
Sea Pollock, as proposed by Dr. Bevan

ACTION REQUIRED

A discussion item.

BACKGROUND

Before Christmas Don Bevan submitted the attached letter to the Council. The ideas contained in the letter differ from the Fishery Development Activities mentioned in H-1 and address "fishermen incentives"; i.e., some system of privileged fishing rights in return for pioneering fishing effort and based on performance. Any discussion of the letter and concept should probably conclude with directives to the Advisory Panel, the Scientific and Statistical Committee and the various management plan drafting teams to seriously look at practicable ways of implementing this "incentive" concept.

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UNIVERSITY OF WASHINGTON
SEATTLE, WASHINGTON 98195

FILE	ACT	INFO	ROUTE TO	INITIAL
			Exec. Dir.	
			A. Exec. Dir.	MMH
			Admin. Off.	
			Exec. Sec.	
			Writer/1	
			Writer/2	MD
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			Sec. Typist	
CC:SSC-				
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College of Fisheries
WH-10

December 11, 1979

The Honorable Clem Tillion, Chairman
North Pacific Fisheries Council
P.O. Box 3136DT
Anchorage, Alaska 99510

Dear Clem:

As you well know the Fishery Conservation and Management Act of 1976 under which our Council operates has, as one of its goals, the encouragement of development of fisheries which are currently underutilized or not utilized by United States fish industry, including bottomfish off Alaska.

The largest underutilized resource in U.S. waters is the pollock of Bering Sea.

I suggest that we ask our Plan Development Team and the Scientific and Statistical Committee to develop a plan to provide an increased incentive to the U.S. fishing industry to harvest Bering Sea pollock.

If we look back into our country's history, the methods for encouraging the development of the land area and the mineral resources of the West was by grants of land for homesteads or for building railroads and the system of filing claims for private ownership by prospectors who had located and proved the existence of mineral resources.

I suggest we establish this system to allow fishing claims or "seasteed" rights to Bering Sea pollock.

The first question will be, "Is this a Limited Entry Program?" I believe it is and we must look to the Law to see what the Council and the Secretary must take into account.

The Law, in Section 303, is quite specific in its requirements to a system for limited access to a fishery in order to achieve Optimum Yield. The Council and the Secretary must take into account (a) present participation in the fishery, (b) historical fishing practices in and dependence on the fishery, (c) the economics of the fishery, (d) the capability of fishing vessels

used in the fishery to engage in other fisheries, (e) the cultural and social framework relevant to the fishery and (f) any other relevant considerations. Since there is no present fishery, the major item to be considered is item f. and the other relevant considerations are the need to encourage the development of fisheries, which are currently underutilized or not utilized by the U.S. fish industry, including bottom-fish off Alaska.


There are a number of ways such a program could be established. The following are only examples. I believe it very important that the exact details of a number of alternatives be worked out by the Council and tested in the public hearing process.

For example, an individual, partnership, or corporation would be eligible for the right to take one percent of the total allowable catch per month for Bering Sea pollock for each metric ton of pollock caught and processed each year for a two-year period. There are obviously all kinds of alternatives for the amount of leverage or the multipliers applied to what is caught during the proving up period to the later right of fishing.

Another possibility is to provide the right to utilize a certain amount of fishing effort. For example, an individual, partnership, or corporation that caught a metric ton of pollock which was processed could be allowed the application of one tillion¹ of fishing effort in perpetuity with the right to sell or lease that right.

May I suggest that this topic be added to our Agenda for discussion and, that with approval of the Council, it be referred to the Plan Development Team and the Scientific and Statistical Committee.

Sincerely yours,


Donald E. Bevan
Associate Dean

DEB/aw
cc: Charles Fullerton
D. L. Alverson
Steve Penoyer

1/ A tillion is that amount of fishing effort which will provide one percent of the monthly catch of Bering Sea pollock.