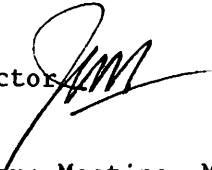


Agenda Item F-4
March, 1980

MEMORANDUM

DATE: March 21, 1980

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

FROM: Jim H. Branson, Executive Director 

SUBJECT: Report of Limited Entry Workgroup Meeting, March 13th-14th, 1980

The Council's Limited Entry Workgroup met in Juneau March 13th and 14th to begin developing a limited entry system for the halibut fishery.

Workgroup members present were: Arne Lee, Jay Koenecke, Sigurd Mathisen, Dick Myhre, Ron Miller, Mike Stanley, Doug Smith, Jim Brooks, Bruce Hart, Gordon Jensen and myself. The meeting began shortly after 10:00 a.m. on Thursday; recessed at 5:00; continued again on Friday beginning at 8:30 and adjourned at 3:00 p.m.

The Group reviewed old business first with a discussion with Ron Miller, Hearing Officer for the Commercial Fisheries Entry Commission, on the current status of power troll permits. 939 have been issued with something over 40 interim permits still in question. Ron's general assessment was that there would probably not be much problem this year with new permits or with revoking permits, lessening possible review problems for NMFS.

The Group reviewed the Research Funding Proposal for bids to develop material to assist the Council in deciding whether or not to proceed with limited entry for the halibut fishery. Much of the material asked for in the study would also be useful for developing a limited entry system if that is the Council's decision. The Group was concerned

about aggregating data, not wishing the contractor, whoever it might be, to have access to raw data. It should be possible to work through the Commercial Fisheries Entry Commission and the Pacific Halibut Commission to obtain data in an aggregated form, eliminating any problems with the confidentiality regulations of the State, the Halibut Commission or the Federal government. Odds are that most of it will be available at no charge from the Commercial Fisheries Entry Commission, although if there are extensive programming requirements it may be necessary to reimburse CFEC for additional costs incurred. Several minor changes were suggested for the study, moving the gangion spacing to 18 feet rather than the 21 now requested and using months as the period in which any harvest of halibut should be taken, rather than 8. The Working Group recommended categories of vessel sizes as follows; under 5 net tons, open boats and decked boats with enclosed cargo space, then by 10 net ton increments to 60 tons, with a single class over that size. They also suggested that the contractor be asked to assess mobility between vessel classes. We can probably negotiate that task with the contractor when he is chosen.

Mike Stanley reported on contracting at least part of a limited entry program to the Alaska Commercial Fisheries Entry Commission. His judgment is that much of the preliminary assessment of applicants and the applicability of criteria to applicants could be done by CFEC. They could also contract for permit issuance and other routine tasks. Ultimately, decisions will have to be made by the Federal government on who gets permits and they will have to have a hearing system to handle appeals, denials, etc.

The Working Group spent the rest of the meeting assessing various possibilities for limiting access to the fishery, defining goals for limited entry and establishing basic guidelines they felt were imperative to any system.

The Working Group was in agreement in recommending a moratorium be established as soon as possible to eliminate further expansion while a limited access system is developed and implemented.

The Working Group recommends the following goals to the Council for a halibut limited entry system:

1. Prevent any expansion of effort.
2. Reduce the current number of entrants.
3. Maintain the economic viability of the halibut longline fishery so that it can continue as a professional fishery. The Group feels that if halibut is allowed to continue to degenerate into a very short intensive fishery the industry will soon lose interest in defending that fishery. It will eventually turn into an incidental catch in the trawl fishery and the halibut longline fishery, as it has been developed in the Pacific, will disappear. No one fights for a fishery that cannot produce an economic return to them.
4. The season should be stretched over six or seven months so that the harvest is made across all of the stocks in the range. A longer season will allow improved analysis of fishing effort and stocks and reduce sudden gluts of fish and subsequent heavy industry dependence on cold storage fish.
5. Continue the small parttime fishery with the existing fishermen.
6. Develop a system that will allow the greatest number of people possible to make a good return (living) from the fishery.

After a great deal of spirited discussion, the Group came to general agreement on the following recommendations to the Council:

1. Permits should be issued to individuals and should be transferable.
2. Permits should be for a certain category of vessel and the breakdown into categories should be sufficient to eliminate great improvements in productivity within a category.

3. Initially, two or more categories of permits might be necessary. Transferable and non-transferable, with the non-transferable permits having varying life expectancies.

The Working Group made the following recommendations on establishing eligibility for permits:

1. Only those who held a gear license and delivered a specified amount of fish during any one of the past ten years could apply.
2. Points should be awarded for each year in the fishery for the past ten years.
3. Deduct points for 1978/79/80 if they did not fish in those years.
4. Crew members get half as many points as a gear license holder for the same experience.
5. Ownership of an active halibut boat during the same ten-year period would entitle the applicant to extra points. A showing of ownership or captaincy of a halibut boat would be necessary in order to determine the size category for the permit. Multiple owners of one boat could combine points but in no case could the combination exceed the number of points a single owner could get.
6. Restrict ownership to natural persons.
7. Deduct points for each other limited entry permit owned.
8. Points for income dependence.
9. Points should be awarded for the amount of production within a given size class of vessel.
10. Weigh the availability of alternative occupations.
11. Award points for consistency of participation in the fishery.

Although the guidelines are not yet very specific, the Working Group meeting was really much more productive than is indicated in this report. Initial discussion of various possibilities for limiting access are involved and contentious. Its necessary to talk many of these points out before a decision can be made on a direction, much less the specifics of that direction.

The Council should act on a moratorium in the halibut fishery in the near future. I will determine how that action can be accomplished and bring it to the Council as an agenda item in April.