

The Wheel Watch

a newsletter of the

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Dear Longliner:

This newsletter will bring you up-to-date on issues before the North Pacific Council and the Pacific Council, Washington, D.C. activities, and markets.

****North Pacific Council****

GOA – 2000 Mt Halibut Hard Cap. The Council moved to send this proposal out for public comments. They instructed their staff to ask for some additional economic data. The Council recommended leaving the freezer longliners out of further reducing their Cap as it was reduced during the cod sector splits. John Crowley moved for a similar action in the Advisory Panel which passed. The options provide a chance to reduce the hard cap from 5 to 20%. John kept the ball rolling for a final action probably next spring.

FVOA is supportive of Cap reductions but questions if the halibut unobserved bycatch may dwarf any Council reduction. Until a meaningful observer program is implemented, we are likely losing much more halibut to unobserved mortality than we will gain by a 10% reduction in the Halibut Cap. Unobserved mortality could be as much as 2000 Mt., equal to the existing Cap! Note the following from Tholepin.com

Halibut Waste Rises as Draggers Hammer Cod and NPFMC Fails Again

Date	Boat	Owner's Port	Area	Gear	Species	Percent	Tows
24-Sep-11	ALASKA BEAUTY	Seattle, WA	GOA	NPT	cod	43%	5
24-Sep-11	CARAVELLE	Kodiak, AK	GOA	NPT	cod	23%	5
24-Sep-11	GOLD RUSH	Newport, OR	GOA	NPT	cod	21%	6
24-Sep-11	LONESTAR	Bellingham, WA	GOA	NPT	cod	17%	6
24-Sep-11	PACIFIC STAR	Kodiak, AK	GOA	NPT	cod	11%	6
24-Sep-11	CHELLISSA	Florence, OR	GOA	NPT	cod	11%	4
24-Sep-11	COLLIER BROTHERS	South Beach, OR	GOA	NPT	cod	9%	5
24-Sep-11	BAY ISLANDER	Newport, OR	GOA	NPT	cod	9%	3
24-Sep-11	VANGUARD	Kodiak, AK	GOA	NPT	arrowtooth	6%	11
24-Sep-11	MARATHON	Siletz, OR	GOA	NPT	cod	6%	6
24-Sep-11	PACIFIC STAR	Kodiak, AK	GOA	NPT	arrowtooth	6%	5
24-Sep-11	MAR PACIFICO	South Bend, WA	GOA	NPT	cod	6%	7
24-Sep-11	CAPE KIWANDA	Seattle, WA	GOA	NPT	cod	4%	6
24-Sep-11	PROGRESS	Depoe Bay, OR	GOA	NPT	rock sole	4%	8
24-Sep-11	CHELLISSA	Florence, OR	GOA	NPT	arrowtooth	3%	2
24-Sep-11	PEGGY JO	Seattle, WA	GOA	NPT	cod	3%	3
24-Sep-11	WINDJAMMER	Lynnwood, WA	GOA	PTR	arrowtooth	3%	2
24-Sep-11	LAURA	Kodiak, AK	GOA	NPT	arrowtooth	3%	3
24-Sep-11	CAPE KIWANDA	Seattle, WA	GOA	NPT	arrowtooth	1%	3
24-Sep-11	GOLD RUSH	Newport, OR	GOA	NPT	arrowtooth	1%	1

Here are this week's Dirty Dozen Draggers placed here to celebrate the NPFMC's failure to control waste in the GOA. In the right column is the percentage of halibut PSC as compared to the catch. Ironically the Alaska Beauty is the dirtiest dragger this week with fully 43 percent of their 'cod catch' halibut PSC. No reasonable country or state would tolerate this kind of resource waste. Other draggers on this list show they can control their PSC, at least some of the time. [Source](#). We will publish the NPFMC motion and vote when it becomes available.

Halibut Catch Share with Charters. NOAA Fisheries has asked the NPFMC to schedule further discussion of the Catch Share program for the December Council meeting. They did not approve the CSP. The News Release from NOAA on this issue talked about technical issues, management implications at lower levels of abundance, and then suggested the Council think of giving the IPHC advice for 2012 management. The Catch Share option was the latest effort of the NPFMC to deal with the allocation struggle between commercial and charter interests. The Council has worked for 18 years with two final Council actions and now two NOAA head fakes. NOAA's head fake is the result of the State of Alaska Governor's office having second thoughts, Senator Begich and Congressman Norm Dick's interventions. There remains some hope that the CSP may be salvaged at the December Council meeting but there is talk of only salvaging something in S.E. Alaska's Area 2C.

Cong. Norm Dicks letter to NOAA states:

"I see that during the 2011 fishing season, the charter sector would have lost 31% of their allocation which is then reallocated to the commercial sector."

This statement is completely false. There are no mechanisms to transfer quota between sectors and the commercial quotas were reduced by over 20% in 3A and 2C for 2011. The charter allocation in 3A still provides for a 2 fish take. They have not yet participated in a conservation effort.

Cong. Dicks also said "the CSP violated the fair and equitable provisions of Magnuson-Stevens Act." His letter went on to suggest that IPHC was the wrong group to manage the situation which is opposite of what is recommended by the State of Alaska letter and NMFS letter.

Cong. Dick's letter was likely written by the Southeast Alaska Guides Organization, in our opinion.

Senator Begich, chairman for the Senate's Commerce Fisheries Committee, wrote:

"In my comments to NOAA Administrator Lubchenco, I said the public raised some legitimate issues which need further consideration. This includes the adequacy of economic analysis of the impact of the rulemaking, a general concern I have raised about other NOAA actions. I also share concerns about the fairness of the formula which would set the charter halibut quota below the sector's previously set Guideline Harvest Levels."

The inability of NMFS-NOAA to answer the complaints of Congressman Dicks and Senator Begich must fall on the Regional Director, Jim Balsiger. He must be aware of the inaccuracy of Cong. Dicks comments but NOAA's answers are invisible. Of course when Senator Steven's objected to the IFQ CSP six years ago, Mr. Balsiger was quiet then as well. Now you must know how President Lincoln felt about General McClelland.

The State of Alaska sent a letter to NOAA Fisheries listing numerous concerns including objections to deferring maximum size limits, boundaries of management tiers are inflexible, i.e. no room to exceed the charter allocation, complaint of how the average weight of halibut is developed, logbook accounting, sampling process, etc., etc. The letter was signed by David Bedford, Deputy Commissioner. Most of the State's complaints seem

to be within the control of the State of Alaska. Cora Campbell, the Director of ADF&G, did not sign the letter. She was very much over-ruled by the Governor's office on this.

There were 4,185 comments on the Catch Share Plan. The CSP was published in July and public comments extended to September 21st.

The non-approval of the CSP puts 3A and 2C halibut harvest for commercial interests at risk. The charter allowance in 3A has not exceeded their allocation largely because of the national recession. In lieu of the CSP, the Guideline Harvest remains in effect. Commercial interest may need to file suite to direct NMFS to manage to a hard cap expressed in the GHL. Two years ago, a federal judge in Washington, D.C., ruled the GHL is essentially a hard Cap but NMFS does not manage as if it is one. If non-approval results in 2C commercial fisheries absorbing the charter overages, this would be a horrible result.

The NPFMC process is being questioned by a number of interests lately. It is clear that 18 years of participating in the Council process, the Council has failed to resolve this problem even with the State of Alaska and NMFS at the Council negotiating table. Where were their objections during the last four years of review? The second guessing of members of Congress, like Congressman Norm Dicks and Senator Begich, are a significant reason for the failure to implement the CSP. Similar management failures have occurred in New England due to similar Congressional interference.

Sablefish Whispers. The NMFS conducts an annual tagging program in Southeast Alaska to tag juvenile 1-year old sablefish. The number of tagged fish varies from 150 to 350. This year we were told 1000 one-year olds were tagged. This level of abundance of one-year olds has not been seen since 1998. Additionally, the summer survey apparently produced a markedly larger number of age 3 fish. This is good news. The Plan Team for sablefish will meet later this fall. The assessment models are all driven by relative year class strength.

Chatham Strait. ADF&G has announced that the 2011 harvest will decline by 16%. There are a number of abundance indexes that are up. They can't hide the fish forever.

****Pacific Council****

Sablefish. The Council's presumptive harvest limits for 2013 and 2014 will be 6330 Mt. and 6843 Mt. respectively. There are two year classes that seem poised to help reverse this decline. The 2008 and 2010 year classes are looking good but it's too early to have an effect on the assessment model. The predictor is 9000 Mt. by 2019.

Albatross Taken. Earlier this year, an albatross was taken in the hook and line blackcod fishery off of Newport, Oregon. This take triggered a "Section 7" review of the Endangered Species Act. The conclusion of the review was:

"We see no reason to change the conclusion from the recovery plan for albatross, that mortality from fishing is not a significant impediment to the growth and recovery of the species."

"The level of estimated fishing mortality is a small component for the annual growth rate of the population."

I sent a letter to the Pacific Council from FVOA encouraging them to implement a tory line

regulation, similar to the regulations in Alaska. Sea Grant findings showed a 78% reduction of bird takes once the tory lines were required off Alaska.

This summer FVOA worked with the American Bird Conservancy by hosting a group of Mexican fishermen who wanted to see our tory line operations. John McHenry and Pete Lopuszynski of the Seymour gave them a demonstration. They also climbed aboard the F/V Alrita to look at an auto baiter. Not sure Dave Hedrick was aware of that but thank-you Dave!

Trawl ITQ Program (Gear Switching). We have about 8 members now participating in harvesting trawl ITQ sablefish with either longlines and/or pots. We will review the results of this program with our members later this year when the season is completed.

Markets

Halibut. The short supply of Pacific Halibut has pushed prices to record levels. Mid-September prices in Bellingham to FVOA vessels were \$7.45 for 10-20's; \$7.95 for 20-40's; \$8.20 for 40-60's; and \$8.25 for 60+. In early September, Seward prices were \$6.70 for 10-20's; \$7.10 for 20-40's; and \$7.40 for 40+.

Area	Species	Vessel Landings	Total Catch Pounds	Allocation Pounds	Remaining Pounds	Percent Landed
2C	Halibut	1,143	2,090,322	2,330,000	239,678	90
3A	Halibut	1,692	13,225,380	14,360,000	1,134,620	92
3B	Halibut	659	6,642,258	7,510,000	867,742	88
4A	Halibut	250	2,021,310	2,410,000	388,690	84
4B	Halibut	105	1,496,638	1,744,000	247,362	86
4C	Halibut	16	92,195	845,000	752,805	11
4D	Halibut	56	1,549,324	1,183,000	-366,324	131
Total		3,921	27,117,427	30,382,000	3,264,573	89

I was in Washington, D.C. during September and had a wonderful piece of Pacific Halibut with some art deco sauce splashed across the plate and steamed asparagus. It was expensive. The high end restaurants are supplying adequate demand to keep prices at current levels.

Sablefish. Prices are also at record levels. The slow decline in quotas off Alaska, British Columbia, and the lower coast, increased North American high-end restaurant demand and a 30% change in the yen/dollar over the past 30 months have resulted in very nice prices. Later in September FVOA boats that delivered into Yakutat received \$8.90 for 4-5/lb; \$9.10 for 5-7/lb and \$9.30 for 7 ups.

Area	Species	Vessel Landings	Total Catch Pounds	Allocation Pounds	Remaining Pounds	Percent Landed
AI	Sablefish	102	1,326,569	2,738,111	1,411,544	48
BS	Sablefish	172	926,827	2,513,244	1,586,417	37
CG	Sablefish	515	7,864,068	8,359,843	495,775	94
SE	Sablefish	493	5,917,309	6,481,524	564,214	91
WG	Sablefish	154	2,537,105	2,857,162	320,057	89
WY	Sablefish	208	3,724,910	3,844,822	119,912	97
Total		1644	22,296,788	26,794,708	4,497,920	83

Sablefish supply from the lower Pacific Coast will decline by 16% for 2013-2014. However,

there is some good news from the summer survey in Alaska that could indicate a good 2010 year class as well as a strong 2008 year class. It is too early to know how this information will affect the model for 2012. Supply from Chatham Strait will be down for 2011 by 16%.

Pacific Cod, delivered in the round, received a \$0.40 straight price in the Gulf of Alaska. Bering Sea prices are \$0.36 with a slot price for fish 25" to 19" long at \$0.25/lb. This market is looking better even with increased supply.

****Eat on the Wild Side****

Too many seals and sea lions killed at B.C. fish farms. Canada issues shooting permits to fish farm owners in British Columbia. Records reveal that 37 harbor seals were shot along with 151 California sea lions and two Steller sea lions from January to March this year. Should these fish farms get equal access to the U.S. markets when these shootings are clearly violations of the U.S. Marine Mammal Act? Our fishermen don't get to shoot seals nor do U.S. fish farmers.

PETA. Members of PETA demonstrated in Seattle this summer telling people not to eat fish that are hooked. PETA claims fish are intelligent, sensitive animals that feel pain when hooked. PETA recommends a vegan diet. My wife talks to her plants. Have you ever heard your salad scream?

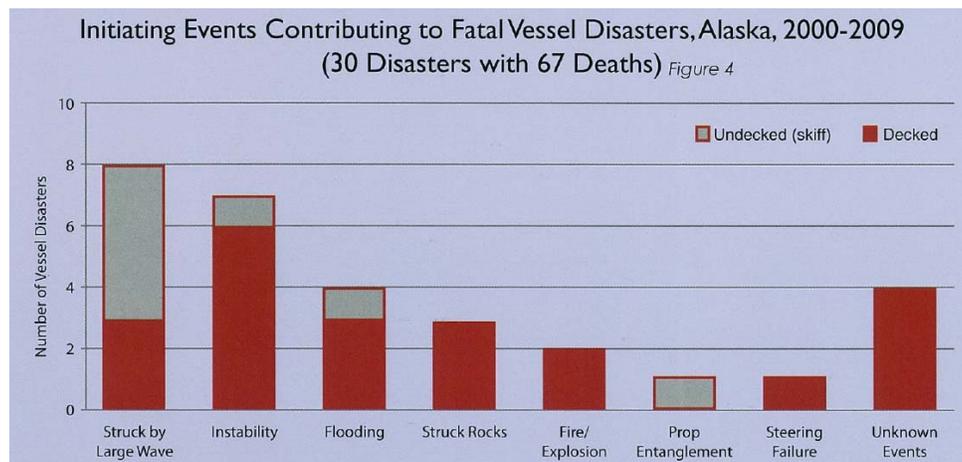
The average American eats 15.8 pounds of fish and shellfish annually, a 1 percent drop from the 2009 figure of 16 pounds. ...*Intrafish*

****Second Watch****

Halibut catch a world record? Oh, for the want of a scale. A resident of Kansas caught a 94 inch halibut estimated to weigh 466 pounds. The Alaska State record is 459 lbs. In this case, no scale, no record.

NOAA held a safety meeting in Seattle in July. It was well attended by FVOA boat owners and other industry representatives. The very positive testimony spoke to how catch shares were saving lives.

National Institute for Occupational Safety



Commercial Fishing Fatality Rates for Full-time Equivalent (FTE) Workers, Alaska, 2000-2009 *Table 1*

Fishery	Fatalities	FTEs	Annual rate per 100,000 FTEs*
Bering Sea Aleutian Island Freezer Trawl	22	6,489	340
Bering Sea Crab	12	4,658	260
Alaska Halibut	10	7,519	130
Alaska Salmon	39	34,287	115

* Rates were calculated by dividing the total number of fatalities for the 10 year period by the total annual FTE.

Fishing Gear. Jim LeBeouf, (978) 283-0222, former owner of the halibut schooner, Aleutian, has a locker full of halibut and sablefish gear for sale. Please call him.

\$1500 Reward. IPHC lost two oceanographic profilers, one on the east side of Kodiak and the other one on the south side of Adak. Should your gear pull either one up, IPHC is offering a \$1500 reward.

Food and Water Watch attacked IFQs and other Catch Share programs for eliminating jobs.

****Washington, D.C. Issues****

Congratulations to Todd Bertosen. He has taken over as Minority Staff Director of the Senate Commerce Committee. Todd has served as a fisheries representative for Senator Steven's in the past.

Congratulations to Stefanie Moreland. She has been hired as Senator Lisa Murkowski's fish person. Stefanie has worked for the State of Alaska and has been very much involved in North Pacific Council activities for the State.

Tax Break Provision for CDQ Groups dies in Senate. CDQ programs receive 10 percent of the estimated Total Allowable Catch for the BS/AI and crab harvest. They do not pay income tax on royalties. As the companies have accumulated wealth and invested in factory trawling and processing plants, their investment maybe subject to taxes. The Alaska delegation has attempted legislation to allow CDQ investments to be non-taxable as well.... *Nome Nugget*

Has anyone noticed that CDQs don't pay any IFQ tax for federal management, no Alaskan landing fees, are federally tax-exempt, and when their representatives come to the State of Washington, they don't pay any Washington sales tax while Washington fishers pay all the above fees and taxes. Why is it that our own state gives special subsidized treatment to certain non-residents and Washington fishermen get none?

Marine Spatial Planning. Congressman Doc Hastings (R) Chairman of the Natural Resources conducted a hearing on the President's National Ocean Policy. The policy was not passed or authorized by Congress. It sets up a huge new bureaucracy to manage issues such as placement of wind energy, oil and gas leases, navigation lanes, marine protected area closures on the fishing industry, etc. FVOA, along with 10 other Seattle and Alaska-based fishing associations, have opposed this new top down management. The end result will be fisheries management could be managed by the Councils as well as the new organization. The new presidential group would second guess the Council actions. Its funding would come from existing NOAA scientific programs such as fish surveys.

Congressman Runyan. Congressman Runyan proposed a Magnuson-Stevens Act amendment that would terminate Catch Share programs that reduce vessel participation by 15% or more. He is concerned about job loss. He says nothing about non-catch share programs that have the same result.

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****Calendar of Events****

November 2-7, 2011 Advisory Bodies may begin Tue., Nov. 1 Council Session begins Wed., Nov. 2	PFMC Meeting	Hilton Orange County/Costa Mesa Costa Mesa, CA 92626
November 24-25, 2011	Thanksgiving Holiday	Office closed
November 29, 2011 9 a.m. to 5 p.m.	First-Aid/CPR Sponsored by Sea-Grant Contact Sarah @ (206) 543-1225	Nordby Conference Center Fishermen's Terminal Seattle, WA
November 30-December 1, 2011 (see IPHC Meeting Announcement)	IPHC Interim Meeting	IPHC Offices 2320 W. Commodore Way Seattle, WA
Week of December 6, 2011	NPFMC	Anchorage Hilton Anchorage, AK
December 26, 2011	Christmas holiday	Office closed
January 24-27, 2012	IPHC Annual Meeting	Hilton Anchorage Anchorage, AK
January 30-February 7, 2012	NPFMC Meeting	Renaissance on Madison Seattle, WA
February 25, 2012 (look for your invites to be mailed Dec. or early January!)	100 th Anniversary of the DSFU	Seattle Marriott Waterfront Seattle, WA
March 2-7, 2012 Advisory Bodies may begin March 1; Council session begins March 2	PFMC Meeting	DoubleTree Hotel Sacramento Sacramento, CA
March 26 - April 3, 2012	NPFMC Meeting	Anchorage Hilton Anchorage, AK