

The Wheel Watch

a newsletter of the
Fishing Vessel Owners' Association
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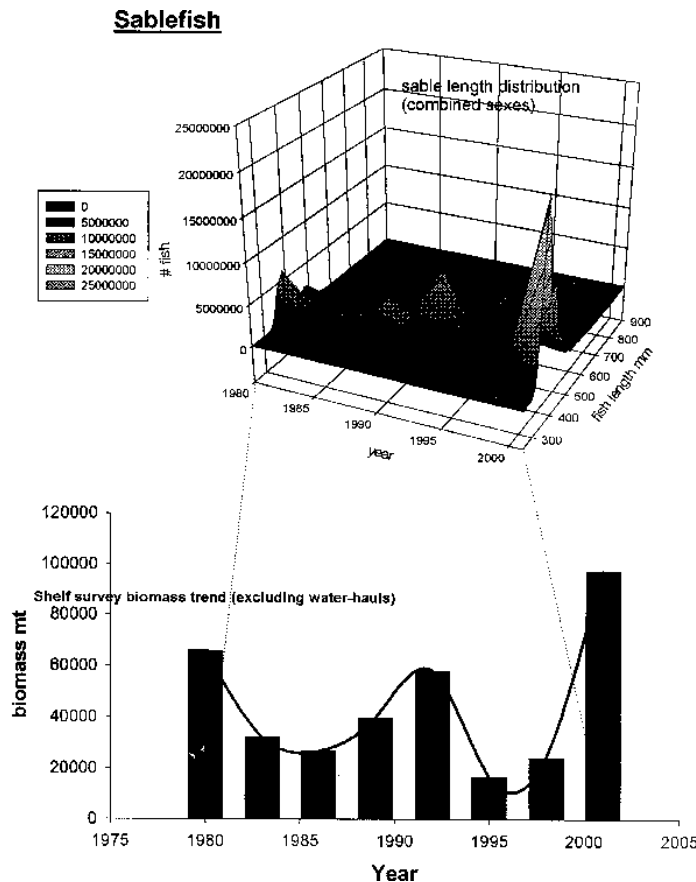
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Thank you for your support!	

****Pacific Council****

The Council recommended a 31 percent drop in the Sablefish harvest. Initially, the Council was looking at a 31% to 48% reduction. Due to a successful survey conducted on the West Coast and in waters from 0 to 100 fathoms, the Council went with the upper limits of the harvest recommendation. The survey showed the highest incidence of juvenile Sablefish since before the surveys began in 1977. The fish are still 2 to 4 years out of the hook-and-line fishery. Below are the graphics of this successful year-class.



2002 Season. The season will run from April 1 to October 31 for those of you that have tiers. The 300 lbs daily trip limit, or 800 lbs. per week fishery, will begin on January 1st. There were considerations to have the daily trip limit fishery overlap with the April to October season, but open access fishermen in California objected.

Regulatory Changes. There were several changes in the stacking program that were not implemented this fall season. For 2002, the following will apply.

Permit owners will be required to document their ownership interests in their permits to ensure that no person holds more than three permits; vessels that do not meet minimum frozen Sablefish historic landing requirements would not be allowed to process Sablefish at sea; an owner-on-board requirement for permit owners who did not own Sablefish endorsed permits on November 1, 2000; and the definition of the term "base permit."

The NMFS has concluded that the 6-hour prior notice for landings is not required, therefore, will not be implemented for the stacking program.

The Council has reduced the primary rockfish harvests on 12 species during the last four years by an average of 60% to 70% with 90% reductions for some. Seven of the 11 species of rockfish in the shallow water survey showed increases in abundance. This is the first good news for these stocks in a long time.

I would like to thank Art Hodgins for accompanying me and attending the GAP meeting on behalf of the longliners.

****North Pacific Council****

The Council is scheduled to meet on December 2 through December 10. The IFQ Implementation Committee will meet on Sunday, December 2, and take up proposed amendments offered three years ago, most of which were technical issues with few objections. The Council will also hear from the Council staff regarding the Gulf Communities request to purchase IFQs and lease them to residents in certain rural communities. Sea bird avoidance is up for a final vote. I expect a requirement for double tory lines with certain breaks for smaller vessels. What constitutes small is yet to be determined. The State of Alaska has asked the Council for some amendments on halibut subsistence issues.

Several of the FVOA members attended the Plan Team meeting in Seattle where harvest levels were announced by the scientists. The Plan Team scientists will recommend to the NPFMC the following Sablefish harvest in 2002.

	2001	2002	Change
Total	16,900	17,300	up 2%
Bering Sea	1,570	1,930	up 24%
Aleutian Islands	2,500	2,550	up 2%
Gulf of Alaska	12,840	12,820	0% change
Western Gulf	2,010	2,240	up 11%
Central	5,410	5,430	0% change
W. Yakutat	1,880	1,770	-6% change
E. Yakutat/S.E.	3,540	3,380	-5% change

In summary, the biological assessment is as follows:

‘The survey abundance index increased 16% in numbers and 13% in weight from 2000 to 2001. These increases follow decreases from 1999 to 2000 in the survey abundance index of 10% in numbers and 8% in weight and in the fishery abundance index of 5% in weight, so that relative abundance in 2001 is slightly higher than in 1999. Fishery abundance data for 2001 was not analyzed because the fishery remains open. Exploitable and spawning biomass are projected to increase 4% and 2%, respectively, from 2001 to 2002. Alaska Sablefish abundance now appears to be low and slowly increasing. The slow increase confirms the projection from last year’s assessment that abundance will increase slowly due to the above average 1995 and 1997 year classes; the size of the increase depends on the actual strength of the above-average 1997 year class and another year class that likely is above average, 1998.’

There are three above-average year classes, 1995, 1997, and 1998. The Plan Team explained that these year classes enter the fishery at about 6 years old, so we are beginning to see the 1995 year class this season. The scientists indicated these younger Sablefish tend to be in the Western Gulf and Bering Sea area and will tend to migrate East as they get older. As this migration takes place, the Central and Eastern Gulf will begin to benefit from these successful year classes. These three year classes should result in slow increases in quotas over the next three to six years, according to the scientists.

The number of hooks deployed in the Federal Sablefish fishery was:

Year	1990	1991	1992	1993	1994	1995	1996	1997	1998	1999	2000
Hooks (millions)	96.9	78.0	84.9	86.7	81.5	50.1	45.1	34.4	35.0	33.2	43.4

The number of vessels in the Sablefish fishery.

Year	1993	1994	1995	1996	1997	1998	1999
Vessels	871	1078	613	578	504	450	444

Crab. The Council is scheduled to take final action in April on a Bering Sea crab rationalization plan, which will likely take the form of an IFQ allocation tied to the processor, where a particular vessel had a history of delivering. Should the Council take action, it will help further insulate existing IFQ programs from political attack. The crab fishery deserves a safer fishery and an IFQ format will help with regard to obtaining that goal.

****IPHC****

The Halibut Commission will meet in Seattle this year, at the downtown Hilton from Tuesday, January 22, 2002 through Friday, January 25, 2002. A block of rooms have been reserved for attendees until January 1, 2002 at a special rate of \$109.00 U.S. plus taxes for a single or \$129 U.S. for a double. The Halibut Commission will announce their harvest recommendations for 2002 by the middle of December and take final action on Friday, January 25, 2002.

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

The federal government is in the process of removing the sunset date from the American Fisheries Act. AFA established the allowance of an IFQ-type of program for Pollock in the Bering Sea. The significance of this action for those who have existing IFQ programs is big. Congress has, on several occasions, talked about sunseting IFQ programs. Congress will now have a difficult time doing this as it just gave an indefinite life to pollock allocations under AFA worth over a billion and a half dollars in harvest assets. Therefore, Congress will likely stay away from talking about sunseting other people's IFQ programs unless they want to discuss a pollock sunset. This is highly unlikely. All existing IFQ programs are somewhat safer with the recent passage and changes to AFA. It is noteworthy that this AFA amendment has taken place without a prototype piece of legislation for the general public to review or testify to, that it occurred behind closed doors, and that it bypassed the Council. This clearly weakened the openness concept of the Magnuson-Stevens Act and weakened the NPFMC and the public process. Of course, AFA is the result of the Council failing to resolve the pollock allocation problem in the first place. The new AFA language is as follows:

“Authorize an annual appropriation, making permanent the prohibition on direct

pollock fishing by non-American Fisheries Act (AFA) catcher/processors, even though this sector has some pre-AFA pollock history.”

Markets

Sablefish. The price has been good this year. The following countries are major buyers in our export of Sablefish through August.

China	682,068 kilos (2.2 lbs)
Hong Kong	174,876 kilos
Japan	4,673,865 kilos
Mexico	70,611 kilos
Singapore	74,662 kilos
United Kingdom	59,794 kilos
Norway	22,000 kilos
Honduras	40,675 kilos

For more information on exports, please look at our website at www.fvoa.org

Overall Sablefish harvests for 2002 will likely decline somewhat given the 31% reduction or 2000 mt. decline in quotas off Washington, Oregon and California. The increases projected in Alaska are primarily in the Bering Sea and Aleutians where harvest levels have not been recently obtained. I expect a similar market for 2002 as in 2001.

From 15-March-2001 through 21-November-2001
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Area	Species	Vessel Landings	Total Catch Pounds	TAC		Percent Landed
				Allocation Pounds	Remaining Pounds	
AI	Sablefish	129	1,764,465	3,306,900	1,542,435	53
BS	Sablefish	113	789,872	1,375,670	585,798	57
CG	Sablefish	663	9,295,384	9,541,509	246,125	97
SE	Sablefish	752	7,249,338	7,407,456	158,118	98
WG	Sablefish	149	3,388,374	3,544,997	156,623	96
WY	Sablefish	248	3,875,658	3,944,029	68,371	98
Total		2,054	26,363,091	29,120,561	2,757,470	91

Halibut. The domestic market has done well this year. I expect a slight decrease in overall quotas in 2002. The cold storages, at the end of September, was at 8.6 million pounds compared to 9.8 million pounds last year. Prices should be in the same ball park as 2001 for 2002, however these cold storage levels could be lower with a recession looking at us. The reduction in harvest next year will offset some of the cold storage carry-over.

From 15-March-2001 through 21-November-2001						
Area	Species	Vessel Landings	Total Catch Pounds	TAC		Percent Landed
				Allocation Pounds	Remaining Pounds	
2C	halibut	2,738	8,170,172	8,780,000	609,828	93
3A	halibut	2,580	21,033,017	21,890,000	856,983	96
3B	halibut	914	16,060,186	16,530,000	469,814	97
4A	halibut	375	4,823,638	4,970,000	146,362	97
4B	halibut	193	3,522,630	3,928,000	405,370	90
4C	halibut	156	724,815	1,015,000	290,185	71
4D	halibut	38	1,368,875	1,421,000	52,125	96
4E	halibut	0	0	0	0	0
Total		6,923	55,703,333	58,534,000	2,830,667	95

****Aquaculture Report****

John Crowley, Per Odegaard and Bob Alverson traveled to British Columbia earlier in November to meet with representatives of holders of halibut IVQs and Sablefish IVQ holders. The following is information and opinions on the state of aquaculture in B.C. as presented by the Canadian fishermen, not actual fish farmers.

The Federal Government of Canada and Provincial Government of British Columbia are looking desperately for new raw product industries for Canada. Aquaculture is thought to be such an industry that could employ Canadians with family based wages. Both federal and provincial governments of Canada are favorable towards aquaculture development.

There are currently 110 approved salmon pen sites in British Columbia. Most are losing money as they are not subsidized (directly) due to the massive amounts of Coho coming in from Chilean salmon farms. Canadian fish farms are perhaps losing 40 to 70 cents a pound this year due to \$1.40 per pound Chilean coho entering North America markets. The Canadian government has provided some research and development grants for other aquaculture species development such as halibut and Sablefish.

According to the Canadian fishermen, there are principally two groups experimenting on Sablefish. Group 1 has been using wild fish and pen raising them with mixed results. Reports of soft flesh problems earlier this year are believed to be the result of feed and that problem may be overcome with adjustments in the feed given to the penned fish.

Group 2 has been involved with research and development in raising fish from brood stock. One of the key issues in raising fish is the transition from fish with a yoke sack to a non-yoke sack. Apparently, large die offs can occur during this period of metamorphosis. There are rumors that Group 2 may have the technology to raise fish from spawn and eggs; however, they just

experienced a 20,000 fish die off. Group 2 has apparently stopped production and finished R&D. There is a feeling that even if they were to get the fishery to go big, they are five years out from any major production. Sablefish apparently grow well to 6 pounds round then their growth rate is retarded. This would equate to a 3.1 lb. J-cut Sablefish. They are in need of \$5 to \$10 million for production, according to the fishing groups.

Halibut is an interesting story. Apparently, halibut go through two metamorphoses stages, one with egg sacks to fish, and one from fish to flounder. At these critical stages, if the feed is not just right, large die-offs can occur. Halibut are not readily farmed in all areas. They need a flat surface, which make many of the pen sites in British Columbia not readily adaptable to halibut. Shoreside production in large stacked pans has been successful in Norway, but at significantly increased costs. Much of the Canadians' interest in halibut farms has waned. The price of halibut of \$2.00/pounds is not all that attractive at this time as farm production costs are about the same. The wild pen operations have ended as there was a high degree of chalk in the penned fish.

The British Columbia government has not yet licensed the existing pens for any other species except some research and development programs. The B.C. government is doing an environmental and economic impact study, which should be out next year. We will attempt to meet with the Canadian fishermen this spring to continue to monitor this issue.

Canadian fishermen have argued to their government that should the government allow aquaculture of other species, the following should be considered:

- (1) If Canadian investors are successful with other species, there is nothing to stop the technology from going to Chile and the Chileans undercutting new species of aquaculture just as is occurring with B.C. salmon. Hence, not only would the Canadian fishermen be displaced but eventually, the Canadian fish farmers as well. What would have been gained in this scenario?
- (2) The second issue raised by Canadian fishermen is that if new productions are allowed, there should be limits on expansion of the new product and those raising the new species should be required to put additional monies into growing the market. The argument is that if aquaculture only eliminates the current suppliers of fish for a new supplier and the market has not expanded what will have been gained from a Canadian perspective?

The Canadian IVQ holders generally felt that Sablefish farming was probably further ahead of halibut farming but still five years out if all the technical stuff was resolved. They felt that halibut farming was less of a threat, at least from Canada.

FVOA is still pursuing a green label for Alaskan Halibut and Sablefish to attempt to develop a market recognition for our environmental stewardship. Fish farms are currently not in favor by the green movement due to pollution and DNA and genetic altering concerns.

Upon returning to Seattle, we went to the U.S. Customs where a border guard, who could have played center for the Packers, began asking me questions. All I had was my driver's license. Per and John had Passports and a Naturalization card. I was told a driver's license was inadequate to get back in the U.S. The guard gave me a good talking to and told me if I did not have a passport

next time, he would kick me out of the country. I was not sure if he meant out of Canada into the U.S. but I kept my mouth shut. About 5 miles down the road, Per and John thought this was real funny and gave me some one-liners I should have laid on the border guard. Something about twinkies and cellulite. HA! Just some advice if you go to Canada—take your passport!

****Calendar of Events****

Dec. 2-9, 2001	NPFMC Meeting	Anchorage Hilton Hotel Anchorage, AK
December 25, 2001	Christmas Holiday	Office closed
January 1, 2002	New Year's Day	Office Closed
Jan. 22-25, 2002	Annual IPHC Meeting	Downtown Hilton Seattle, WA
Week of Feb. 5	NPFMC Meeting	Anchorage Hilton Anchorage, AK
March 11-15, 2002	PFMC Meeting	Red Lion Hotel Sacramento, CA



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