

The Wheel Watch

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

This newsletter will bring you up-to-date on the North Pacific Council, the Pacific Council, mercury problems in Washington, D.C., and market information.

****North Pacific Council****

I want to thank Jack Crowley for helping at the Anchorage meeting during the second week in April. The big issue was charter boat IFQs. At the beginning of the week, we were confronted with a letter from the head of the Alaska Board of Fish in opposition to Charter Boat IFQS. There were also state congressional letters in opposition, as well as opposition from Governor Tony Knowles and the State of Alaska Fisheries Director. One-hundred-twenty signed up to testify. In the end, the Council voted 8 to 3 in favor of an IFQ option. This option allows the charter industry 125% of their historic catch from 1995 to 1999. This level was previously voted on last year by the Council when it passed the Guidelines Harvest Level for charter vessels. Commercial IFQ holders will be limited to a 6% loss of allocation quota over time. Originally, the charter industry wanted much more. The new program will provide for IFQ quota being transferred in the marketplace between charter operations and commercial operations. Those voting against the program were Bob Mace of Oregon, Bob Penny of Alaska and Kevin Duffy of Alaska. Bob Penny vows a lawsuit and congressional action. The very powerful Recreational Fishing Alliance, a national group, will be asked to stop the action of the Council. Currently, the Guideline Harvest voted on last year has been stuck in the regulatory process in Juneau and the Recreational Alliance vows to stop that as well.

The usual arguments are being made, after seven years of testimony and analysis. "Where did this come from...I was never told". Two state Houses of Representatives testified, including the Speaker of the House. It was like being visited from two messengers from Mt. Olympus to give their wisdom. They had not conducted any hearings of their own, of course, nor had they developed any analysis to base their opinions. Throughout all the debate, it has become clear that Governor Knowles wants to run for the Senate in two years, in fact, he is running now. He has decided that the Alaska commercial fishermen and women are subordinate to the sports and recreational political agendas and therefore has supported the sports position.

I want to thank the efforts of Dennis Austin, Dr. Dave Fluharty, and John Bundy of Washington State for braving all the testimony and political heat and making a courageous decision that should end future allocation wars with the charter and commercial industry.

Chatham Strait. We were informed at the Council that the State-run Chatham Strait blackcod harvest will likely be reduced by 40% this year and another 15% next year. Low CPUE numbers have been cited by officials from Alaska. An independent peer review of the science has been requested.

IFQ Court Decision. Three judges at the Appeals Court in San Francisco ruled that the F/V Prowler and Ocean Prowler partnerships are denied blackcod quota for conducting research cruises prior to the IFQ program. The two partnerships argued that the sablefish surveys conducted on four NMFS charter expeditions constituted commercial fishing that

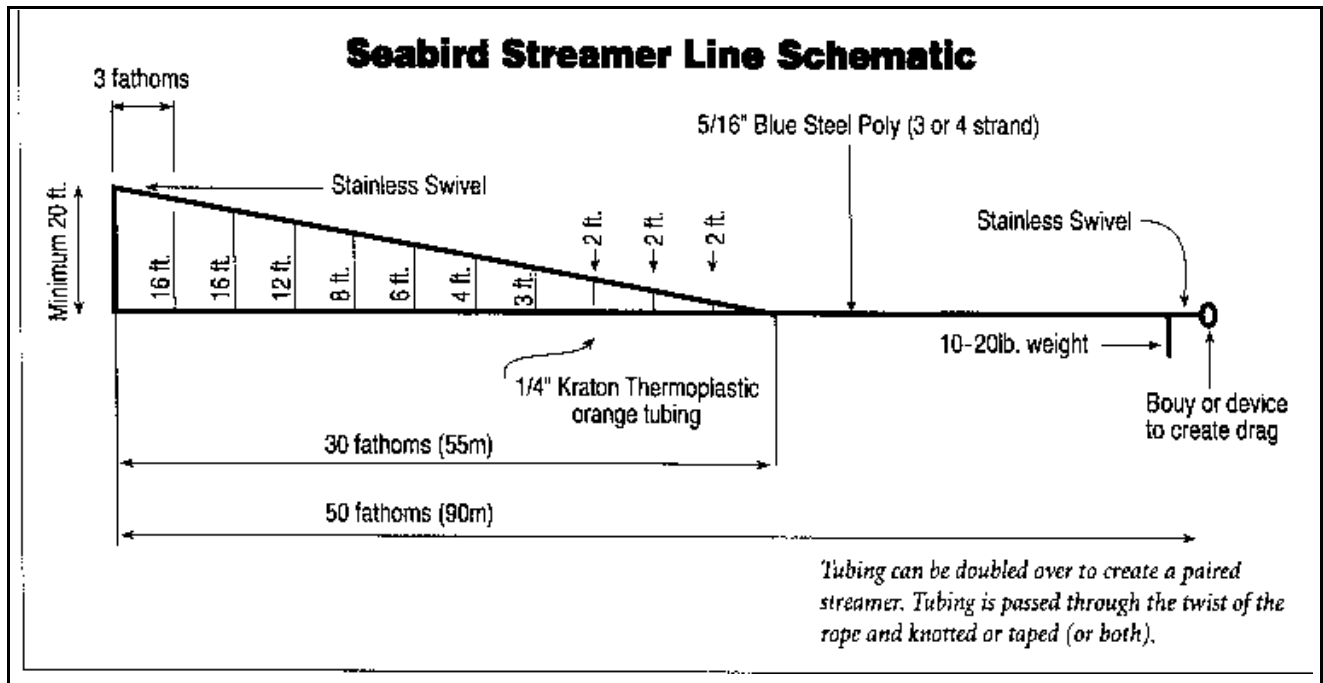
should count towards their quota share under the IFQ program. The Court said, "Almost all the fish caught on the NMFS charter expeditions were caught in areas of the GOA that were closed to commercial fishing". "The partnership claim of 3,860,318 qualifying pounds in four years of charter work would have been added to the quota share pools thus diluting the pools to the economic detriment of other quota share holders." The judges decided this was not the intent and charter work did not constitute fishing. We have received a call from a Washington, D.C. attorney representing the two partnerships asking about a legislative fix. Hopefully, the Appeals Judges have put an end to this.

Mercury. Senator Leahy (D-VT) and Senator Harkin (D-IA) continue to push their Senate Bill 555 which would require the Secretary of Human and Health Services to reduce the current action level of mercury. It is currently at 1.0 parts per million (ppm). Halibut has a coast-wide average of .251 ppm. The people pushing the new mercury standard want an action level of .200 ppm. Such an action level would have significant effects on halibut marketing. Environmental activists urged the FDA to warn consumers against eating 13 products including oysters, cod, pollock, halibut and canned tuna.

In Yakima, WA, the State Department of Health warned people from eating any fish over a limit of .08 micrograms or six times lower than the FDA limit. This was called irresponsible by the National Fisheries Institute. The State of Washington warned not to eat bass or pike from Lake Roosevelt. Human generated mercury comes largely from coal-fired power plants. There was a movement in the Clinton Administration to lower emissions from such polluters. The infamous Kyoto agent, which President Bush has stopped along with 95 senators, called for restrictions. The restrictions, however, did not apply for third-world nations such as China, Taiwan, Russia, India and Malaysia. These countries, due to the prevailing winds, are the biggest mercury contaminators of the Pacific Ocean. U.S. coal plants in Chicago and New England drop acid rain on Canada and pollute the Atlantic. South American and Latin American countries do the same.

Fishermen are clearly caught in the middle of a big international issue on emissions standards for energy. Clearly, reductions world-wide are in order. Enviro groups see this as another club to stop fishing.

Albatross. FVOA received a briefing from Dr. Ed Melvin at the University of Washington. Dr. Melvin has been conducting the tori line and weighting experiments on Association boats, F/V Seymour, Judi B, Republic, Kristiana, Masonic, and Quest, over the past two years. The data shows with two tori lines, at the proper height at the stern and proper length of tori line, that 90% of the bird interactions can be avoided. Weighting the gear showed some additional benefits. The faster the gear sinks, the fewer hookings of birds takes place. Because the experiments showed that double tori lines properly deployed, have such good results, FVOA will probably not support the weighting of gear but will propose to the NPFMC regulations for deployment for double tori lines for all vessels, effective 2001, at the fall September Council meeting. I would like your comments over the summer on this proposal.



Pacific Council

I would like to thank John Crowley for his efforts on the industry Advisory Panel at this important meeting.

Sablefish/Stacking. The Council received a detailed report from the NMFS regarding implementation of the stacking program voted on by the Pacific Council in November 2000. NMFS indicated their goal is to have an opening date close to August 1st and a season closing of October 31st for this year. They also intend to implement the stacking program that would allow up to three permits to be stacked per vessel. NMFS believes this all can be done by the 1st of August.

Retention of Halibut. About eight years ago, the Council eliminated commercial halibut fishing north of Point Chehalis, near Grays Harbor, in favor of sport fishing. However, FVOA negotiated a deal whereby, if the 2A quota exceeded 900,000 lbs., then the blackcod fleet could get a bycatch allowance. The 2A quota has been established at 1.1 million pounds. Vessels who longline blackcod with endorsed sablefish permits, will be given so many halibut per pounds of sablefish. The rules are you must end up your sablefish activities north of Port Chehalis and if you have halibut on board, you must sell to ports north of Pt. Chehalis. The exact number of halibut will be announced prior to the season opening. I will guess that it will amount to 1000 to 1500 lbs. for a tier 2 permit,

and about double that for a tier 1 permit (only a guess at this time). You must land the halibut in proportion to the sablefish on board. It will be so many halibut per 1000 lbs. of sablefish. If you stack permits, do not bring in all your halibut without the sablefish or you will be in violation. Remember, the lower coast has a zero tolerance on blackcod or halibut harvest limits. No overages allowed. You cannot have halibut on board if you fish south of Pt. Chehalis.

Observer Program. The coast observer program will be operative this late summer. Some of you may have to take an observer. The government pays for this one. You will need to have your insurance coverage to cover an observer should one be on board. There are no 60' exemptions on the lower coast.

Harvest Limits. The harvest limits for tiers will be very close to the following numbers. Tier 1 - 57,000 round pounds, 38,200 dressed; Tier 2, 26,000 round lbs., 17,400 dressed; Tier 3, 15,000 round lbs., 10,000 dressed. The final numbers will be assigned at the June Council meeting.

NMFS Notice. I do not know if any of you catch Thresher Sharks, but it is unlawful to deliver any Thresher Sharks into any Washington ports.

Markets

Halibut. Halibut prices are working out fine with Association boats, reaching over \$2.00/lb. in Seward and as high as \$2.45 for over 60's. You will find that in the ports that tend to freeze halibut, markets will not be as aggressive. There were 7 million pounds in inventory this year at the beginning of the season. Prices look good for someone at Safeway. I have seen prices at \$7.00/lb. for filets and as high as \$9.50. With one month gone from the season, 11% of the quota has been harvested. Prices in Dutch Harbor, according to Karl V., were 40 ups, \$1.55, 40 under, \$1.20.

Individual Fishing Quota (IFQ) Allocations and Landings						
From 15-MAR-01 through 31-DEC-01						
[-----TAC-----]						
Area	Species	Vessel Landing	Total Catch Pounds	Allocation Pounds	Remaining Pounds	Percent Landed
2C	halibut	498	1,703,154	8,780,000	7,076,846	19
3A	halibut	442	4,069,270	21,890,000	17,820,730	19
3B	halibut	50	802,521	16,530,000	15,727,479	5
4A	halibut	1	9,155	4,970,000	4,960,845	0
4B	halibut	3	65,443	3,928,000	3,862,557	2
4C	halibut	0	0	1,015,000	1,015,000	0
4D	halibut	0	0	1,421,000	1,421,000	0
4E	halibut	0	0	0	0	0
4F	halibut	0	0	0	0	0
Total		994	6,649,543	58,534,000	51,884,457	11

Sablefish. Association boats report prices of over \$3.40 for 5 and up blackcod and as low as \$2.60 for under 3 lbs. The yen versus the dollar has slipped to the disillusionment of U.S. exporters which then will have a negative impact on the market. However, if the State of Alaska reduces the Chatham Strait blackcod fishery by 30 or 40 percent as advised, this will have an upward force on prices. The Japanese are in their 10th year of poor economic times. Wall Street says many of the Japanese banks still have not written off land and property debts from the early 90's. Unemployment is also a problem in Japan, something unheard of for several decades.

Eleven percent of the sablefish harvest is in with a month gone from the season.

Individual Fishing Quota (IFQ) Allocations and Landings						
From March 15, 2001 – December 31, 2001						
[-----TAC-----]						
Area	Species	Vessel Landings	Total Catch Pounds	Allocation Pounds	Remaining Pounds	Percent Landed
AI	sablefish	2	45,315	3,306,900	3,261,585	1
BS	sablefish	4	30,676	1,375,670	1,344,994	2
CG	sablefish	103	721,186	9,541,509	8,820,323	8
SE	sablefish	137	1,735,045	7,407,456	5,672,411	23
WG	sablefish	3	30,628	3,544,997	3,514,369	1
WY	sablefish	46	769,722	3,944,029	3,174,307	20
Total		295	3,332,572	29,120,561	25,787,989	11

****Second Watch****

Wisdom to consider...

..Everyone seems normal until you get to know them.

...Living well really is the best revenge. Being miserable just proves the other person was right about you.

...Never give yourself a haircut after three margaritas.

...When over 50, never pass up an opportunity to pee.

Please welcome as a new Sustaining Sponsor, "The Fish Factory", Michael R. McCune, Homer, Alaska. Thank you for your support!

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****Calendar of Events****

May 6, 2001	Names Ceremony Seattle Fishermen's Memorial	Fishermen's Terminal Seattle, WA
June 4-9, 2001	NPFMC Meeting	Westmark Hotel Kodiak, AK
June 11-15, 2001	PFMC Meeting	Park Plaza Intl. Hotel San Francisco, CA
Sept. 10-14, 2001	PFMC Meeting	Doubletree Hotel - Columbia River Portland, OR
Sept. 15, 2001	13 th Annual Fishermen's Fall Festival	Fishermen's Terminal Seattle, WA

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