

The Wheel Watch

a newsletter of the
Fishing Vessel Owners' Association
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****Magnuson Act Amendments****

As the date to end the moratorium on IFQs approaches, which is October 1st, things are getting interesting in Washington, D.C. Senator Snowe from Maine was to mark up her bill on amendments 7/13/2000, but the mark-up was canceled. Her proposed three-year continuation of the moratorium has become a conversation of intense debate along with language that liberalizes the definition of overfished species. Senator Stevens and Senator Breaux are quite outspoken about ending the moratorium. Senator Lott has suggested a one-year continuation with guidelines to be developed in the next 12 months, which were supposed to have been developed during the last four years. Presidential candidate, George Bush, has asked Senator Hutchison from Texas, to remove the moratorium in order to address issues in the Gulf of Mexico. Governor Bush states, "this tool provides fishermen with an incentive to conserve the fishery, eliminates such bureaucratic restrictions as minimum size limits, and season closings and reduces dangerous operating conditions for fishermen." There are rumors that Senators Gorton and Stevens would like some language from the northwest crabbing industry to provide for some form of quota arrangements and there are rumors to provide for assistance to address the problems of the Pacific Council groundfish concerns. Senators Murray and Wyden have been helpful on our IFQ issues; however, they are in the minority. All the marbles are in the air, however, I do expect a bill or a "rider" to an appropriation's bill this fall, addressing some Magnuson Act amendments.

Icicle Seafoods and FVOA directors got together and discussed Icicle's position paper, quoted in the last "Wheel Watch". With regards to sablefish and the current IFQ program, Icicle was very clear they do not support any changes to the sablefish IFQ program, relative to the "Two-Pie" concept in quota sharing between processors and harvesters. Their comments about sablefish pertained to a Kodiak processing proposal.

With regard to the Gulf of Alaska, Icicle pointed out that there is a Kodiak proposal suggesting a limitation on certain processors' participation in the GOA to buy groundfish, based on how much groundfish a processor had purchased in the past. The Kodiak proposal suggested that sablefish purchases would not count towards the groundfish thresholds for qualification. This would eliminate most of the Seward and Homer buyers from future purchases of groundfish in the GOA. Icicle's reference to sablefish in their position paper was to make sure sablefish counted as a groundfish, not that it be included in a groundfish two-pie system. Icicle's concern to purchase future groundfish deliveries is shared by buyers, such as, Norquest and many others throughout the Gulf of Alaska. Icicle's clarification was greatly appreciated. The Kodiak proposal appears to be going nowhere in Washington, D.C. at this time. The NFI proposals appear to have received some play in D.C. I expect that, should Congress develop additional guidelines for IFQS, some of NFI's concerns will be reflected in the guidelines. This will likely be where the fight on future IFQS occurs. What will be the guidelines? I don't expect any Magnuson Act agreements for 2000. For those fishery issues where there is considerable industry agreement, I anticipate those agreements being added to a late appropriations bill.

Icicle additionally addressed the issue of allowing processors to have the ability to purchase halibut and sablefish IFQS. They point out that, should the native villages be allowed to buy IFQS, this could take jobs and market potential away from them. Product could be relocated to more rural areas of Alaska, away from places like Sitka, Petersburg, Homer or Kodiak. Is it time

for the IFQ share holders to rise up and ask for the Gulf Village proposal to buy IFQS to be slowed down until the issue of subsistence is fully figured out. Has this become bigger than a native issue?

****Pacific Council****

The Strategic Plan for groundfish was unveiled. It calls for a minimum of a 50% reduction in fishing effort for the limited entry groundfish fleet. Perhaps a 70% reduction in the open access fleet. This is to be accomplished by allowing the stacking of trip limits on a single vessel; re-examine minimum landing requirements, such as, for groundfish, other than the fixed-gear sablefish fishery.

For the fixed-gear sablefish fishery, the Council put the following proposal out to be studied and voted on, hopefully at the November Council meeting. The reason for November is to provide for 2001 implementation. The following are included in the proposal.

- (1) Stacking of up to three permits per vessel and an examination of ownership limitations;
- (2) Limit the privilege to a harvest-only privilege as opposed to freezing at sea for sablefish;
- (3) Provide for a multi-month season, April 1 to October 31, or status quo;
- (4) Provide for 2nd generation on the vessel, similar to Alaskan requirements.

There will be a hearing on these issues in Seattle, at the NMFS at Sand Point, on July 31 at 10:00 a.m. to noon. FVOA has been working to this end for ten years. Your participation is important at this meeting. Should the Council vote affirmatively for this, only part of the multi-month season will likely be available in 2001 due to NMFS regulatory implementation needs. Perhaps August to October is a realistic hope. Of course, the multiple month season cannot occur unless Congress helps out.

The current year's season will occur, starting at noon on August 6 and end at noon on August 15, or nine days. There will be a 48-hour closure before the season. There is a 30-hour time-frame after the season to get unloaded.

The following tier numbers were approved for the 2000 season.

Tier 1	81,000 round pounds, or 50,220 dressed pounds
Tier 2	37,000 round pounds, or 22,940 dressed pounds
Tier 3	21,000 round pounds, or 13,020 dressed pounds.

Remember, there are **no overages allowed** on these trip limits or you will get fined.

The Council adopted for 2001, new harvest guidelines models for several species, one of which was sablefish. The Council has chosen a F45 harvest model that will reduce the OY by 15% in 2001. However, the Strategic Plan calls for, where there are allocations between gear types, like there is for trawl and fixed gear sablefish, then the discards do not come off the top but out of each respective group's allocation. This could put 7% more back to the fixed-gear allocation.

I fully expect some form of observer program for 2001. It is anticipated that the \$2 million from

Congress for west coast observers will get us up to 30 full-time federally paid observers that will be detailed out of three west coast ports. The Congress will be funding this at the current time.

Buy backs. The federally funded \$24.4 million New England program between 1995 and 1998, removed 79 vessels that accounted for 19 percent of the groundfish catch. Since the buyback, 62 additional vessels have become active, because there weren't any steps taken to prevent inactive vessels from engaging in fishing. GAO audit.

Markets

Individual Fishing Quota (IFQ) Allocations and Landings From 15-MAR-00 through 18-JUL-00

Area	Species	Vessel Landings	Total Catch Pounds	TAC		
				Allocation Pounds	Remaining Pounds	Percent Landed
2C	halibut	1,900	5,393,476	8,400,000	3,006,524	64
3A	halibut	1,825	11,170,954	18,310,000	7,139,046	61
3B	halibut	480	7,913,867	15,030,000	7,116,133	53
4A	halibut	149	2,101,575	4,970,000	2,868,425	42
4B	halibut	86	1,510,991	3,928,000	2,417,009	38
4C	halibut	25	203,576	1,015,000	811,424	20
4D	halibut	23	527,051	1,421,000	893,949	37
4E	halibut	0	0	0	0	0
Total		4,488	28,821,490	53,074,000	24,252,510	54

The halibut market remains very strong. There is one observation to be made. The deliveries of halibut have fallen off in the last three weeks. This is largely due to people switching to salmon and other fisheries. The halibut inventories grew to 3.9 million from 3.3 million pounds last month. Inventory will be a key as to where this market will go this year.

Area	Species	Vessel Landings	Total Catch Pounds	TAC		
				Allocation Pounds	Remaining Pounds	Percent Landed
AI	sablefish	53	1,016,338	3,215,189	2,198,851	32
BS	sablefish	61	479,751	1,296,305	816,554	37
CG	sablefish	503	8,030,550	10,105,886	2,075,336	79
SE	sablefish	588	5,477,839	7,832,944	2,355,105	70
WG	sablefish	101	2,196,961	3,245,171	1,048,210	68
WY	sablefish	229	3,423,625	4,230,627	807,002	81
Total		1,535	20,625,064	29,926,122	9,301,058	69

Sablefish remains strong. Supplies will be slow from now on due to 69% of the harvest being in.

Calendar of Events

July 31, 2000 10:00 am - noon	Hearing on Coast Sablefish	NMFS/NOAA, Sand Point Seattle, WA
August 6-15, 2000	Pacific Coast Blackcod Open (with Permit)	Washington, Oregon & California
Sept. 11-15, 2000	Pacific Fishery Management Council Meeting	Red Lion Hotel Sacramento, CA
Sept. 23, 2000	Fishermen's Fall Festival	Fishermen's Terminal Seattle, WA
Oct. 2-6, 2000	North Pacific Fishery Management Council Meeting	Sitka, AK
Dec. 4-10, 2000	North Pacific Fishery Management Council Meeting	Anchorage, AK



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