

The Wheel Watch

a newsletter of the
Fishing Vessel Owners' Association
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This newsletter will bring you up-to-date on the action of the Halibut Commission meeting, the North Pacific Council meeting, the Pacific Council and Washington, D.C., as well as market information.

****IPHC Meeting****

The following harvest levels were approved by the Commission for 2001.

2A..... 1,140,00	3A.....21,890,000	4A.....4,970,000
2B.....10,510,00	3B.....16,530,000	4B.....4,910,000
2C..... 8,780,000		4C.....2,030,000
		4D.....2,030,000
		4E..... 390,000
Total.....	73,180,000	

*The commission adopted regulations to allow the possession of halibut fillets on board a vessel up to 6 p.m. on the calendar day following the offload, if the fillets are from legally-retained commercially-caught halibut and the vessel is in the same port where the landing occurred.

*In the United States, vessels with an overall length over 25 feet fishing for halibut are required to keep halibut fishing information in one of the following four logbooks: 1) the NMFS catcher vessel daily fishing logbook, 2) Alaska hook-and-line sablefish logbook, 3) Alaska Department of Fish and Game (ADF&G) Longline-Port fishery Logbook, or 4) the logbook issued by IPHC. The regulation change for 2001 provides for the ADF&G logbook as an additional option.

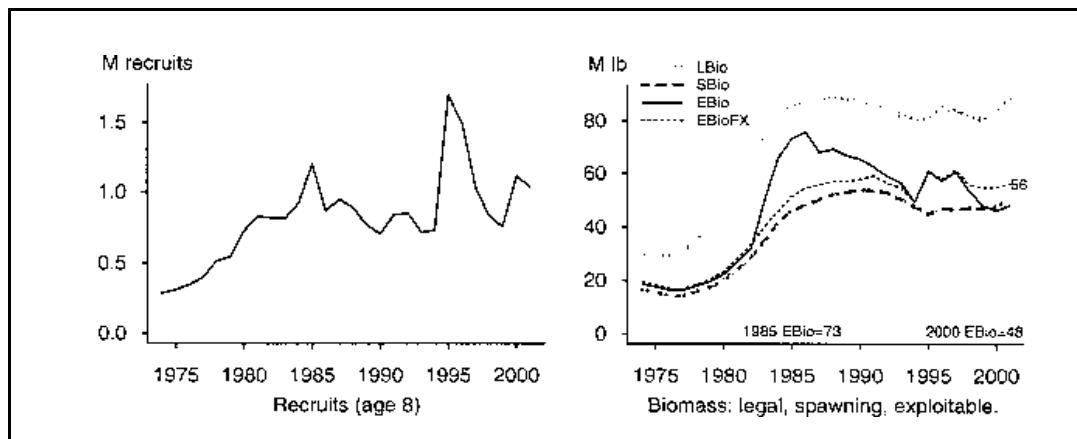
*Other logbook regulation changes were that IPHC will require that the logbook be kept on the vessel until the offload is completed, instead of for five days after the offload. The regulations will also state specifically that the location be either latitude/longitude, loran, or a direction and distance from a point of land, instead of requiring a "fishing locality". The required location must be by day or set and the following additional information will be required: gear hauled or set, and lost, total weight or numbers of halibut retained. The logbooks must include vessel name and vessel number.

*In the United States, vessel operations are still required to offload all halibut once the offload commences. The Commission approved that the weight be recorded on state fish tickets and, in Alaska, the total scale weight be recorded on the federal IFQ catch records. The regulations will change to clarify that total halibut weight be recorded on both state and federal catch records, not one or the other.

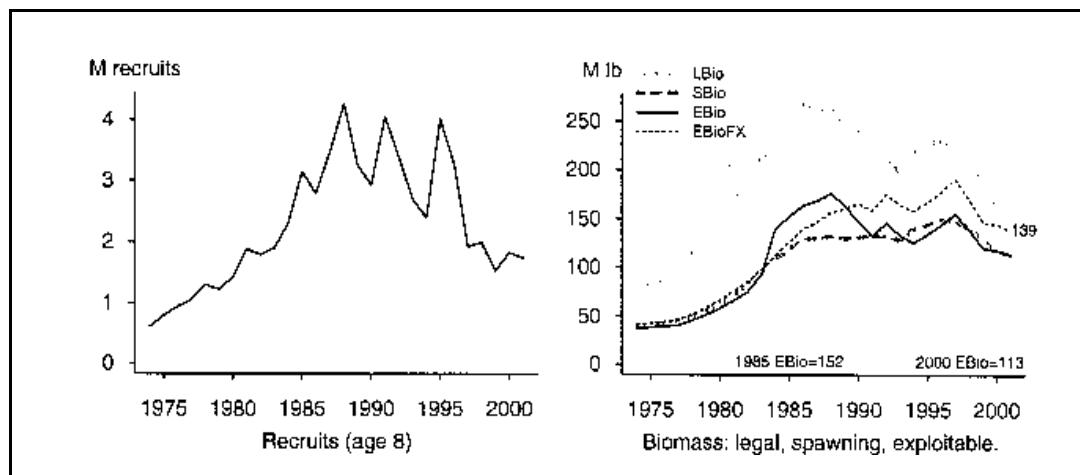
*The Commission approved Nazan Bay on Atka Island as an additional port where the Area 4A clearance prior to fishing can be obtained. If no observers are on board, the vessels would have to offload any Area 4B fish first, as clearances can only be obtained when no halibut is on board. A new requirement in 2001 will be that the clearance forms must be signed. In most cases the required signature will be vessel operator, with the exception that it could be the person completing the form in St. Paul and St. George, or the person completing the clearance form at Nazan Bay or Atka Island for vessels leaving area 4B.

The Commission did a bait experiment two seasons ago which resulted in reduced harvest in 2000. A bait experiment done this last season showed there was no need to reduce harvest levels based on last year's concerns, hence, the 2001 harvest levels were increased. The commission continued to express concern over small recruit classes and warned that harvest levels will likely begin to decline in the near future. Abundances are currently at historic highs.

Area 2C



Area 3A



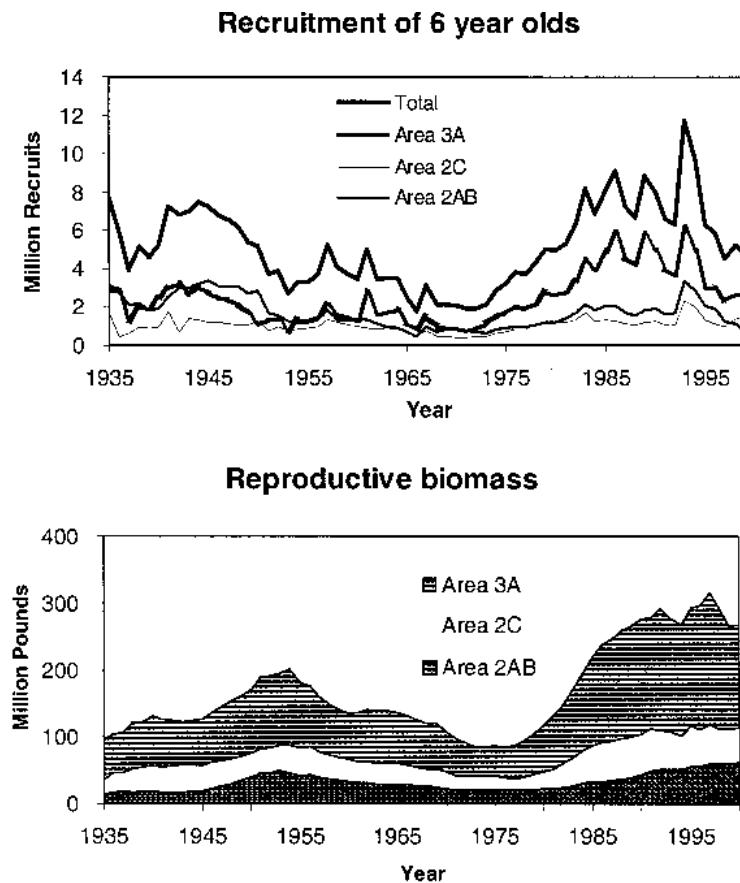


Figure 4. Long-term trends in recruitment (measured as six-year olds) and spawning biomass of Pacific halibut from 1935 to 2000, for IPHC Areas 2AB, 2C, and 3A.

I would like to thank Arne Lee, Wade Bassi, Per Odegaard, Eric Olsen, and Steve Lindahl, for representing the interests of the Association in Vancouver B.C. this year.

North Pacific Fishery Management Council

Charter Boat IFQs. The Council took one more step towards taking final action on turning the charter boat quota into a tradeable IFQ. The Council added several options for analysis. Final action is scheduled for the April Council meeting. The Council, in particular, added a license limited entry moratorium option that would apply to charter operations in Area 3A and 2C. Adding this option may reflect a change in heart by the Council. There is notable opposition in S.E. Alaska to any IFQ options for charter boat interests. Area 3 charter operations generally support some IFQ option.

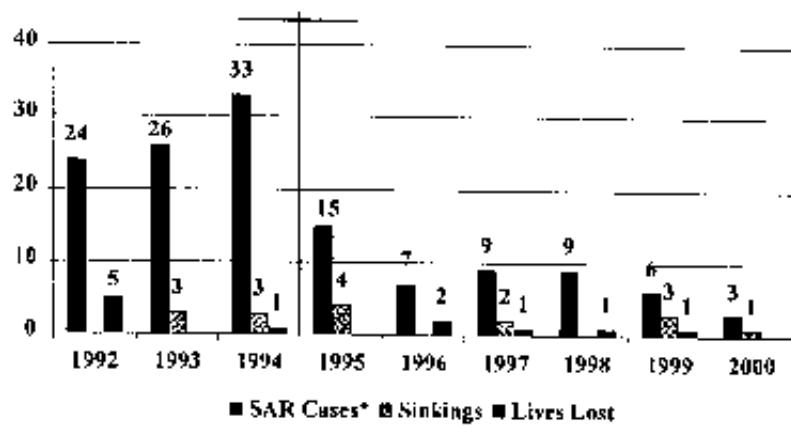
There is still a community set-aside proposal for rural areas. This would take up to 2% of the quota from 3A and 2C IFQ holders and/or from the charter quota poundages. This fish would be

for future rural charter operations. Needless to say, charter and commercial interests are not supportive of this option.

Community Purchases of IFQs. The original proposal to allow at least 37 Gulf of Alaska communities to purchase IFQs has a Committee of 15 working on the issue. There will be a report by the Committee on this option in both April and June. The June meeting could result in more definitive direction in developing an amendment in order to allow communities to purchase IFQS. There is concern that this will result in less quota being available to crew and existing vessel owners.

Coast Guard Report. At the NPFMC meeting, the Coast Guard reported that there are many vessels in the 30% coverage fleet who are not complying with observer coverage. The Coast Guard will be aggressively researching this problem. They also reported that Kenai Custom owners, James Hill and James Hill Jr., were indicted on conspiracy counts under the Lacey Act. Apparently, illegal purchases of \$200,000 worth of halibut were involved. The Coast Guard also reported some good news on safety regarding the IFQ fleet. There were no lives lost in the 2000 season.

Derby/IFQ Safety Statistics



Birds. The report on weighting gear and streamer lines will be available in April. This will likely result in regulatory action requiring some weighting of gear and using two streamer lines. We will be monitoring this at the April Council meeting.

I would like to thank Jack Knutsen, who sits on the IFQ Implementation panel for IFQ amendments, Mark Lundsten, advisor to the Charter IFQ Committee, and John and Jack Crowley for helping me represent FVOA's interest at this meeting. For you, who have never attended a Council meeting, consider the following. Jack Knutsen's committee began meeting midday on a Sunday; Mark's committee met all day on Monday. The Advisory Panel and the Scientific Committee met on Tuesday on our subject, and the Council began the charter boat issue on Wednesday and did not take action until late Friday. The Manager appreciates the company and support of those who will endure these meetings. Thanks very much for your help.

Pacific Council

Stacking. The latest report from NMFS is that they will try to implement those parts of the stacking program for 2001 that do not require extensive review by Washington, D.C., particularly, OMB. NMFS is hopeful that they can implement an extended season for the fixed gear sablefish season beginning in August and provide for the stacking of permits of up to three per vessel for this year. NMFS will give the Council an update on this at the March 5th Council meeting in Portland.

As a bonus this year, fixed-gear longline gear for the above sablefish season will be allowed a certain amount of halibut to land with their sablefish permits. About four years ago, the Council adopted a protocol that would allow sablefish operations fishing north of Grays Harbor to have a halibut allowance should the 2A quota exceed 900,000 lbs. The IPHC has raised the quota to 1,140,000 lbs. in 2A for the new season. The Council will likely consider some harvest formula for this halibut at the March meeting.

The Council will continue with their rationalization plan. A meeting on Monday, March 5th, will be dedicated to groundfish rationalization. Such issues, as minimal landing requirements, will be discussed, as well as buy-out options. I do not hold a lot of hope for federal buy-out options on the lower coast. I believe some rockfish stacking options, similar to the sablefish program, are more reasonable and likely to occur within the next two years. Federal buyout money is just not available, at least this year or maybe this decade.

Markets

Halibut. Cold storage holdings are at 8,579,000 lbs., compared to 6,728,000 lbs., last year at the end of January. I expect that the average price of halibut this year will be less than the spectacular 2000 season. I did see some halibut fillets at \$11.50/lb. at the store, which was more than troll kings. I am unsure how fast it will move at those prices. In Washington, D.C., last year, all the restaurants seemed to have Pacific Halibut on the menu. New West will pull out of

Alaska halibut, salmon, and cod purchases in 2001, and focus on sardines on the lower coast. They have a new facility in Astoria. They may be interested in some of the coast Blackcod later this year. This is not a good sign for Alaska. New West will be missed in Alaska.

Sablefish. The market is expected to be similar to last years. The yen vs. the dollar is slightly higher this year in the 115 range compared to 107 last year. Harvest levels are slighter lower in Alaska and the lower Pacific Coast so expect similar markets to last year. I have heard conflicting reports of the success of aquaculture for sablefish out of Canada—some success, some not. I will try to get more information on this development.

The U.S. Department of Agriculture decided not to include seafood as an organic product. The supposition is that the Agriculture Department is run by meat, potato and gravy people who see fish as a competitor.

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

The two year itch begins, that is, the two-year amendment-cycle begins this year for changes to the Magnuson-Stevens Act. Senator Murray has published a lengthy statement in support of eliminating the moratorium on IFQS. Senator Murray was very helpful in obtaining the sablefish IFQ exemption last year. The appointment process following the elections is still playing out. Familiar names, such as Clarence Pautzke, the past director of the North Pacific Council, will end up in the top echelon of NMFS. Mr. Rod Moore, Advisory Panel chair to the Pacific Council, may end up as head of NOAA.

****Second Watch***

We would like to welcome as a new Associate Member, **Mr. Michael Deach, F/V Bernice, from Lopez, Washington.** Thank you for your support!

—Worldcatch.com reported that a Canadian study shows that farmed salmon were contaminated with up to 10 times the levels of PCBs, polychlorinated biphenyls, known as envirotoxins.

—FAO United Nation reports that fishing is the most dangerous occupation. Annual death toll of fishermen estimated at 24,000 worldwide.

—Worldcatch reports animal protestors target fish and chip shops, "...there is supposed to be humane slaughter, with the fishing industry, there is no such thing. They (the fish) are dragged out of the water, into an alien environment and slowly die. There is no pretense of humane slaughter."

—Aleutian crisis won't go away – Sea lions are listed as endangered causing significant disruption on the cod and pollock fleets. Now new litigation targets sea otters as an endangered species in the Aleutians. The cause of their reduced population - killer whales. This could impact near-shore crab fisheries.

-Associated Press - Hanford Research Chinook salmon reversing sexes; temperature fluctuations caused by hydroelectric dams could be responsible for gender-reversed females. Warm water could be responsible for the gender reversed females which are able to produce eggs and spawn. Well, that does it. No more warm showers for me.

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****Calendar of Events****

March 5-9, 2001	Pacific Fishery Management Council	Columbia River Red Lion Portland, OR
March 11, 2001	Blessing of the Fleet @ 2 pm at the Memorial	Fishermen's Terminal Seattle, WA
April 2-6, 2001	Pacific Fishery Management Council	Red Lion Sacramento, CA
April 9-14, 2001	North Pacific Fishery Management Council	Anchorage Hilton Anchorage, AK
June 4-9, 2001	North Pacific Fishery Management Council	Kodiak, AK
June 11-15, 2001	Pacific Fishery Management Council	Park Plaza San Francisco, CA

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