

The Wheel Watch

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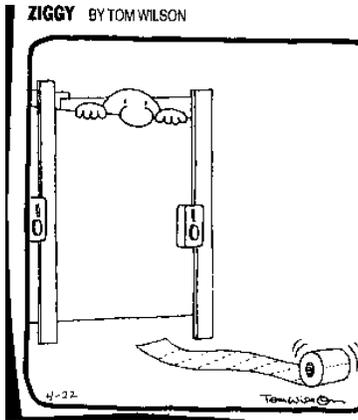
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Thank you for your support!

Dear Longliner:

This newsletter will bring you up-to-date with regards to action at the North Pacific Council, the Pacific Council, things in Washington, D.C., and market information. Please find a color picture of our web-site included in this newsletter.

****North Pacific Council****



The Council met in Seattle From October 10-18, 1999. I watched them slice and dice, like a vegimatic, fishing privileges between processors and harvesters. Without the option of IFQs or co-ops to rationalize the other fisheries, the Council and industry finds itself in the same predicament as old 'Ziggy'. I want to thank Wade Bassi, Jack and John Crowley, Jack Knutsen , Mark Lundsten and Eric Olsen for coming down and helping at the Council meetings and to Carol for her efforts on the reception at Salty's.

The fixed-gear cod quota in the Aleutians and Bering Sea was divided up as follows: 80% to freezer longliners, .3% catcher longliners, 1.4% pot or longline vessels under 60', and 18.3% for pot vessels. Individual vessel restrictions for each category above will be debated at the December Council meeting.

IFQ Proposed Amendments. There were five proposed amendments that dealt with liberalizing the block program in Areas 4 and 3B. The Committee voted to look at increasing the number of blocks one could hold from two to three or four in areas 3B and 4. There is also a proposal to eliminate the vessel classes in the Bering Sea and Aleutians. This would essentially make two categories, freezer shares and harvest shares without vessel length requirements. These proposals got high ratings. There were two proposals for allowing emergency health leaves for second generation fishermen or Area 2C IFQ holders. This got a lower rating because the Secretary of Commerce can allow this under certain circumstances. It was suggested that a one-time medical emergency could be granted, which would allow you to hire a skipper. Mark Lundsten's two proposals got a thumbs up. The first would prevent a vessel owner that is capped, because there are two or more IFQ holders on board, from being fined if they go over on their last trip. This would treat multiple quota holders, on a single vessel, the same as everyone else. The second suggestion was to have the Council change the IFQ amendment cycle to have final decisions in December every other year.

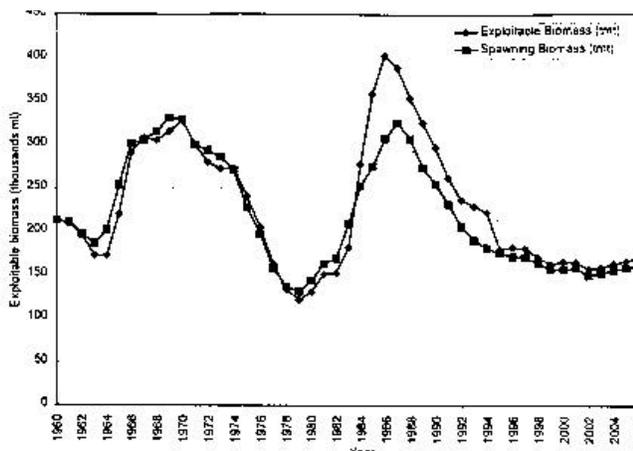
The most controversial proposal, which failed on a vote of 4 to 4, was to allow non-taxable native corporations, of which there are perhaps 43 to 60, to bid for IFQs. The village corporations would then lease them to their residents. The Alaskans, except for Dennis Hicks, on the Implementation Committee all voted yes on this. They feel this proposal will happen in Congress by Senator Stevens, even if the Council does not provide this type of access by the villages. I believe this issue will be back at the NP Council meeting in December. The above actions will be reported on at the Council meeting in December.

The residents of qualified village corporations can currently qualify for state of Alaska loans for permits of IFQs; for Magnuson/Steven's Act entry-level loans; receive Bureau of Indian Affairs guaranteed loans of up to \$500,000, and the village corporations, themselves, with their parent regional corporation, have more than \$700,000,000 in corporate assets. With all of these marvelous opportunities, the political mood seems to be that more needs to be provided. FVOA will try to come up with some ideas between now and December on this one.

Birds. The Fish and Wildlife Service received \$400,000 to provide longline vessels with Tory lines. If you want them to buy you a Tory line, call Ed Melvin and Sea-Grant at the University of Washington, (206) 543-9968.

Limited Entry Permits - Attention! By December 17, 1999, you need to file the forms for your limited entry permits. These should have been mailed to you already. If you landed cod or rockfish, you could qualify for an area groundfish endorsement for your vessel. This would be important should you want to target cod or rockfish in the future. This permit is not required if you fish for IFQ halibut or blackcod. You must still keep your cod and rockfish as bycatch. This permit is important in the case you target for cod or rockfish.

Sablefish. The 1999 survey information will be available in November. Here is a biomass projection that assumed **no large year classes** of age two sablefish.



Pacific Council

The Council's next meeting will be held in Sacramento the week of November 1. The Council has sent out proposed year 2000 harvest levels, which will be voted on in November. The Council has harvest levels for about 30 flounder and rockfish species. There are actually 83 rockfish species found off of Washington, Oregon and California. The proposed harvest levels for the more important species are as follows:

<u>Species</u>	<u>1999 OY</u>	<u>2000OY</u>	<u>% Reduction In 2000</u>
Lingcod	730	93-378	48%-78%
Canary Rockfish	857	0-102	88%-100%
Bocaccio (south)	230	50-80	65%-78%
POP	595	300?	50%
Cowcod (south)	'97 catch 61	25	59%
Sablefish	7919	6895	13%
Shortspine	1150	972	15%
Widow Rockfish	5023	4627	8%
Yellowtail (N)	3435	2892	16%
Coastwide Seb.	9322	8391	10%
Whiting	232,000	232,000	no change
Short belly	23,500	23,500	no change

Sablefish is currently proposed as 7,919 mt., the same as last year. However, the Plan Team scientists have recommended using a more conservative harvesting strategy, which could reduce the year 2000 sablefish quota by 13 percent. This will be finalized in November.

There are currently three species of rockfish, Ling Cod, Bocaccio, and Pacific Ocean Perch, that declined to the overfishing definition. The Council is mandated by law to enact

rebuilding plans for these three species. Other harvest levels could be reduced to assist in their rebuilding. Canary rockfish and Cow cod have been listed as overfished as well. These five species are primarily shelf fisheries, Cow cod and Bocaccio are primarily California sports fisheries, but just a few years ago had a commercial importance. The low harvest levels available for these five species will not provide for a year round fishery for the slope fisheries due to the bycatches of the overfished five species. It is estimated half of the traditional rockfish trawl landings that occurred in 1999, will be foregone.

The Council may not allow trawling next year with a foot rope larger than five inches to be deployed in the slope fisheries. The intent of this is to eliminate roller gear or rock hopper gear that is used in rock piles. The only fishery that remains viable for the trawl fleet appears to be the deep water dover sole complex, which includes a catch of thornyheads and sablefish.

The resulting trip limits, due to the reduced harvest levels, will undoubtedly force much of the fleet to tie up. The trip limits are a one-limit-fits-all management tool used by the Pacific Council. The inability to stack these permits on fewer vessels so that the fleet can decapitalize, will bankrupt a significant portion of the groundfish fleet and likely several coast processors.

The only species that seem somewhat stable are whiting—a midwater trawl fishery, dover sole, and sablefish, both primary deep-water fisheries.

The reasons for this management disaster are as follows: The scientists over the first 20 years of management used harvest philosophies for the West Coast rockfish species based on reproduction and age assumptions from the East Coast and other areas to develop models for West Coast rockfish. The original age assumption had rockfish living somewhere between 15 and 20 years. The aging models now put the different species at 30 to 150 years lived. The original harvest models suggest you could fish a virgin stock of fish down to 35 percent of its original biomass and reach a level called equilibrium yield. That is to say, the resource would provide a constant yield of harvestable fish, at the lower level. The scientists now say for many of the rockfish species, we should not have harvests below 50 or 60 percent of virgin biomass. In other words, we collapsed the stocks somewhere between 30 and 50 percent below where they should be to get an equilibrium production of fish.

Additionally, the assumed discard rates have been underestimated by the Council and their scientific staff. The recent Oregon observer program suggested 35% to 43% total discards on certain species. The scientists for the Pacific Council will conduct a March 2000 meeting specifically for determining proper harvest philosophies for the different rockfish species. I expect one more year of reductions in the rockfish harvest levels for the 2001 season ranging from 13 to 20 percent based on what the scientists come up with.

The President has put \$2 million in his budget for the year 2000 to fund an observer program. The Senate approved this in their budget. Senators Slade Gorton and Patty Murray have worked together to present a strong Washington position for the observer money. Congresswoman Jennifer Dunn and Congressman Norm Dicks have asked the House of Representatives leadership to agree with the Senate budget proposal on the observer funding. The House of Representatives failed to include the observer funding.

The Council, which is hoping for the observer funding, has designed an observer program whereby 50 NMFS hired observers would be put on certain vessels. Vessels would be informed before the season begins. I am becoming encouraged at the progress of an observer program, however, Congress is in session.

I expect that the sablefish poundage for the tiered program will be the same or 13% less for next year. The season for the year 2000 must start August 1 or later. I expect a similar opening next year as this year. Catches were generally good, particularly off Oregon and California.

Markets

The following information can be seen on our web-site @ www.fvoa.org.

Halibut.

Individual Fishing Quota (IFQ) Allocations and Landings From 01-MAR-1999 through 25-OCT-1999							
Area	Species	Vessel	Total Catch		Allocation	<----- Tac ----->	
			Landings	Pounds		Remaining	Percent
				Pounds	Pounds	Landed	
2C	halibut		3,202	9,340,754	10,490,000	1,149,246	89
3A	halibut		2,848	22,969,208	24,670,000	1,700,792	93
3B	halibut		716	12,385,861	13,370,000	984,139	93
4A	halibut		299	4,007,195	4,240,000	232,805	95
4B	halibut		113	2,690,099	3,184,000	493,901	84
4C	halibut		158	767,098	1,015,000	247,902	76
4D	halibut		33	1,149,911	1,421,000	271,089	81
4E	halibut		0	0		0	0
Total			7,369	53,310,126	58,390,000	5,079,874	91
2B	halibut		1,242	11,605,851	12,100,000	494,149	96

The market is hot, hot, hot! FVOA vessels, returning to Bellingham, received more than \$3.00/lb in October. The Aleutian Isle received \$3.23 for 10-20's, \$3.25 for 20-40's, and \$3.35 for 40 ups on our auction. Inventory reports show 6.2 million pounds in cold storage, which is 36%

below last year for the beginning of September. There were reported frozen imports from Russia, 4 to 7 pound fish, entering the fish and chip market. Those vessels that deliver in late fall should receive excellent prices.

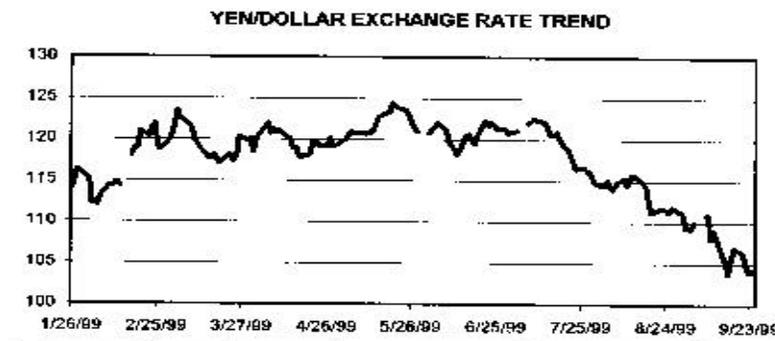
Sablefish.

Individual Fishing Quota (IFQ) Allocations and Landings From 01-MAR-1999 through 25-OCT-1999						
Area	Species	Vessel	Total Catch		Allocation Remaining Percent	
			Landings	Pounds	Pounds	Landed
SE	sablefish	680	6,491,387	7,054,720	563,333	92
WY	sablefish	261	3,868,364	4,023,395	155,031	96
CG	sablefish	624	9,476,193	9,858,971	382,778	96
WG	sablefish	131	3,056,554	3,209,898	153,344	95
AI	sablefish	78	1,019,885	1,825,409	805,524	56
BS	sablefish	73	581,945	1,181,666	599,721	49
Total			1,847	24,494,328	27,154,059	2,659,731 90

The Chatham quota was reduced 35%. Prices have been reported between \$3.25 and \$3.75 for Chatham sablefish. Packers are not in a hurry to sell. Several containers sold at \$4.30/pound for 5-7 pounds in Japan. Bill Atkinson. The yen vs. the dollar is looking good for our exports.

Have you ever wondered where the sablefish markets are? Well, through our web-site at www.fvoa.org, you would have learned the following: Export sales of sablefish through July.

The units are in kilos, multiply by 2.2 for pounds.



- Hong Kong
262,595 Kilos
- Spain
61,780 Kilos
- Sweden
- Singapore

			41,449 Kilos	France
			37,754 Kilos	
Japan	3,689,338 Kilos	*S. Korea	1,500,000 Kilos	

*South Korea dresses trawl-caught sablefish for export.

Cod. Prices are up again. Prices surpassed \$1.40/C&F. Prices should remain strong. Resources worldwide remain low. Bering Sea harvest levels for 2000 should be close to 1999 levels.

Good News. Relative to halibut, the Audubon Guide for Seafood states “little bycatch in Alaska’s well-managed longline fishery...Alaska longliners asked for regulations to prevent albatross from getting hooked, a big plus.”

Strange News. Animal rights group, PETA, began a campaign in San Francisco that seafood is murder on fish. They passed out propaganda that said, “Don’t batter me.”

****Second Watch****

I received the following E-mail from Karl Vedo in Dutch Harbor, “Please tell all those lightweight guys that real men don’t quit until the fat lady sings ...the last one home, Karl.”

Most pounds of legal halibut on an IPHC survey station, 11,463 pounds on seven skates, 1998 near Sanak on F/V Kristiana.

Oldest female halibut, 42 years old by F/V Judi B, 1997.

****Fish Expo****

Fish Expo is scheduled for Thursday, Friday and Saturday, November 18-20, 1999, at the Washington State Convention Center. We will be located in booth #603F. We will need your help. First of all, help in transporting the booth stuff to and from the Convention Center, setting up and tearing down the display, and lots of bodies to help staff the booth. Thursday will be especially important as Carol has commitments in other areas of Fish Expo from noon

on. Please call Carol @ 283-7735 with two-hour time commitments during times of your choice.

****First Aid & CPR****

We have scheduled a couple of dates in which you will be able to take your First Aid and CPR courses starting in December. These classes will be held through Washington Sea-Grant, and for those of you who have taken these classes, know they are of very high caliber and are designed for the fisherman. The dates are: December 6-7, 1999 or December 14-15, 1999. The classes run from 9-5 on the first day and 9-1 on the second day. The cost is \$35.00 made payable to University of Washington (\$35 is underwritten by the Seattle Fishermen's Memorial Committee). Please contact Sarah Fisken at (206) 543-1225 to reserve your spot. The class will be held at the Nordby Conference Center at Fishermen's Terminal. Questions? Call Carol at FVOA (206) 283-7735 or Sarah Fisken at the above number.

****Calendar of Events****

November 1-5, 1999	PFMC Meeting	Sacramento, CA
November 18-20, 1999	Fish Expo Booth 603F	Washington State Convention Center Seattle, WA
November 25-26, 1999	Thanksgiving Holiday	Office Closed
December 6-10, 1999	NPFMC Meeting	Anchorage Hilton Anchorage, AK
December 24-26, 1999	Christmas Holiday	Office Closed
January 10-13, 2000	IPHC Annual Meeting	Embassy Suites Lynnwood, WA

Fishing Vessel Owners' Association
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4005 - 20th Ave. West
Seattle, WA 98199

See you at Fish Expo
Booth #603F