12 Halibut: Changes in Landings and Delivery Patterns

This chapter provides data on Landing and delivery patterns in the halibut fishery. Tables in this chapter show time-series data of halibut deliveries from 1990 through 2011. Tables also show the number of persons who recorded landings, including the seasons before and after implementation of the IFQ program. Other tables show quarterly Landing data, the Landing by QS holder, residence, and finally, a comparison of Landings by QS owners with Landings by hired skippers. Information in this chapter may be compared with ex-vessel price data found in chapter 15 to desire ex-vessel value of the fisheries.

Landing data from 1990 through 1994 are based on ADF&G halibut fish tickets that are processed by the International Pacific Halibut Commission (IPHC). ADF&G data (from 1995 to on) are derived from the NMFS-RAM Landing database.

12.1 Deliveries by State, Census Area, Annual Quarter, and Residency

Table 12-1 provides time-series data on the commercial landing of halibut in Alaska from 1990 through 2011. The data from 1995 to 2011 include only the commercial halibut catch in the IFQ fisheries. Halibut caught in the CDQ fisheries are excluded as well as discarded fish.

Landing data are broken out by place of delivery: Alaska, Washington, or other states. Total annual Landings in the halibut fishery depend primarily upon the IFQ “total allowable catch (TAC)“ set annually by the IPHC. Total landings decreased substantially from 1990 to 1995, then rose sharply in 1997 and remained high thru 2006 to be followed by a steady decline to 2011.

Delivery patterns, as expressed as a percentage of total landings, have shown only small variations during the 1990 to 2011 time period. The percentage of total landing that was delivered in Alaska was lowest in 1994 when 87.2% of the catch was brought to Alaska ports. The highest percentage of landings delivered in Alaska was in 2010 at 99.9%. Washington State has received the highest percent of deliveries in 1994 at 9.1% and the lowest percent of landings at 2.3% in 2005. Other states had deliveries from 3.7% in 1994 to no deliveries in 2011, with the highest percentages before 1997.

Table 12-2 Provides delivery patterns for halibut delivered to Alaska ports during the 1990-2011 period. Alaska deliveries are broken out by census areas, showing the total pounds delivered to ports in each census area and the percent of the total annual landings that these deliveries represent. Note that some census areas have been aggregated to protect confidential data.

Table 12-2 indicates that delivery patterns varied slightly from year to year in each census area since 1990. The Kenai Peninsula / Anchorage aggregated area and the Kodiak census area consistently received the largest number of pounds delivered.

There was a large increase in deliveries to the Kenai / Anchorage aggregated area in 2002, deliveries to Kodiak dropped in that year.

Some areas have shown changes after 1994, and these changes may or may not have been a result of the IFQ program. For example, the percent of total landing delivered to ports in the Wrangell/Petersburg, Sitka, and Juneau census areas rose slightly after 1994, whereas deliveries to the Valdez-Cordova census area and the Ketchikan/Prince of Wales aggregated area decreased slightly after 1994.

Table 12-3 presents data on the number of persons with landings and the average pounds landed for each IFQ management area. This table shows the comparison of the 1990 to 1994 average number of persons with landings and average pounds landed with those data for each of the IFQ fishing seasons from 1995 to 2011. It also shows the number of persons who received initial QS allocations in each area. [55]

The number of persons who received initial allocations is higher than the 1990-1994 average annual number of persons with landings because persons were eligible to apply for QS if they owned or leased a vessel that made landings in the halibut fishery in any of the 1988, 1989, or 1990 fishing seasons. Therefore, the sum of the initial QS recipients is considerably more than the 1990-1994 average annual number of persons with landings. Also, persons who received CDQ compensation QS in Areas 2C, 3A, 3B, and 4A increased the number of persons who received initial allocations. Many CDQ compensation QS recipients did not make landings in Areas 2C, 3A, 3B, or 4A over the 1990-1994 period.

Table 12-4 Average catches in the 1995 and 1996 seasons declined in most areas from the 1990-1994 average, then rose in 1997 to 2000. This likely reflects the low TACs for the IFQ fishery in 1995 and 1996, followed by a substantial increase in area TACs in 1997. There has also been a consolidation of QS holdings through QS transfer since 1995, which also contributes to a rise in average catches.

Table 12-5 classifies data on 1995–2011 halibut IFQ landings by area, year, and QS owner state of residence. No landing data are given for Area 4E because the entire TAC in this area was used as CDQ. Note the count of persons with landings in this table represents the number of unique IFQ permitholders with landings. However, an IFQ permitholder may or may not own the QS they are fishing. For example, QS owners can hire a skipper to fish their IFQ for them, or they may lease their QS to another person. Table 12-5 indicates that in Areas 2C, 3A, 3B, 4A, and 4C, Most IFQ permitholders with landings used QS owned by Alaska residents. Quota share owners from Alaska were also credited with the most pounds landed in Areas 2C, 3A, and 4C in all four of the 1995 through 2011 fishing seasons. In Areas 4B and 4D, the most permitholders with landings used QS owned by persons from Washington. Quota share owners from states other than Alaska or Washington were credited with relatively small amounts of the landings.

[55] 1990-1994 data were summarized from ADF&G halibut fish tickets. Persons with landings during this period represent CFEC permit holders. 1995-1998 data were summarized from NMFS-RAM landing data. Persons with landings during this period represent IFQ permit holders.

Table 12-1. Alaska Halibut Landing (Pounds) by State of Delivery, 1990–2011

Year	Total Landing (pounds)	Deliveries in Alaska	Percent of Total	Deliveries in Washington	Percent of Total	Deliveries in Other States	Percent of Total
1990	52,675,501	47,765,659	90.7	3,447,559	6.5	1,462,283	2.8
1991	49,535,011	45,371,157	91.6	2,435,690	4.9	1,728,164	3.5
1992	51,829,522	48,004,844	92.6	2,664,275	5.1	1,160,403	2.2
1993	48,136,903	42,337,477	88.0	4,272,358	8.9	1,527,068	3.2
1994	44,449,185	38,743,518	87.2	4,044,663	9.1	1,661,004	3.7
1995	32,151,518	28,928,791	90.0	2,449,319	7.6	773,408	2.4
1996	35,386,715	31,550,982	89.2	2,919,948	8.3	915,785	2.6
1997	49,095,785	45,088,878	91.8	3,638,411	7.4	368,496	0.8
1998	51,204,432	46,555,094	90.9	4,020,612	7.9	628,726	1.2
1999	56,210,210	53,240,344	94.6	2,662,648	4.9	307,218	0.6
2000	51,796,153	49,619,382	95.8	1,990,693	3.8	186,078	0.4
2001	55,758,769	53,685,087	96.3	2,022,076	3.6	51,606	0.1
2002	58,122,339	55,975,405	96.3	2,002,812	3.4	144,122	0.2
2003	57,412,044	55,739,420	97.1	1,516,144	2.6	43,271	0.3
2004	55,758,773	49,619,382	89.0	1,990,693	3.6	47,186	0.3
2005	55,192,929	53,795,628	97.5	1,396,841	2.5	0	0.1
2006	52,226,380	50,832,298	97.3	1,393,241	2.7	0	0.0
2007	49,328,713	47,959,516	97.2	1,369,197	2.8	0	0.0
2008	47,321,739	46,195,918	97.6	1,125,821	2.4	0	0.0
2009	42,274,397	41,245,052	97.6	991,362	2.3	37,983	0.1
2010	39,125,607	39,095,421	99.9	0	0.0	30,186	0.1
2011	29,634,253	29,014,161	97.9	620,092	2.1	0	0.0

Note: 1995 through 2011 data are for commercial landings in the IFQ fishery. Landings in the CDQ fisheries are excluded**.**

Halibut is reported in net weight (headed, gutted) pounds.

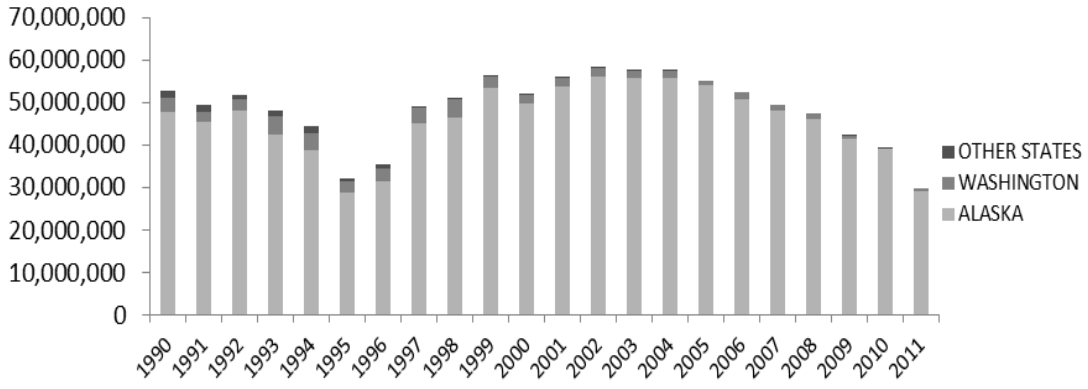

Figure 3. Halibut Deliveries (pounds), by State of Delivery, 1995-2011

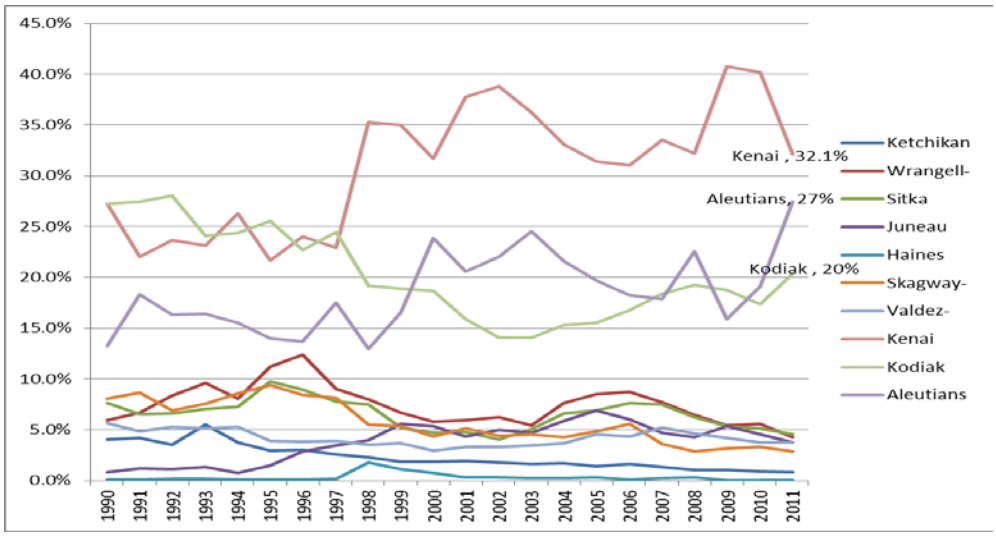

Figure 4. Halibut Deliveries by Alaska Census Area, 1990–2011

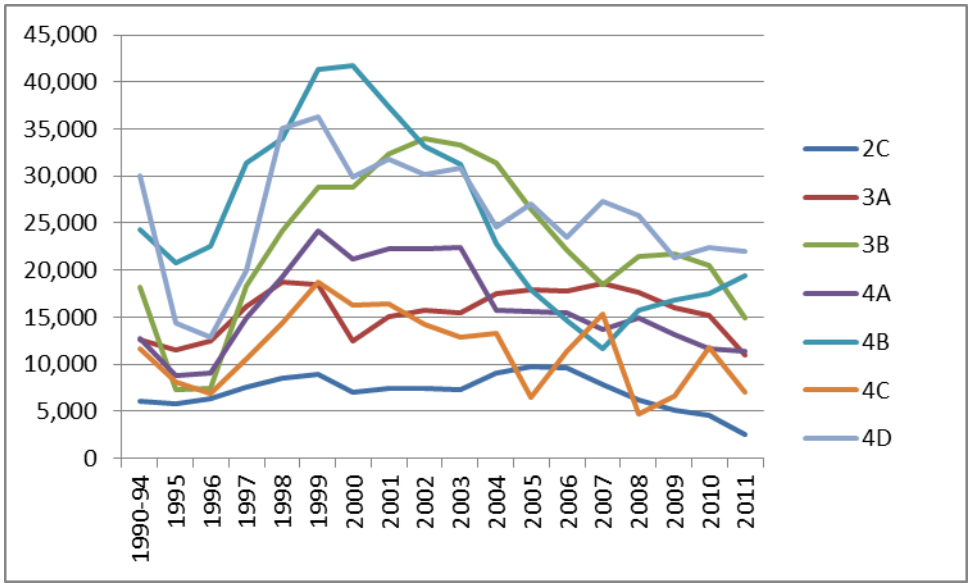

Figure 5 Average landings in the halibut fishery from 1995-2011

12.2 Landings by QS Holders and Hired Skippers

Table 12-6 provides data on landings by QS holders and hired skippers. The IFQ program rules allow some QS holders to employ a “hired skipper” to landing their IFQ.

For example, in all management areas except Area 2C, an individual who received an initial QS allocation in the catcher vessel categories B, C, or D does not have to be aboard the vessel and sign IFQ landing reports if that individual has at least a 20%

ownership interest in the vessel on which the halibut or sablefish IFQ are landed, and the individual is represented on the vessel by a hired skipper.[56] Because this exemption is confined to initial individual QS recipients and to non-individual QS holders only, the number of fishing operations where hired skippers are allowed should decrease over time as initial QS recipients transfer their QS holdings.

Persons who hold freezer vessel QS may use hired skippers to operate the vessels and sign IFQ landing reports in any management area, and they do not have to own the vessel that is used in the fishing operation.

Corporations or partnerships that received an initial catcher vessel QS allocation may use their IFQ if they own at least a 20% interest in the vessel on which the IFQ is fished and they are represented on the vessel by a "master," or skipper, who is an employee of the corporation or partnership.[57]

A hired skipper is defined in this analysis as a person who makes a landing and signs an IFQ report for the landing of someone else's IFQ. It is a common practice in the halibut fishery for two or more IFQ holders to fish together and landing each person's IFQ from a single vessel, which is usually owned by one of the IFQ holders. If each individual, records their delivery using their own IFQ permit card then this does not constitute a "hired skipper" in this analysis.

Some "hired skippers," as identified herein, may actually be *de facto* QS lease arrangements. The regulatory requirement that the initial QS holder own at least 20% of the vessel that is being used to landing the IFQ was meant to discourage leasing of QS. However, this regulation was only implemented by NMFS in 1998. In prior years, the regulation was not specific concerning the percentage ownership interest that the QS holder needed to have. There have been cases in which an initial catcher vessel QS holder purchased a percentage ownership interest in a vessel and then the skipper of that vessel fished all of the person's IFQ.

While the Council wanted to provide for hired skippers, it did not want to expand the leasing privilege. The Council adopted a proposed regulation for a 20% minimum vessel ownership percentage in September, 1997 [58] in order to constrain this practice. NMFS-RAM, acting on the Council's intent, implemented the rule in 1998.

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[56] 50 CFR 679.42 (c) and (i). These new minimum ownership regulations were first implemented by NMFS in 1998. They also provide for some "grandfathered" privileges whereby some initial QS holders who had used a hired skipper prior to April 17, 1997 can continue to do so, even if their ownership interest is less than 20%.

[57] See 50 CFR 679.42(j)

[58] At their September 1997 meeting in Seattle, the Council adopted a proposal requiring initial recipients of catcher vessel QS who wanted to use a designated skipper to hold a 20% ownership interest in any vessel used by their hired skipper. Some "grandfathered" privileges are included in the new rule that will allow some initial QS holders who had used a hired skipper prior to April 17, 1997 to continue to use a hired skipper on a vessel where they have a smaller ownership interest. NMFS-RAM began implementing the Council's intent in 1998. (See page 6, *The IFQ Program: 1998 Report To The Fleet* published by NMFS-RAM in February 1998.) These rules were incorporated into regulations as 50 CFR 679.42 9(i)(1) and 50 CFR 679.42(j).

The data indicate a substantial amount of the halibut landing were made by hired skippers, especially in the westward management areas. Note that more restrictive rules in Area 2C and a small amount of freezer vessel IFQ available in that area kept the number of operations with hired skippers much lower than other areas. In the other management areas there has been a marked increase between 1995 and 1998 and then maintained steady till 2011 in the landings by hired skippers. For example, in Area 3B in 1995, 67 hired skippers were credited with 21.8% of the landings. In following years, the number of hired skippers and their percentage of the catch increased when 163 hired skippers took 56.2% of the area landing. Over time the use of hired masters should decrease as initial issuee “persons” leave the fishery.

NMFS-RAM landing records for corporations or partnerships should show IFQ permit identifiers for hired skippers. However, in some instances especially during the first few years of the IFQ fishery, landings records on the NMFS-RAM database show IFQ identifiers for corporations or partnerships rather than employed “masters,” or skippers. Although it is not possible for a non-human corporate entity to actually skipper a vessel, this anomaly makes counting hired skippers on the NMFS data difficult. Therefore, the actual number of hired skippers is probably underestimated in Tables 12-6 and 12-7.

Table 12-7 illustrates the same information as Table 12-6, except it is broken out by vessel category. The table shows that the rate of use of hired skippers and the percent of landings taken by operations using hired skippers increased from 1995 to 2011 in most cases and vessel categories. Larger catcher vessel categories tend to have higher instances of use of hired skippers. Freezer vessels have high rates of use of hired skippers, which is related to the more liberal program rules for hired skippers aboard freezer vessels and the fact that a higher proportion of freezer shares were issued to non-individual persons.

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Note: C indicates confidential data