

12 Sablefish: Changes in Landing and Delivery Patterns

This chapter examines harvest and delivery patterns in the sablefish fishery. The first table shows time-series data that compare deliveries from 1995 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 harvest data, the harvest by QS holder, residence, and finally, a comparison of harvests by QS owners with harvests by hired skippers. Information in this chapter may be confused with ex-vessel price data found in chapter 15 to desire ex-vessel of the fisheries.

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

Tables 12-1 and 12-2 contain Alaska harvest data from 1995 through 2011 by place of delivery. The 1995 through 2011 data come from NMFS-RAM IFQ databases and include commercial harvests in the IFQ fishery only. All harvests in the CDQ fisheries were also excluded.

Table 12-1 classifies 1995 to 2011 sablefish harvests based upon where the catch was delivered. Harvests attributed to WPR data sources from 1991 to 1994 were placed in the “catcher/processor” category. The remaining 1991 to 1994 harvest was classified depending upon whether the deliveries were made in Alaska or in other states.

Harvest data for 1995-2011 were analyzed similarly to 1991-1994 data even though they come from a different source. Catcher/processor harvest from 1995-2011 was identified from the NMFS-RAM Registered Buyers file, the ADF&G Intent to Operate file, and ADF&G fish tickets.⁵⁶

⁵⁶ This was a complicated exercise. Information sources from ADF&G were necessary because the NMFS-RAM Registered Buyers file lacks precise characterization of buying operations, especially catcher/sellers and catcher/processors. For example, registered buyers are allowed to indicate several processor types on their permit form, but the corresponding electronic data entry form only contains space for one processor type and data entry personnel must make a choice on which processor type is entered. Consequently, there were numerous operations which were labelled as catcher/sellers (catchers who sell *unprocessed* fish) on the NMFS-RAM system, but which were classified as catcher/processors on the ADF&G system. Since the ADF&G system has a more strict methodology of assigning processor type, and since a number of these entities had large harvests (some exceeding 300,000 pounds), it was deemed prudent to use the ADF&G data to identify catcher/processors.

State processor codes from fish ticket data were also used to augment the NMFS-RAM Registered Buyers file. Most processors on the NMFS-RAM Registered Buyers file have been assigned state processor codes; however, individuals sometimes do not list their state processor codes when they fill out their Registered Buyers permit forms. When state processor codes were missing from the NMFS-RAM Registered Buyers file, it was possible to find state processor codes for some of the registered buyers by linking to specific fish tickets with NMFS-RAM IFQ harvest data by pre-printed fish ticket number.

The final step in this procedure was to hand review the names and addresses and harvest amounts of each processor within each category.

Other 1995-2011 harvest was classified based upon whether the deliveries were made in Alaska or in other states.

Table 12-1 shows small variations in delivery patterns from 1991 to 2011 with respect to the percentage of the sablefish delivered to Alaskan ports or to ports outside Alaska. However, total harvests over the time period have declined significantly. The 2011 statewide harvest of sablefish was the smallest of any year in the time series; consequently, the pounds of sablefish delivered to Alaskan ports and other ports were considerably lower than other years. Again, the 1995 through 2011 harvest data include only the commercial catch in the IFQ fishery.

Table 12-2 breaks out the Alaskan deliveries in Table 12-1 and apportions them to reporting areas based upon Alaskan areas or combinations of areas.⁵⁷ Lower TACs in the sablefish fishery have contributed to an overall decrease in the total amount of pounds of sablefish delivered after 1994. Delivery patterns have also varied since the inception of the IFQ program and these changes may or may not have been related to the program. For example, the percentage of total harvest that was delivered to the Ketchikan/Prince of Wales, Wrangell/Petersburg, and Skagway/Yakutat/Angoon areas declined after 1994, whereas the percentage of total deliveries in the Sitka/Juneau/Haines and Kenai Peninsula / Anchorage aggregated areas appears to have increased after 1994.

Sablefish landings are examined in Table 12-3. The number of persons with landings, and Table 12-4 average pounds landed are given for each area for 1995 through 2011.

Table 12-5 indicates that in the Southeast, West Yakutat, and Central Gulf areas, the majority of IFQ permit holders with landings were using QS owned by persons from Alaska. The majority of IFQ permit holders with landings in the Western Gulf, Bering Sea, and Aleutian Islands were using QS owned by persons from Washington. Washington QS holders were also credited with the majority of the pounds harvested in all areas and years except the Central Gulf in 1995 and 2011 and in all years from 1995 to 2011 in Southeast. Persons from states other than Alaska or Washington were credited with relatively small amounts of the harvest in each area.

Table 12-5 classifies 1995-2011 sablefish harvests by area, year, and state of residence of the QS owner. Note that the count of persons with landings in this table represents the number of unique IFQ permit holders with landings. An IFQ permit holder may or may not own the QS they are fishing. For example, a QS owner can hire a skipper to fish their IFQ for them, or they may lease their QS to another person. In Table 12-4, "persons with landings" counts the number of unique IFQ permit holders, and their harvests have been assigned to the residence of the QS owner.

⁵⁷ It is necessary to aggregate some census areas to preserve confidential delivery data.

Table 12-1. Alaska Sablefish Deliveries (pounds), by State of Delivery, 1995-2011

Year	Total Harvest (pounds)	Deliveries In Alaska	Percent Of Total	Deliveries In Washington	Percent Of Total	Deliveries In other States	Percent Of Total
1995	40,935,864	39,594,337	96.7	1,103,217	2.7	238,310	2.1
1996	33,196,479	31,258,176	94.2	1,685,325	5.1	252,978	1.8
1997	28,651,250	26,979,477	94.2	1,657,854	5.8	13,919	1.6
1998	27,636,101	24,762,355	89.6	2,740,491	11.1	133,255	1.3
1999	25,410,370	23,351,064	91.9	2,053,711	8.1	5,595	.02
2000	27,624,505	26,083,896	94.4	1,540,609	5.6	900	0.00
2001	26,355,159	25,110,044	95.3	1,243,399	4.7	1,716	0.01
2002	27,091,941	25,534,159	94.3	1,553,975	5.7	3,807	0.01
2003	30,838,900	29,001,176	94.0	1,837,724	6.0	0	0.0
2004	33,695,316	31,424,348	93.3	2,270,968	6.7	0	0.0
2005	32,877,746	30,476,818	92.7	2,390,811	7.3	10,117	0.03
2006	30,849,437	28,615,241	92.8	2,234,196	7.2	0	0.0
2007	30,080,328	28,441,459	94.6	1,638,869	5.4	0	0.0
2008	26,872,648	25,850,082	96.2	1,022,566	3.8	0	0.0
2009	24,202,405	23,908,584	98.8	293,821	1.2	7,688	0.03
2010	21,952,388	21,922,496	99.9	29,892	0.1	0	0.0
2011	24,041,223	23,726,536	98.7	314,687	1.3	0	0.0

Note: Harvest figures from 1995 through 2011 are for commercial harvests in the IFQ fishery. Harvests in the CDQ fisheries are excluded.

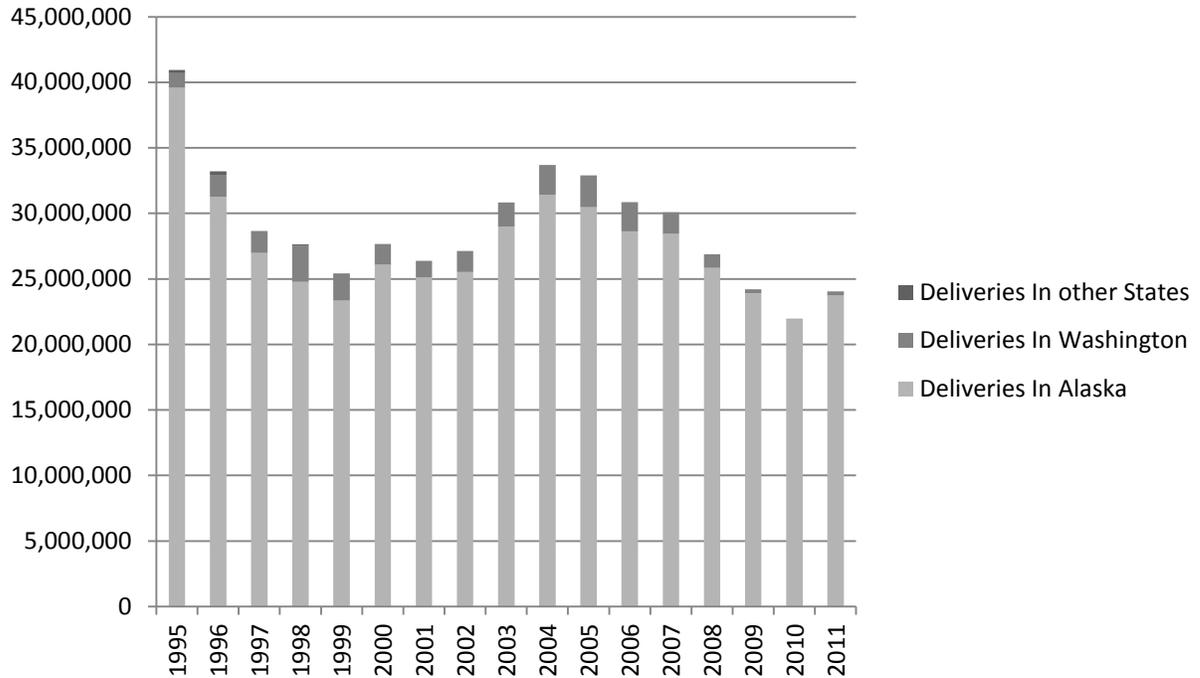


Figure 3. Sablefish Deliveries (pounds), by State of Delivery, 1995-2011

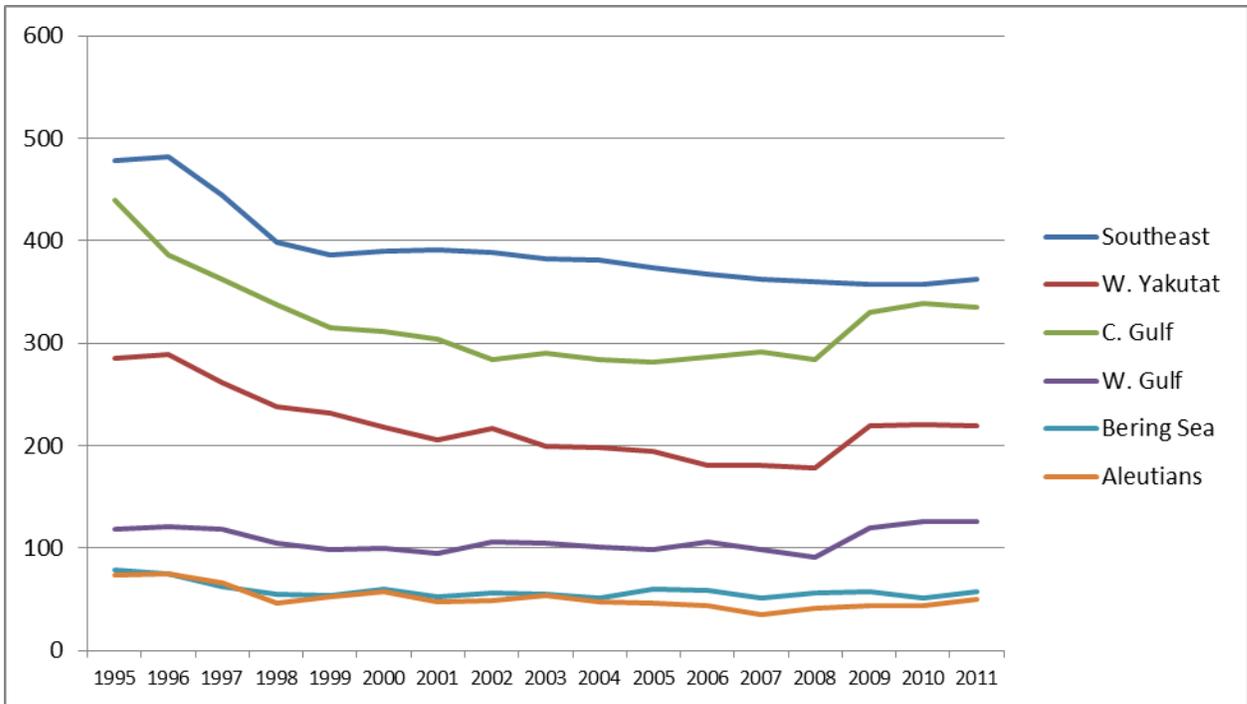


Figure 4. Sablefish Deliveries (Number of persons with landing by area), 1995-2011

12.2 Harvests by QS Owners and Hired Skippers

Table 12-5 provides data on harvests by QS owners and hired skippers. The IFQ program rules allow some QS holders to employ a “hired skipper” to harvest the IFQ associated with their QS.

For example, in all management areas except Southeast, an individual who received an initial QS allocation in the catcher vessel categories does not have to be on board the vessel and sign IFQ landing reports if that individual has at least a 20% ownership interest in the vessel on which the IFQ are harvested, and the individual is represented on the vessel by a hired skipper.

⁵⁸

⁵⁸ See 50 CFR 679.42(i). These new minimum ownership regulations were first implemented by NMFS-RAM 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%.

Because this exemption is confined to initial issuees only, the number of fishing operations where hired skippers are allowed should decrease over time as initial issuees 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's used in the fishing operation.

⁵⁹

Corporations or partnerships that received an initial catcher vessel QS allocation may use their IFQ if they own 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. In the Southeast area the corporation or partnership can use a hired skipper to fish only those QS that were received as an initial allocation.⁶⁰

A hired skipper is defined in this analysis as a person who makes a landing and signs an IFQ report for the harvest of someone else's IFQ. It is a common practice in the sablefish fishery for two or more IFQ holders to fish together and harvest each person's IFQ from a single vessel, which is usually owned by one of the partners. If each partner 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 harvest the IFQ was meant to discourage leasing of QS. However, this regulation was only implemented by NMFS-RAM in 1998. In prior years, the regulation was not specific concerning the percentage ownership interest that the QS holder needed to have.

There apparently have been cases where an initial catcher vessel QS holder has purchased a small 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 in order to constrain this practice. NMFS-RAM, acting on the Council's intent, implemented the rule in 1998.⁶¹

The data indicate a substantial amount of the sablefish harvest was taken by hired skippers, especially in the westward management areas. Note that more restrictive rules in the Southeast area probably kept the number of operations with hired skippers lower than other areas. In the other management areas there has been a considerable increase between 1995 and 2011 in the amount of harvest taken by hired skippers. For

⁵⁹ CFR 679.42 (c) and (i).

⁶⁰ See 50 CFR 679.42 (j).

⁶¹ 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).

example, in 1995 in the Central Gulf, 65 hired skippers were credited with taking 15.4% of the catch. In each following year, the number of hired skippers and their percentage of the catch increased and in 2011 in the Central Gulf 130 hired skippers took 73.7% of the area catch.

NMFS-RAM landing records for corporations or partnerships should show IFQ permit identifiers for hired skippers. However, in some instances, 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 12-5 and 12-6.

Table 12-6 illustrates the same information as Table 12-5, except it is broken out by vessel category. The table shows that the rate of use of hired skippers and the percent of harvest taken by operations with hired skippers increased from 1995 to 2011 in nearly all vessel categories. Freezer vessels have high rates of use of hired skippers, which is likely related to the more liberal program rules for hired skippers aboard freezer vessels.

Click to download tables for chapter twelve 