

Kake:

**Holdings of Limited Entry Permits, Sablefish Quota Shares,
and Halibut Quota Shares Through 1998
and
Data On Fishery Gross Earnings**

CFEC Report 99-Kake-SN

Alaska Commercial Fisheries Entry Commission
8800 Glacier Highway, Suite 109
Juneau, Alaska 99801
(907) 789-6160

Abstract:

This report is one of a series of reports on the holdings of restricted use privileges by persons living in Gulf of Alaska coastal communities. The 1999 reports are the second edition of the report series. The Restricted Access Management Program (NMFS-RAM) of the National Marine Fisheries Service - Alaska Region provided funding for the preparation of these reports.

This report provides fishery-specific data on holdings of Alaska limited entry permits by persons from Kake. The tables show the number of limited entry permits initially issued to persons from the area, and the number of these permits held at year-end 1998. Time series data on limited entry permit holdings are also provided. Similarly, the report contains data on halibut and sablefish quota shares initially allocated to persons from this area as well as quota shares held at year-end 1998. Quota shares are the basic use-privileges issued under the halibut and sablefish individual fishing quota (IFQ) programs. Time series data on quota share holdings are also provided. Finally, the report contains time series data on the fishery gross earnings of Commercial Fisheries Entry Commission (CFEC) limited entry and interim-use permit holders from this area, organized by permit fishery. The report also contains 1995-1998 time series data on gross earnings in the halibut and sablefish IFQ fisheries for quota share holders from the area.

List of Preparers:

Susan Shirley	Kurt Iverson
Elaine Dinneford	Kurt Schelle
Al Tingley	

Notice:

The Alaska Department of Fish and Game administers all programs and activities free from discrimination on the basis of sex, color, race, religion, national origin, age, marital status, pregnancy, parenthood, or disability. For information on alternative formats available for this and other department publications, contact the department ADA coordinator at (voice) (907) 465-4120, or (TDD) (907) 465-3546. Any person who believes s/he has been discriminated against should write to:

ADFG
P.O. Box 25526
Juneau, AK 99802-5526

or

O.E.O.
U.S. Department of Interior
Washington, D.C. 20240

Introduction

Purpose of the Report

This report is one of a series of updated reports on Gulf of Alaska coastal communities. This second edition of these reports contains an additional year of data. Minor changes were made in the grouping of some communities. There may also be changes from the previous reports' data due to updates in fish ticket, permit, and IFQ files. The Commercial Fisheries Entry Commission (CFEC) prepared the reports with funding provided by the Restricted Access Management Program (NMFS-RAM) of the National Marine Fisheries Service - Alaska Region. This particular report covers the holdings of restricted use-privileges by persons from Kake, Alaska.

In early 1998, the *Gulf of Alaska Coastal Communities Coalition* (Coalition) made presentations to two committees of the Ocean Studies Board of the National Academy of Sciences (NAS) and National Research Council regarding restricted access programs of the North Pacific Fishery Management Council (Council). These two committees were “the Committee to Review Community Development Quotas (CDQ)” and “the Committee to Review Individual Fishing Quotas (IFQ).” A presentation was also made before a joint meeting of the Alaska Board of Fisheries (ABOF) and the Council.¹

The Coalition indicated that Gulf of Alaska coastal communities were dependent upon continued access to commercial fishing and they wanted their concerns to be considered in the future when the Council develops new restricted access programs or modifies existing Council programs. They also indicated that some Gulf of Alaska coastal communities had not fared well under the State of Alaska's limited entry program or under the Council's sablefish and halibut IFQ programs.

NMFS-RAM administers the sablefish and halibut IFQ programs and the Council's vessel moratorium for groundfish and crab. NMFS-RAM will administer the new groundfish, crab, and scallop license limitation programs passed by the Council as well as any future restricted access programs passed by the Council. NMFS-RAM is committed to monitoring changes under the existing restricted access programs in Alaska so they can provide the Council and the public with accurate data and information on the programs. NMFS-RAM hopes this monitoring effort will help inform policy discussions on proposals for new programs or proposals to alter existing programs.

For this reason, NMFS-RAM contracted with CFEC to produce a series of reports on Gulf of Alaska coastal communities or groups of communities. The purpose of the series of reports is to provide basic data on how these communities have fared with respect to the initial allocation and

¹The name of the group making the presentations was slightly different for each presentation. The statement to the Committee to Review CDQs in January 1998 was made by a group called “The Coalition of Gulf of Alaska Small Boat Fishermen In Support of Marine Resources Conservation and Allocation Equity.” The statement made at the February 1998 joint meeting of the ABOF and the Council was made by a group called “Gulf of Alaska Fisheries Dependent Communities Coalition.” The presentation to the Committee To Review IFQs in April 1998 was made by a group called the “Gulf of Alaska Coastal Communities Coalition.” The authors have assumed that these are the same groups and we have used the latter name herein for ease of exposition.

retention of entry permits for Alaska's limited fisheries and with respect to the initial allocation and retention of quota shares under the sablefish and halibut IFQ programs. Data are also presented on the estimated fishery gross earnings of persons from these communities.

Report Overview

This report is divided into three sections. Each section contains information on both CFEC permits issued under Alaska's limited entry program and on Quota Shares (QS)/IFQ issued under the Council's sablefish and halibut IFQ programs.

Section 1 provides data on the initial allocation of permanent limited entry permits issued to persons from Kake and the year-end 1998 number of entry permits held by persons in Kake. These data are provided by limited entry fishery. The section also provides data on the amount of QS initially allocated to persons from Kake and the amount of QS held by persons in Kake at the end of 1998. These data are provided by the sablefish and halibut fisheries management areas.

Section 2 provides a more detailed time series table on the holdings of limited entry permits by persons from Kake. Table 2a shows changes in the holdings of entry permits over time. The data are provided by limited fishery. Section 2 also provides a time series table on the holdings of sablefish and halibut QS by persons from Kake. Table 2b, by species and management area, shows changes in QS holdings over time.

Section 3 provides information on the estimated fishing gross earnings associated with persons from Kake. Table 3a provides time series gross earnings information on CFEC permit holders who live in Kake. The earnings are based upon fish ticket records and include information on both limited and unlimited fisheries. Table 3b provides time series gross earnings data associated with quota share holders from Kake. These data are based upon NMFS-RAM harvest records and are presented by species and management area.

1. Initial Allocation And Year-End 1998 Holdings Of Restricted Use-Privileges

This section provides overview data on the restricted fishery use-privileges held by persons from Kake at initial allocation and at year-end 1998.

Table 1a provides data on holdings of Alaska limited entry permits by permit type. These data are compiled from CFEC permit files.

The number of limited entry permits held at initial allocation and at year-end 1998 are presented by limited fishery permit type. The total number of limited entry permits held across all limited fisheries, and the number of unique persons from Kake who hold limited entry permits are summarized at the bottom of the table.

A person can hold limited entry permits for more than one limited fishery. Different fisheries have been limited at different points in time since 1975, and the initial allocation of permits may have taken place in any year over the 1975 to 1998 period.

There are several reasons why the number of limited entry permits held by persons from a community can increase or decrease over time. Permits can be initially allocated to persons in the community. Permits can also be transferred from persons outside the community to persons in the community, or vice versa. Similarly, persons holding limited entry permits can move into or out of the community. Finally, limited entry permits can be revoked or forfeited under the law. For all of these reasons, the number of entry permits for a particular fishery held at year-end 1998 might be different than the number of entry permits held by persons in the community at some other point in time.

Table 1b provides data on halibut and sablefish QS holdings at initial allocation and at year-end 1998. These data are taken from NMFS-RAM computerized records.

The amount of QS and the number of QS holders at initial allocation and at the end of 1998 are given by species and management area. Quota share amounts have been converted into 1998 IFQ equivalent pounds using 1998 NMFS-RAM standard conversion factors.

Summary rows showing halibut and sablefish IFQ pounds and the unique counts of QS holders across areas are provided. A community total row is provided showing the unique number of QS holders from the community across both species and all management areas.

The reader should note that a QS holder might hold QS in multiple areas and for both halibut and sablefish. Individual QS units hold different values as IFQ pounds from year-to-year and from area-to-area and therefore are not additive across areas.

There are several reasons why the amount of QS held by persons from a community can increase or decrease over time. Quota shares can be initially allocated to persons in the community. Quota shares can also be transferred from persons outside the community to persons in the community, or vice versa. Similarly, persons holding QS can move into or out of the community. Quota

shares may be revoked. For all of these reasons, the amount of QS of a particular type held at year-end 1998 might be different than the amount of QS of that type held by persons in the community at some other point in time. For similar reasons, the number of QS holders can change over time.

Table 1a. Number of entry permits held in KAKE at initial issuance and at year-end 1998, by limited entry fishery.

Limited Entry Fishery	Number of Permits at Initial Issuance	Number of Permits at Year-end 1998
Sablefish, Longline, Northern Southeast	0	1
Dungeness Crab, 300 Pots (or 100% of Max), Southeastern	1	1
Dungeness Crab, 150 Pots (or 50% of Max), Southeastern	2	2
Dungeness Crab, 75 Pots (or 25% of Max), Southeastern	3	2
Herring Spawn on Kelp, Pound, Southern Southeast	2	2
Herring Spawn on Kelp, Pound, Prince William Sound	0	1
Shrimp, Pot Gear, Southeast	2	2
Salmon, Purse Seine, Southeastern	17	8
Salmon, Hand Troll, Statewide	82	53
Salmon, Power Gurdy Troll, Statewide	3	11
Total Number of Entry Permits (All Fisheries)	112	83
Number of Unique Persons Holding Entry Permits	97	71

Table 1b. Type and amount of QS, 1998 IFQ pounds equivalent and number of unique QS holders in KAKE at initial issuance and at year-end 1998.

Quota Share Type	Area	Initial Issuance			Year-end 1998		
		Amount of QS (QS units)	1998 IFQ Equivalent (pounds)	Number of QS Holders	Amount of QS (QS units)	1998 IFQ Equivalent (pounds)	Number of QS Holders
Halibut	2C	1,590,590	280,428	53	1,102,063	194,299	34
	3A	178,152	25,049	4	177,102	24,902	2
	Halibut Total		305,478	53		219,201	34
Sablefish	Southeast	309,797	36,115	2	309,797	36,115	1
	West Yakutat	13,902	1,252	1	0	0	0
	Sablefish Total		37,368	2		36,115	1
Community Total (Unique)				53			34

2. Comparisons Of Holdings Of Restricted Use-Privileges Over Time

This section provides more detailed time series data on the restricted use-privileges held by persons in Kake.

Table 2a provides time series data on the type and number of limited entry permits held by persons from the community in five-year increments from 1975 through 1995 and at year-end 1997 and 1998. Holdings of entry permits in the community can change over time due to initial allocations, permit transfers, the relocation of permit holders, and permit revocations or forfeitures.

This table only covers entry permits in limited fisheries. Fisheries are limited under Alaska law only when limitation becomes necessary. The original 19 salmon fisheries were limited in 1974. Other limitations occurred in more recent years.

Table 2b provides time series data on the amount of sablefish and halibut QS held by persons from Kake over the 1995 to 1998 time period. The sablefish and halibut IFQ program began in 1995. The table is organized by species, management area, and year, and shows the number of QS holders from the area. Quota share holdings are translated into 1998 IFQ equivalent pounds using standard NMFS-RAM conversion factors. The table includes summary rows showing the total unique number of QS holders from the community in each year across all areas and species.

The counts of QS holders in the table refer to the persons holding the QS. These persons can be natural persons (individuals), corporations, partnerships, or other legal entities. Quota share holders are not always the individuals who fish the IFQ in a year. Provisions in the IFQ program allow for the use of hired skippers and for some QS leasing under certain conditions.

Holdings of QS in the community can change over time due to initial QS allocations, QS transfers, the relocation of QS holders, QS revocations, or other changes due to administrative appeals.

Table 2a. Year-end counts of permits, by limited entry fishery, held by persons from KAKE from 1975 to 1998.

Limited Entry Fishery	1975	1980	1985	1990	1995	1997	1998
Sablefish, Longline, Northern Southeast	0	0	0	0	1	1	1
Dungeness Crab, 300 Pots (or 100% of Max), Southeastern	0	0	0	0	0	1	1
Dungeness Crab, 150 Pots (or 50% of Max), Southeastern	0	0	0	0	0	2	2
Dungeness Crab, 75 Pots (or 25% of Max), Southeastern	0	0	0	0	0	3	2
Herring Spawn on Kelp, Pound, Southern Southeast	0	0	0	0	0	0	2
Herring Spawn on Kelp, Pound, Prince William Sound	0	0	0	0	0	1	1
Shrimp, Pot Gear, Southeast	0	0	0	0	0	0	2
Salmon, Purse Seine, Southeastern	14	13	10	9	8	8	8
Salmon, Drift Gill Net, Bristol Bay	1	1	0	0	0	0	0
Salmon, Hand Troll, Statewide	0	0	84	72	62	55	53
Salmon, Power Gurdy Troll, Statewide	2	4	4	6	8	11	11
Total Number of Entry Permits (All Fisheries)	17	18	98	87	79	82	83

Table 2b. Quota share amounts held in KAKE in 1995, 1996, 1997 and 1998.

Quota Share Type	Area	Year-end	Amount of QS Held (QS units)	1998 IFQ Equivalent (pounds)	Number of QS Holders	
Halibut	2C	1995	1,565,876	276,071	50	
		1996	1,391,680	245,360	42	
		1997	1,371,300	241,767	39	
		1998	1,102,063	194,299	34	
	3A	1995	178,152	25,049	3	
		1996	178,152	25,049	3	
		1997	177,102	24,902	2	
		1998	177,102	24,902	2	
Sablefish	Southeast	1995	309,797	36,115	2	
		1996	309,797	36,115	1	
		1997	309,797	36,115	1	
		1998	309,797	36,115	1	
	West Yakutat	1995	13,902	1,252	1	
	Community Total (Unique)		1995			50
			1996			43
		1997			39	
		1998			34	

3. Fishery Gross Earnings

This section examines the estimated fishery gross earnings of persons from Kake. The gross earnings in these tables are CFEC estimates of the dollar amount received for the fish sold. These estimates are not measures of net earnings or profits because none of the costs associated with the fishing operations have been removed.

Table 3a provides time series data on the gross earnings of CFEC permit holders from Kake. The table covers the 1975 to 1995 time period in five-year increments, and 1997. The table is organized by CFEC permit fishery and includes counts of the number of persons from Kake who had gross earnings from the fishery.² The total gross earnings of CFEC permit holders from Kake over all fisheries in the year and the unique number of persons who recorded landings in any fishery during the year are summarized at the bottom of the table.³ The table includes data from both limited and unlimited fisheries. Table 3a is derived from Alaska Department of Fish & Game (ADF&G) fish ticket data and CFEC ex-vessel price estimates.⁴

Table 3b provides 1995-1998 time series data on the gross earnings of QS holders from Kake in the sablefish and halibut IFQ fisheries. These data are derived by applying CFEC statewide average ex-vessel price estimates to NMFS-RAM harvest data. NMFS-RAM catch files represent a different data source than the ADF&G fish ticket files. The table includes estimates of total gross earnings and the number of QS holders from the area by species, management area, and year.⁵ A summary row provides the total gross earnings associated with the QS holders from the area summed over all management areas and species as well as a count of the unique number of QS holders from Kake with commercial sablefish or halibut harvests during the year.⁶

Both tables represent estimates of fishery gross earnings associated with persons from Kake, irrespective of where the harvest actually occurred or where the fish were landed. The gross earnings in these tables do not represent the value of fish landed in Kake. Data on halibut and sablefish landings by major port are available from NMFS-RAM.

²In some cases, CFEC permit codes for a fishery have changed over the years. In such cases, the reader may see a fishery description repeated in the table.

³A person may participate in multiple fisheries as a CFEC permit holder. Therefore, the unique number of permit holders in the community is usually less than the sum of permit holders with landings across all fisheries.

⁴The 1975 fishery earnings in the table for CFEC permit holders may be underestimated. 1975 was the first year that CFEC permit numbers were data entered. Permit numbers are not on the 1975 computerized halibut fish ticket records. Therefore, halibut earnings cannot be attributed to any CFEC permit holder during that year and hence cannot be assigned to communities. Also, in 1975, in some fisheries besides halibut, the percentage of missing or unmatched CFEC permit numbers was higher than in more recent years. For these reasons, the 1975 gross earnings may be underestimated.

⁵Again, these data represent the person who holds the QS and not necessarily the individual who recorded the landing. The IFQ programs allow the use of hired skippers under certain conditions. Some QS leasing is also allowed.

⁶QS holders may have holdings for more than one management area and species. Thus the unique counts of QS holders with harvests across all species and areas may be less than the sum of the counts of QS holders with harvests across all species and areas.

Table 3a. Gross earnings and number of persons from KAKE with landings by fishery and year, 1975-1997.

CFEC Permit Fishery	1975		1980		1985		1990		1995		1997	
	Gross Earnings (\$)	# persons	Gross Earnings (\$)	# persons	Gross Earnings (\$)	# persons	Gross Earnings (\$)	# persons	Gross Earnings (\$)	# persons	Gross Earnings (\$)	# persons
Halibut, Hand Troll, Statewide	\$0	0	**	1	\$0	0	\$14,279	6	\$21,495	6	\$23,828	6
Halibut, Longline Vessel Under 60 Ft, STW	\$0	0	\$27,175	22	\$82,821	42	\$130,755	25	\$82,143	16	\$144,046	16
Halibut, Mechanical Jig, Statewide	\$0	0	\$0	0	**	1	**	1	\$0	0	\$0	0
Halibut, Longline Vessel 60 Ft or Over, STW	\$17,066	13	\$122,335	17	\$201,951	14	\$300,822	14	\$365,584	13	\$369,792	11
Sablefish, Longline, Northern Southeast	\$0	0	\$0	0	\$0	0	\$0	0	**	1	**	1
Sablefish, Longline Vessel 60 Ft or Over, STW	\$0	0	**	1	\$0	0	**	1	**	2	**	1
Dungeness Crab, Pot Gear To 50 Ft, Southeastern	\$0	0	\$0	0	\$0	0	\$0	0	\$183,020	4	\$0	0
Dungeness Crab, Pot Gear To 50 Ft, Statewide	\$0	0	\$0	0	**	2	\$84,922	5	\$0	0	\$0	0
Dungeness Crab, 300 Pots (or 100% Of Max), Southeastern	\$0	0	\$0	0	\$0	0	\$0	0	\$0	0	**	1
Dungeness Crab, 150 Pots (or 50% Of Max), Southeastern	\$0	0	\$0	0	\$0	0	\$0	0	\$0	0	**	3
Dungeness Crab, 75 Pots (or 25% Of Max), Southeastern	\$0	0	\$0	0	\$0	0	\$0	0	\$0	0	**	2
Ling Cod, Hand Troll, Statewide	\$0	0	\$0	0	\$0	0	\$0	0	\$0	0	**	2
Ling Cod, Dinglebar Troll, Statewide	\$0	0	\$0	0	\$0	0	\$0	0	\$0	0	**	1
Red/Blue & Brown King/Tanner Crab, Pot Gear, Southeastern	\$0	0	\$0	0	**	1	\$0	0	\$0	0	\$0	0
Herring Spawn on Kelp, Pound, Southern Southeast	\$0	0	\$0	0	\$0	0	\$0	0	\$0	0	**	2
Herring Spawn on Kelp, Pound, Prince William Sound	\$0	0	\$0	0	\$0	0	\$0	0	\$0	0	**	1
Miscellaneous Saltwater Finfish, Dinglebar Troll, Statewide	\$0	0	\$0	0	\$0	0	\$0	0	\$0	0	**	1
Misc Saltwater Finfish, Mechanical Jig, Statewide	\$0	0	**	1	\$0	0	\$0	0	\$0	0	\$0	0
Misc Saltwater Finfish, Longline Vessel 60 Ft or Over, STW	\$0	0	\$0	0	\$0	0	\$0	0	\$0	0	**	1
Shrimp, Pot Gear To 50 Ft, Statewide	\$0	0	\$0	0	\$0	0	\$0	0	\$8,617	4	\$0	0
Salmon, Purse Seine, Southeastern	\$102,505	11	\$348,645	12	\$726,659	8	\$435,379	9	\$418,014	8	\$204,140	7
Salmon, Hand Troll, Statewide	\$9,687	32	\$109,214	74	\$124,064	55	\$168,434	28	\$42,484	16	\$7,692	12
Salmon, Power Gurdy Troll, Statewide	\$0	0	*	4	**	2	\$60,895	4	\$42,556	6	\$75,150	8
Tanner Crab, Ring Nets, Southeastern	\$0	0	\$0	0	\$0	0	\$0	0	\$16,400	5	**	3
Tanner Crab, Pot Gear, Southeastern	\$0	0	\$0	0	\$0	0	**	1	**	1	**	1
Tanner Crab, Other Gear, Southeastern	\$0	0	\$0	0	\$0	0	**	3	\$0	0	\$0	0
Demersal Shelf Rockfish, Longline 5 Tons or Over, Southeast	\$0	0	\$0	0	\$0	0	\$0	0	**	1	\$0	0
Unique Totals For All Fisheries	\$129,259	46	\$627,211	90	\$1,167,833	79	\$1,389,422	59	\$1,469,568	49	\$1,261,388	49

Note: ** and * mask data to preserve confidentiality.

Table 3b. Gross earnings and numbers of persons (QS holders) from KAKE with credited IFQ landings in halibut and sablefish IFQ fisheries by area and year, 1995-1998.

Quota Share Type	Area	1995		1996		1997		1998	
		Gross Earnings (\$)	Number of Persons	Gross Earnings (\$)	Number of Persons	Gross Earnings (\$)	Number of Persons	Gross Earnings (\$)	Number of Persons
Halibut	2C	*	36	*	35	*	34	*	26
	3A	**	1	**	1	**	1	**	1
	Halibut Total	*	36	*	35	*	34	*	26
Sablefish	Southeast	**	2	**	1	**	1	**	1
	Sablefish Total	**	2	**	1	**	1	**	1
Community Total (Unique)		\$566,303	36	\$612,278	35	\$595,980	34	\$343,947	26

Note: ** and * indicate data masked to preserve confidentiality.