

Klukwan:

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

CFEC Report 99-Klukwan-SN

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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 Klukwan. 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. 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.

Quota shares are the basic use-privileges issued under the halibut and sablefish individual fishing quota (IFQ) programs. No persons from Klukwan received initial allocations of halibut or sablefish quota shares, and none were current holders of quota shares for the IFQ fisheries as of year-end 1998. Thus, similar data on quota share holdings and gross earnings in the halibut and sablefish IFQ fisheries are not reported for the community of Klukwan.

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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 Klukwan, 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

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.

provide basic data on how these communities have fared with respect to the initial allocation and 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 Klukwan and the year-end 1998 number of entry permits held by persons in Klukwan. These data are provided by limited entry fishery. Because no persons from Klukwan received initial allocations of QS, and none held QS at the end of 1998, data on QS holdings are not provided for Klukwan in this section.

Section 2 provides a more detailed time series table on the holdings of limited entry permits by persons from Klukwan. Table 2a shows changes in the holdings of entry permits over time. The data are provided by limited fishery. Because no persons from Klukwan have held QS, data on QS holdings are not provided for Klukwan in this section.

Section 3 provides information on the estimated fishing gross earnings associated with persons from Klukwan. Table 3a provides time series gross earnings information on CFEC permit holders who live in Klukwan. The earnings are based upon fish ticket records and include information on both limited and unlimited fisheries. Because no persons from Klukwan were credited with sablefish or halibut landings as a QS holder during the 1995 through 1998 time period, data on gross earnings associated with quota share holders are not provided for Klukwan in this section.

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 Klukwan 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 Klukwan 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 was to provide data on halibut and sablefish QS holdings at initial allocation and at year-end 1998. Table 1b was not generated for Klukwan because no persons from Klukwan received an initial allocation of halibut or sablefish QS, and no persons from Klukwan held QS at year-end 1998.

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 KLUKWAN 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 |
|---|--|---|
| Salmon, Drift Gill Net, Southeastern | 2 | 0 |
| Total Number of Entry Permits (All Fisheries) | 2 | 0 |
| Number of Unique Persons Holding Entry Permits | 2 | 0 |

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 Klukwan.

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 was to provide time series data on the amount of sablefish and halibut QS held by persons from Klukwan over the 1995 to 1998 time period. Table 2b was not generated for Klukwan because there were no QS holders from Klukwan at year-end 1995, 1996, 1997 or 1998.

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 KLUKWAN from 1975 to 1998.

| Limited Entry Fishery | 1975 | 1980 | 1985 | 1990 | 1995 | 1997 | 1998 |
|--|----------|----------|----------|----------|----------|----------|----------|
| Salmon, Drift Gill Net, Southeastern | 2 | 1 | 1 | 1 | 1 | 0 | 0 |
| Total Number of Entry Permits (All Fisheries) | 2 | 1 | 1 | 1 | 1 | 0 | 0 |

3. Fishery Gross Earnings

This section examines the estimated fishery gross earnings of persons from Klukwan. 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 Klukwan. 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 Klukwan who had gross earnings from the fishery.² The total gross earnings of CFEC permit holders from Klukwan 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 3a represents estimates of fishery gross earnings associated with persons from Klukwan, irrespective of where the harvest actually occurred or where the fish were landed. The gross earnings in this table do not represent the value of fish landed in Klukwan. Data on halibut and sablefish landings by major port are available from NMFS-RAM.

Table 3b was designed to provide 1995-1998 time series data on the gross earnings of QS holders from Klukwan 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. However, Table 3b was not generated for this report on Klukwan because no persons from the community were credited with sablefish or halibut landings as a QS holder during the 1995 to 1998 time period.

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.

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

| CFEC Permit Fishery | 1975 | | 1980 | | 1985 | | 1990 | | 1995 | | 1997 | |
|--|---------------------|-----------|---------------------|-----------|---------------------|-----------|---------------------|-----------|---------------------|-----------|---------------------|-----------|
| | Gross Earnings (\$) | # persons |
| Salmon, Drift Gill Net, Southeastern | ** | 2 | ** | 1 | ** | 1 | ** | 1 | ** | 1 | \$0 | 0 |
| Unique Totals For All Fisheries | ** | 2 | ** | 1 | ** | 1 | ** | 1 | ** | 1 | \$0 | 0 |

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