

PROCESSOR ADVISORY GROUP

January 16, 2007

TWELFTH ANNUAL MEETING REPORT

CHAIR: Blake Tipton, S.M. Products (B.C.) Ltd., Canada
VICE CHAIR: Joe Kyle, Atka Pride Seafoods, United States

The Processors Advisory Group meeting was called to order at 2:45 pm by Blake Tipton. Attendees introduced themselves. Fifteen companies attended the PAG meetings this year, representing a majority of halibut bought and processed in Alaska, British Columbia, and Washington.

It was moved and seconded to name Blake Tipton as chair and Joe Kyle as vice chair. Motion passed with no opposition

CATCH LIMITS

Area 2A	1.02
Area 2B	9.72
Area 2C	7.81
Area 3A	26.01
Area 3B	12.83
Area 4A	3.98
Area 4B	1.97
<u>Area 4CDE</u>	<u>3.65</u>
TOTAL	66.97

The PAG supports staff recommendations for catch limits and emphasizes two points:

1. Our support for these limits assumes adherence to recreational sector limits established by the two governments, and
2. In the event those GHM limits are not adhered to, the PAG recommends that the 66.97 million pound TAC be reduced by area, based on the overage in each area.

Catch-sharing plans: Area 2A and 4CDE

The PAG supports this proposal

Season Dates

The PAG recommends a March 10 – November 10, 2007 season and reiterates our long-held preference for an opening date on a Saturday or Sunday. The importance of a Saturday or Sunday opening places halibut in the market for midweek sales and promotions. Tides are also more extreme the week before and have waned somewhat by the weekend of the 10th. Closing the season on the 10th of November allows the last deliveries to reach the market before it drops off during the week of the U.S. Thanksgiving holiday. There are also significant quality problems in November with chalky halibut.

Change the sport fishing possession limits in California.

PAG supports this proposal.

Reporting date for the CDQ managers for Area 4D and 4E.

PAG supports this proposal.

Careful release of halibut.

PAG supports this proposal.

Determining the minimum size of sport-caught halibut in Alaska.

PAG supported this proposal as it has on two previous occasions. The PAG supports a universal minimum size limit for all sectors of the halibut fishery. It would significantly reduce any possibility of a post-mortem high grading. The vote on this was eight in favor, 4 opposed.

Achieving sport harvest targets in Area 2B, 2C, and 3A.

The PAG supports the staff recommendations as published. The PAG recognizes there is a pending crisis with over-harvesting of the established sports/charter GHL in some of the regulatory areas and we applaud the IPHC staff for addressing this issue in their recommendations to the commission. Had the Commission staff not focused on this issue, very little progress would be made in 2007.

It's clear the GHL has been grossly exceeded in Areas 2B and 2C and it results in a de facto allocation from the commercial fleet to the sports/charter fleet. It's unfortunate that the industry sector, i.e. the commercial fleet, "taking the hit" is the one that has consistently controlled its annual harvest in all management areas. And in fact, in

Canada, one of the key guiding principles in fishery management is “fair and equitable treatment among all user groups.”

On the Canadian side, we heard from a DFO representative, and are encouraged that more timely data collection and the authority to regulate the sports fishery may go a long way to keep the sports TAC within its limits in Area 2B.

On the U.S. side, we recognize that the North Pacific Fisheries Management Council has proposed and passed solutions to this problem that have died somewhere along the way to implementation, but PAG continues to support the Council’s ongoing attempt to address sport charter regulations. The PAG also heard from representatives of the Alaska Department of Fish & Game that the state has no authority at this time to enforce any regulatory scheme affecting the charter industry.

This entire situation is extremely concerning to PAG since it seems, as we all expect to see in 2007, the GHL will be grossly exceeded in 2C and certainly exceeded in 3A. We find this likelihood unacceptable.

It is difficult to understand why the Pacific Fisheries Management Council, has established, implemented, enforced, and regulated the harvest of its 2A halibut quota through a catch-sharing plan for years using the NMFS and State Department of Fisheries management and enforcement mechanisms. The North Pacific Council has not.

For 2007, we support any action the Commission, DFO, NMFS and/or the State of Alaska can do to effectively manage to the sports/charter GHL.

INDUSTRY PROPOSALS

1. Trap-caught halibut (Canadian Sablefish Assn.)

PAG supports this proposal and Proposal #6 by the DFO, Retention of Halibut in Trap Gear. This is a housekeeping issue to deal with the Integrated Management Plan in Area 2B.

2. Opening date not before March 15.

PAG takes no position.

3. Prohibit filleting sport caught halibut at sea in Area 2C.

PAG takes no position.

4. Require circle hooks in Area 2C for Fishermen Using Natural Bait.

PAG takes no position.

5. Reduce Guided Sport Bag Limit in 2C and 3A

PAG takes no position action because of our earlier position on the staff proposal to achieve sports harvest targets obviates this.

Meeting was adjourned at 2:45 p.m.

INDUSTRY PARTICIPANTS

United States	Canada
Adak Fisheries	Aero Trading Co. Ltd.
APICDA J/V	Ocean Fisheries Ltd.
Arrowac Fisheries	S.M. Products (B.C.) Ltd.
Dana F. Besecker Co. Inc.	
E & E Foods	
Icicle Seafoods, Inc.	
Island Seafoods	
Northport Fisheries	
Peter Pan Seafoods, Inc.	
Select Fish	
Sitka Sound Seafoods (NPS)	
Trident Seafoods	