

PROCESSOR ADVISORY GROUP

January 19, 2005

TENTH ANNUAL MEETING REPORT

CHAIR: Blake Tipton, S.M. Products (B.C.) Ltd, Canada
VICE CHAIR: John Woodruff, Icicle Seafoods, Inc., U.S.

The Processors Advisory Group meeting was called to order at 2:45 p.m. by Blake Tipton, who was elected chair of the meeting and John Woodruff as vice-chair. Seventeen companies attended the PAG meetings this year that represent a clear majority of halibut bought and processed in Alaska, British Columbia and Washington.

CATCH LIMITS

Area 2A	1.33
Area 2B	13.25
Area 2C	10.93
Area 3A	25.47
Area 3B	13.15
Area 4A	3.44
Area 4B	2.26
<u>Area 4CDE</u>	<u>3.99</u>
TOTAL	73.82

By unanimous vote, the PAG supports the staff catch limit recommendations for 2005.

SEASON DATES

The PAG recommends a February 27 – October 31, 2005 season. These dates will allow fishermen to harvest black cod for the Golden Week markets and take into account the tide and moon cycles for better and safer fishing. The opening date will also facilitate the Sitka herring fishery and the Pacific cod fishery in Kodiak. Closing the fishery October 31 will avoid the more hazardous fishing conditions that generally exist in November and will better suit market demands.

The PAG recommends a Sunday opening in order to most efficiently move the first fish to the fresh market. The day of the week for the opening is an important consideration. The PAG for several years now has encouraged the IPHC to consider this matter when deciding the opening day of the week and we again request that the IPHC consider its importance when deciding the dates.

ALASKA FOOD COALITION

Trevor Jones and Julie Beatty met with the PAG to outline their proposal to retain halibut bycatch for distribution to food banks throughout Alaska. As in 2004, the PAG opposes the proposal by the Alaska Food Coalition for retaining halibut for distribution into a food bank system in Alaska. The proposal would not only result in an increased mortality rate, but also introduces potentially significant quality issues that could impact the marketplace. The IPHC and the halibut industry have been working to reduce trawl-caught bycatch and this proposal would shift the focus away from that effort. Furthermore, it is clear to the PAG that there is ample supply of other groundfish bycatch that could be used for this purpose.

Policy makers have designated halibut as a prohibited species and mandated its return to the sea. Until the government changes this designation and the system implementing it, the PAG is unwilling to jeopardize the halibut fishery.

We are also concerned that if proposals like this are approved, requests for similar programs are likely to be forthcoming. In 2004, the PAG made the same observation and suggested that the IPHC staff develop a framework for evaluating future requests. We respectfully repeat our recommendation; without a framework, a fair evaluation of proposals is impossible.

SUBSISTENCE MATTERS

The PAG heard a report of the 2003 subsistence fishery in Alaska from Dr. Fall of the ADF&G, and further input from Jane DiCosmo, NPFMC, and Jay Ginter, NMFS. We recognize that there is a huge potential for increased harvest and other abuses of the program. The downward trend of the halibut biomass and the potential for increases in the subsistence fishery cause serious concern.

While the PAG fully endorses traditional and customary use of halibut, the system as implemented last year, has the potential to far exceed those goals. Beyond those usages, the PAG believes that a 20 halibut-per-day-per person catch limit should be ratcheted down to a more realistic and relevant number.

Because a subsistence system is fraught with the potential for abuse, the PAG urges a proper data collection system that accounts for all removals, including appropriately frequent port sampling.

AREA 2A and 4CDE CATCH SHARING PLAN

The PAG voted to confirm the IPHC staff's endorsement for the catch sharing plan.

PROPOSED CHANGES TO THE IPHC REGULATIONS

ALLOW AREA 4C FISHING IN AREA 4D

The PAG took no position on this issue

RECOGNITION OF FIRST NATION'S FOOD FISHERY IN AREA 2B

The PAG took no position on this issue

PROHIBITION OF FILLETS ON BOARD A COMMERCIAL VESSEL

The PAG took no position on this issue

ADDITIONAL RECOMMENDATION

The PAG believes that it and the Conference Board would benefit from a short joint session of the two groups to exchange their perspectives of the proposals and other issues up for consideration. We suggest that the IPHC schedule this session for perhaps a couple of hours late the second morning of the Annual Meeting deliberations.

INDUSTRY PARTICIPANTS

Aero Trading Company Ltd.
Arrowac Fisheries, Inc.
Atka Pride Seafoods
Bellingham Cold Storage
Dana F. Besecker Co., Inc.
Halibut Association of North America
Hoonah Cold Storage
Icicle Seafoods, Inc.
Northern Products Corp.
Northport Fisheries, Inc.
Petersburg Fisheries
Peter Pan Seafoods, Inc.
Seward Fisheries
Resurrection Bay Seafoods
Seafood Producers Coop
S.M. Products (B.C.) Ltd.
WFM-Select Fish, Inc.

