

GROUND FISH ADVISORY SUBPANEL REPORT ON SABLEFISH GEAR SWITCHING - PRELIMINARY PREFERRED ALTERNATIVE

The Groundfish Advisory Subpanel (GAP) received updated information on the analyses and discussed the pros and cons of gear switching and how best to provide GAP perspectives to the Pacific Fishery Management Council (Council).

At this juncture, the GAP reached consensus that neither Alternative 1 nor 3 should be selected as the Preliminary Preferred Alternative (PPA). Instead, we believe the Council should concentrate on the Council's iPPAs (initial PPAs) of Alternative 2 and No Action.

However, that is where consensus ended, though we had a robust discussion in an attempt to further understand the nuances and perspective of the primary supporters of Alternative 2 and the supporters of the No Action alternative.

The GAP has, in the past, provided statements that include both perspectives. We again offer a statement that includes opposing viewpoints in the interest of making sure the Council is aware of the full range of perspectives. The GAP agrees this represents the most comprehensive way to provide divergent viewpoints.

We also provide links to our past GAP statements that may provide Council members with further background on how the GAP has developed comments regarding this issue over time.

Support for “No Action”

The fixed gear representatives on the GAP have presented numerous arguments in previous GAP statements as to why we support No Action as the preferred alternative. Many of those comments are summarized below. There is new information at this meeting from the Scientific and Statistical Committee (SSC) Economic Subcommittee (ESC) that helps verify and support our previous comments. There are also considerations the Council will take action on under Agenda Item E.5, Harvest Specifications and Management Measures, Part 1, that are material to the gear switching discussion, which we include now in our comments.

One of the primary arguments for restricting gear switching has been the trawlers were having trouble bidding for adequate amounts of sablefish to conduct their non-sablefish fisheries. The SSC ESC determined the following in their [Oct. 24, 2023 report](#).

“The summary of the vessel-level distribution of net revenue per pound of sablefish by vessel type (section 2.4.5(b)) raises questions that may warrant future investigation. A substantial portion of trawlers can generate a higher revenue per pound of sablefish than gear switchers, which seems to indicate that they could outbid gear switchers for quota pounds.”

This statement confirms the information reported to the Sablefish Management and Trawl Allocation Attainment Committee (SaMTAAC) that, should the other groundfish species increase

in value, trawlers would be more able to out-bid fixed gear operators for sablefish as the trawl total catch will be of a much higher value. This conclusion of the ESC eliminates an important assumption from those supporting restrictions on gear switching, in that the trawlers are being restricted in attaining higher harvest levels of non-sablefish species because they are being out-competed for sablefish.

Additionally, the ESC states:

“The subcommittee finds that the analysis is not conclusive regarding whether gear switching constrains harvest of non-sablefish species. The subcommittee finds that comparing effects between alternatives is problematic and hence whether limiting gear switching would substantially increase attainment of other trawl species is unclear.”

The analysis provided to the Council examined many factors that could restrain trawlers attaining their non-sablefish optimum yields (OY). The ESC made the following comment about the analysis relative to all the factors examined:

“The analysis is inconclusive regarding whether gear switching, or any other of these potential factors, has limited attainment of non-sablefish species.”

With regard to Agenda Item E.5, Harvest Specifications for 2025-2026, the Council will be discussing the P* for sablefish. The future acceptable biological catch (ABC) levels for sablefish, based either on a P*=0.40 or P*=0.45 harvest rate will result in a tripling of the sablefish ABC in 2025. The limited update assessment ([Agenda Item G.2, Attachment 16, September 2023](#)) also shows the harvest level in 2034 being 72 percent higher than that available in 2024. These new ABC levels make any argument that there is not enough sablefish to expand non-sablefish trawl species moot. In fact, it appears for 2023 both trawl and fixed gear allocations of sablefish will not be totally harvested, hence the 2023 ABC level is not restraining more trawl harvest of non-sablefish species.

Technical question:

Alternative 2 has a punitive element to it. It is unclear why qualifying gear switching entities under this alternative would see a decline in the flexibility associated with the quota share (QS) they purchased when they eventually sell their QS. They should be able to sell out the same way they bought in, which was based on the ability to use all of it for any gear rather than 29 percent any-gear, 71 percent trawl-only. The analysis does not explain how this particular element assists more delivery of non-sablefish species, since an overall limit of 29 percent to be gear switched is implied.

Concluding comment:

The analysis does suggest the trawl fisheries for other species are dependent on the fresh fish markets, which are limited largely to the West Coast and subjected to considerable competition from foreign whitefish imports as well as yellowfin sole from Alaska. One of the main restrictions to the lower coastal trawl fisheries in attaining higher non-sablefish OYs, in our opinion, is a lack of whitefish markets and competing whitefish imports.

Additionally, new information shows that the shortspine thornyhead ABC will drop significantly. If there is a single species that will restrict the Dover sole-thornyhead-sablefish (DTS) trawl fishery, it will be thornyheads, not sablefish. Should the Council proceed further to study the gear switching debate, we reference the following comment from the ESC. “Future analysis should be oriented towards devising specific tests of the hypothesis that gear switching limits attainment of non-sablefish species. The analysis should be organized such that specific results support or refute this hypothesis.”

Support for Alternative 2

Supporters of Alternative 2 recommend a PPA selection of Alternative 2, with quota pound Distribution Option 2.

No action should be rejected as the PPA for many reasons:

1. Unlimited fixed gear catch of trawl quota has been deemed as undesirable at every step in this process over years: When gear switching was the #1 issue out of the trawl catch shares program review, when unanimously agreed upon by both the Community Advisory Board (CAB) and the SaMTAAC (see SaMTAAC guiding principle B), and when a starting range from approximately 12.1 percent to 29 percent, was agreed upon by all but two Council members.
2. The “No action” alternative negates the 2017 control date and removes the deterrent it currently provides for those to purchase trawl QS for fixed gear.
3. The deterrent would be replaced with a large incentive for purchase of trawl QS for use with fixed gear because the limited entry fixed gear tier fishery has more constraints than the trawl fishery (low vessel limits, owner on board requirement). Also, there would be incentive to buy QS before a future control date would be set.
4. If the control date is negated, there would be incentive to start over building fixed gear fishing history in the trawl fishery, especially in conjunction with QS ownership. People in fisheries understand well the history building incentive.
5. Gear switching and sablefish has been constraining, particularly from 2011-2017 and in 2022. Stock biomass and associated allocations will rise and fall. “No action” allows for and incentivizes quota share outflow to fixed gear so that when allocations fall again, there could be an even larger constraint than there was in 2011-2017.
6. Given the previous point, “No action” would negatively affect the investment, planning, and market landscape for processors. Brick-and-mortar processors that anchor community infrastructure and are trawl-dependent are a vastly underappreciated necessity in this conversation. As they go, so go our fishing communities.
7. Given the previous points, “No action” does not address the purpose and need of the gear switching action. In fact, “No action” likely negatively impacts the problem it is supposed to solve.

8. Previous points all demonstrate why “No action” would have likely large negative consequences even though the sablefish stock is increasing. Also, choosing “No action” now only to be forced to re-establish a control date in the future, after more QS has gone to fixed gear and the stock biomass decreases, just to start a process like the one we have been in for the last seven-plus years is unwise. Most importantly, the trawl sector needs help now. Trawl fisheries need to have management structure and certainty into the future. Our communities need help now. The current structure does not support achievement of optimum yield or sustained participation of communities.

Alternative 2 discussion:

1. Choosing Alternative 2 would avoid the negative points listed above that would result from choosing “No action,” and give fishery participants the structure and certainty to plan and execute their fishing plans. This includes trawl processors that have capital intensive business that require multi-decade planning and groundfish markets that take time to develop.
2. Sablefish is the biggest key species for bottom trawl viability, targeting efficiency, and capacity, because it is intermingled across other species and it is an important economic component. Bottom trawlers need to put together a rough yearly plan and a shopping list each trip that an individual fisherman’s processor wants and can be executed to be financially viable. Sablefish is impactful to these plans even now, in times of higher sablefish stock biomass, like in 2023. Sablefish was critically important to these plans in times of lower abundance of 2011-2017 and impacted decisions on a trip-to-trip basis (introducing variability and uncertainty to business plans). Alternative 2 provides certainty of a limit, particularly when the stock biomass (and related allocations) goes back down and prevents an even worse situation than 2011-2017.
3. Benefits of Alternative 2, Quota Pound Distribution Option 2 over Option 1: It would provide greater capacity for the fishery to achieve OY and provide for the sustained participation of fishing communities.
4. There was some disappointment in the current analysis that the full range of Alternative 2 (approximately 6.5 percent to 29 percent) was not included. It would be good to include this range in the forthcoming analysis in order to: 1) allow full consideration of a varied range as required by the National Environmental Policy Act; and 2) Allows for Council in March to consider the range and any number in the range and the impact on capacity to achieve OY and positively affect national standards.
5. Alternative 2’s implementation impact to fixed gear could be mitigated by several factors: 1) Sablefish stock biomass increases; 2) Low gear switching participation: Fixed gear catch of trawl sablefish north quota averaged 22 percent in 2020-2022, should be in the range of 16 percent in 2023, and is on pace to be below 10 percent starting in 2025; and 3) limited entry fixed gear program modifications could be made to keep ownership and control limit at 3 tiers but allow a higher vessel limit to facilitate leasing opportunity and increased individual and overall attainment.

Past GAP reports on gear switching, for reference:

June 2017 GAP Report

https://www.pcouncil.org/documents/2017/06/f2c_sup_gap_rpt_jun2017bb.pdf/

March 2018 GAP Report

<https://www.pcouncil.org/documents/2018/03/agenda-item-h-2-a-supplemental-gap-report-1.pdf/>

September 2020 (after Sablefish Management and Trawl Allocation Attainment Committee)

<https://www.pcouncil.org/documents/2020/09/d-1-a-supplemental-gap-report-1.pdf/>

April 2021 GAP Report

<https://www.pcouncil.org/documents/2021/04/f-4-a-supplemental-gap-report-1-2.pdf/>

September 2021 GAP Report

<https://www.pcouncil.org/documents/2021/09/c-5-a-supplemental-gap-report-1-2.pdf/>

November 2022 GAP Report:

<https://www.pcouncil.org/documents/2022/11/h-3-a-supplemental-gap-report-1-5.pdf/>

April 2023 GAP Report 1 (advanced Briefing Book):

<https://www.pcouncil.org/documents/2023/03/g-5-a-gap-report-1.pdf/>

April 2023 Supplemental GAP Report 2:

<https://www.pcouncil.org/documents/2023/04/g-5-a-supplemental-gap-report-2.pdf/>

June 2023 GAP Report

<https://www.pcouncil.org/documents/2023/06/h-2-a-supplemental-gap-report-1-5.pdf/>

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