

SCIENTIFIC AND STATISTICAL COMMITTEE REPORT
ON SABLEFISH GEAR SWITCHING – PRELIMINARY PREFERRED ALTERNATIVE

The Scientific and Statistical Committee (SSC) discussed the “Analysis to Inform Selection of an Initial Preliminary Preferred Alternative for Sablefish Gear Switching” (Agenda Item E.4, Revised Attachment 3). The SSC received a summary of the SSC Economics Subcommittee’s (ESC) review of the analysis. The SSC also received an update from Jim Seger (PFMC) regarding a new document summarizing the analysis (Agenda Item E.4, Supplemental Attachment 4). The SSC appreciates the considerable amount of information in the analysis and the efforts of the analysts to complete the report.

The analysis provides estimates of the potential impacts of limiting the use of non-trawl gear to target sablefish (i.e., gear switching) by groundfish individual fishing quota (IFQ) participants. The estimated impacts depend on whether gear switching constrains the attainment of trawl allocations for non-sablefish species. This question was the primary focus of discussions by the ESC and the review by the full SSC. The analysis is inconclusive regarding whether gear switching has or will limit the attainment of non-sablefish species by the trawl fishery.

The SSC agrees with the recommendations of the ESC and has the following additional comments:

- Sablefish catch limits will likely increase substantially in the near future. This provides an opportunity to observe whether there are improvements in the attainment of trawl allocations when sablefish pounds are not constraining.
- The analysis indicates that trawlers earn higher net revenues per pound of sablefish (on average) than gear switchers, suggesting that they could outbid gear switchers for sablefish quota pounds. However, since they do not outbid gear switchers, it implies that net revenues generated with additional quota pounds may be lower for trawlers than gear switchers. There is some evidence that a limited market for fresh Dover sole may explain this, as fish destined for the frozen market generally receive lower prices. Future analysis could examine this possibility by analyzing the potential price of additional Dover sole landings, determining the break-even price at which trawlers would no longer have higher net revenues (per pound of sablefish) than gear switchers, and comparing these prices to those received in the past by Dover sole going to frozen markets.