

## GROUND FISH ADVISORY SUBPANEL REPORT ON FINAL TRAWL COST PROJECT REPORT

The Groundfish Advisory Subpanel (GAP) received a presentation on the findings in the final report from Phase 2 of the cost project and recommends the Pacific Fishery Management Council (Council) accept the final report as complete. However, we offer a few thoughts for Council consideration as this report could inform decisions made regarding follow-on actions under the catch share program review.

For Economic Data Collection (EDC) Program costs, the GAP questions the methods used to determine wage rates<sup>1</sup>, and therefore total direct program costs to industry for completing the EDC forms. If follow-on actions to the trawl program review include changes to EDC, the GAP recommends additional attention to how the total costs are derived.

The GAP discussed that we have 13 years of post-implementation EDC collections, which is one of the most detailed economic data collections in the country. While the cost project report did not analyze options we would have wanted to consider (reduced EDC or aligning it with the program reviews), it provided a good initial assessment of tradeoffs. We suggest that additional examination of EDC data, costs, and implications to program performance be explored in the trawl catch share review.

One other item that came up during the GAP discussion was how cost recovery is apportioned for processing catcher vessel EDCs where respondents participate in both the shorebased individual fishing quota sector and the mothership sector. While cost recovery is not directly related to the analysis conducted in this agenda item, the GAP requests clarification on the method to which cost recovery is charged to each sector, since the answer to this question has potential to disproportionately impact the cost recovery fees for mothership sector participants.

The GAP appreciates the focus on program costs. Program participants have struggled with significant and increasing program costs. In addition, significant inflation in the cost of operations and challenging market conditions have been additional burdens, both exacerbated since the onset of the 2020 pandemic. This final report will help inform considerations and decisions in the Trawl Catch Share Program Review.

PFMC  
09/20/24

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<sup>1</sup> From [Schedule A of OMB Control Number 0648-0618](#): *The average hourly wage rate was obtained from the 2018 catcher vessel and first receiver and shorebased processor surveys. To calculate the wage rate for the catcher vessel forms, the average annual captain payment was divided by 2080 hours. For mothership, catcher-processor, and first receiver/shorebased processor forms, the total payments to “non-production employees” was pulled from the first receiver/shorebased processor forms, divided by the number of employees, and divided by 2080 hours. The first receiver/shorebased processor wage rate was used for catcher-processors and motherships because it is unlikely an employee that works on the vessel filled out the form and the forms do not collect off-vessel costs. Finally, an average of the catcher vessel and first receiver/shorebased processor wage rates was used to calculate the rate for the quota share owner form because those forms are completed by a combination of vessel owners/captains and shorebased companies.*