

Perspectives From the Wheelhouse

Presented to the U.S. Oceans Policy Commission

August 21, 2002

Jay E. Stinson
President, Alaska Dragers Association
Kodiak, Alaska

Mr. Chairman, Members of the Commission,

I am Jay Stinson, the Owner/Operator of the F/V Alaskan, a 73-foot commercial fishing vessel home-ported in Kodiak, Alaska. I will try to give you some perspective of coastal Alaska and its marine environs, as I perceive them.

Alaska's challenges and issues regarding Ocean Policy are different than those regarding much of the rest of the nation. Urban sprawl, pollution and contaminants, habitat degradation, management allowing overfishing of stocks, and just plain too many people impacting marine habitat is epidemic in many coastal regions of the United States. Those issues are not as immediately critical to Alaska. What is important, is maintaining the current health, viability and sustainability of our marine resources, conserving habitat and nurturing the economic vitality of our communities that rely on those resources. We need to develop and refine a better and more comprehensive understanding of the natural environmental and ecological systems that are our oceans. Policy that allows access to the resource is vital to the people that have historically relied on the bounty of the oceans.

The state of Alaska has an ocean coastline of 5,770 nautical miles, slightly less than the combined total of the other 49 states. The surprising figure though, is the 29,500 miles of tidal shoreline that surround the state. Paradoxically, Alaska's resident population of less than 600,000 is approximately only 2 tenths of one percent of the total U.S. population; more than one half of which live in the greater Anchorage area.

The commercial fishing industry is the largest private employment sector in the state with an ex-vessel value of over \$1 billion and an average wholesale value of more than \$2.5 billion dollars in 2001. Alaska fisheries harvest would rank 12th in the world if Alaska were an independent country. Commercial fishing is the life-blood of the coastal communities of Alaska. Tax revenues from fisheries resources fund schools, local government and essential services for most of our coastal communities.

Our fish stocks are conservatively managed and allowing for normal environmental fluctuations and cyclic population dynamics are some of the healthiest and most viable native fish stocks in the world. Of the 63 species of Groundfish managed under federal Fisheries Management Plans in Alaska, none are listed as over fished and none of their populations are threatened (NMFS 1999). Only three species of crab have been listed as overfished. Our state managed salmon stocks are regarded as the most viable and healthy natural populations in the world.

I have just finished a two-week research charter circumnavigating Kodiak Island completing nearly 1,000 miles of hydroacoustic transects. Dr. Foy of the University of Alaska Fairbanks, Fisheries Industrial Technology Center chartered the F/V Alaskan. Using hydroacoustic equipment, plankton nets, a midwater trawl, a surface temperature and salinity recorder, and a CTD recorder, we assessed a significant portion of the near shore and inner bay habitat areas of Kodiak Island. Much of this area has been designated as Critical Habitat for the Steller Sea Lion.

This type of work is fundamental to the actual development of “ecosystem based” management concepts. However, this concept is still in the early stages of being a discrete fisheries management tool. As of yet, we do not have the ability to integrate physical oceanography, meteorology, habitat concerns, energetics, trophic efficiencies, relative survivalship of competing species, essential fish habitat, life history bottlenecks, and other socio-economic management concerns into a single comprehensive management model. The complexity and breadth of these ecological relationships is overwhelming. The range of variables is daunting. But all of these concerns need to be considered in a prudent, conservative and sustainable approach to fisheries management.

This task becomes no less complicated with the acknowledgement that humans are and have been for thousands of years, an integral component of the marine ecosystem. Sustainable fisheries management must include regard for the health and vitality of our nation’s fisheries dependant coastal communities. Forces originating outside of Alaska are currently threatening the preservation of cultural values and knowledge unique to coastal Alaska communities. It is critical that Alaska be recognized as a leader in developing not only the most respected management system in the nation, but also a balanced approach to sustainable fisheries harvest. Future oceans policy should foster this balanced approach to conservation and utilization of our oceans resources for the greatest overall benefit to the nation.

That said, I will attempt to address some of the issues listed under Living Marine Resources as outlined in the Ocean Policy Topics and Issues document.

Management by Litigation:

Litigation is driving the National Marine Fisheries Service to fast track severe management restrictions on Alaskan fishermen. The Environmental Industry’s legal challenges under Endangered Species Act, National Environmental Policies Act and Essential Fish Habitat are creating an extremely unstable regulatory and fiscal environment for harvesters, processors and Alaska’s fishing dependent coastal communities.

Management by litigation is detrimental to both the resource and communities that depend on those resources for several reasons. First, the science needed to manage the resource becomes biased. The process of legal discovery replaces open, transparent, peer reviewed research. Defensive or strategic research is pursued with a predetermined conclusion in mind. Legal exposure overrides biological process. Under current legal and regulatory process, the burden of proof lies with the stakeholders; not the litigants or the agencies. Closed litigious negotiations also disenfranchise the communities and stakeholders from the policy decision process.

One of the examples of this process lies in the enforcement of the Endangered Species Act inconsistent with the principles and national standards of the Magnuson-Stevens Act. Following the finding of jeopardy contained in the Nov 2000 Biological Opinion on Steller Sea Lions, the Office of Protected Resources, based on speculation and indirect correlations, instituted new RPAs that increased bycatch, disenfranchised certain sectors

of the historic fishing community, disregarded concerns for human safety, while creating direct economic cost to affected communities, industry, and taxpayers that to date have exceeded \$250 million dollars with no discernible impact on any observed recovery of the Western Stock of Stellar Sea Lions.

Current agency philosophy seems to be using the Endangered Species Act and potentially the Marine Protected Areas Executive Order, and to a lesser extent, the Essential Fish Habitat clause of the Magnuson-Stevens Act not to protect specific species but rather to create large blue zoos. These policies have the potential to be used inappropriately to carry out a greater environmental agenda to create a marine environment void of human interaction. This concept, harbored by parts of the environmental movement is unrealistic given that humans are a natural keystone species in the marine ecosystem. This is not to say that resource users do not understand the need for conservative use; rather that managers should incorporate a balanced approach to resource access and regulation when developing marine resource policy.

Ecosystem Based Management:

As much as we may like, we cannot manage ecosystems. “Ecosystem management” as listed in the oceans policy topics and issues is inappropriate. A better term would be “ecosystem *based* management” plans or structures. Whether we choose to promote a “bottom-up”, “top-down” or a “middle-out” approach to multi-species or ecosystem based management plans, the information base and associated expertise will need to be increased substantially. Inter-disciplinary and inter-agency research collaboration will be required to effectively integrate fisheries management, oceanography, fisheries ecology, marine habitat, meteorology, environmental toxicology, as well as initiating long term regional monitoring plans. Applied fisheries and marine research needs to include collaboration with the commercial fishing industry.

Rationalization and Rights Based Fisheries Management:

After more than thirty years on the water, one of the certainties on which I can depend, is that sooner or later everything changes. Harvesters and communities should be allowed the ability to adapt to changing conditions.

For fisheries to remain viable and sustainable, they need to be attractive to long-term investment. Currently many of our fisheries are not. The state-managed Alaska salmon industry is not doing well; not for lack of fish, but because it is less economically efficient than foreign and domestic farmed salmon operations. The Bering Sea AFA co-ops and the Halibut/Sablefish IFQ program, while viewed by some as less than equitable in design are very successful in meeting their intended fisheries management objectives. They have also increased the overall value of the resource. However, both programs are economically marginalizing non-rationalized fisheries, such as the Gulf of Alaska groundfish fisheries.

Fisheries and marine resource management has undergone substantial evolution during the past several decades. Despite this positive transformation, traditional management tools do not address issues of overcapitalization or community stability. The general

objective of fisheries management is to conserve marine resources and maximize sustainable benefits to the nation. Quota based management systems limit fisheries harvest but result in promoting a “Race for Fish”. This situation inherent in many of our current seasonal or quota-based fisheries do not allow fishermen or managers to effectively deal with:

- Minimizing discards and bycatch
- Understanding the true impacts of fishing practices on benthic habitat
- The identification of mitigation strategies to ameliorate impacts
- Disproportional impacts of Protected Species Management
- Safety at sea,
- The socio-economic and cultural stability of coastal communities.

Rights based fisheries management would allow industry and managers a broader suite of tools to reconcile these issues.

Rationalization of our fisheries may include several conflicting objectives. While we may implement more restrictive fisheries management plans, their success should include the consideration of allowing for new future entrants. Industry supported vessel buy-back programs need to be weighed in concert with changing technologies. Vessel replacement incentives may include more energy efficient propulsion systems, safer and more efficient hull designs, increased labor efficiencies and improved fisheries product quality. Fleets need the ability to adapt to changing ecological regimes and economic conditions.

IFQs should be a fisheries management tool suited to the particular needs of a specific fishery in a given region. Admittedly, Alaska may be somewhat unique in that we have already implemented several fisheries rationalization programs dealing with different management objectives.

Several criteria need to be in place for an IFQ program to be initiated. First, a discrete universe of historic participants needs to be defined. A quota management system needs to be in place. Observer programs need to be structured into any rationalization program in order to collect fisheries data and monitor the fishery.

The difficulty in developing National Standards for Rights-Based fisheries lies in the fact that “one size does not fit all”. Alaska is different geographically, culturally, and ecologically from New England, the Mid-Atlantic, or the Western Pacific. We need regional programs that best fit local needs and the regional councils are ideally suited to develop and tailor these programs.

My most immediate and overwhelming concern is for the continued health and sustainability of our fisheries resources, and the sustained viability of Alaska’s fisheries dependent communities. In light of the effects of farmed salmon on Alaska’s wild salmon industry, more restrictive agency regulations driven by politically inspired litigation and the impacts of AFA on the Gulf of Alaska’s groundfish industry, it is necessary to look at management options such as IFQs that could allow the fishing industry to meet ever increasing regulatory demands and still remain fiscally viable.

Creation of a National Fisheries Observer Program:

Alaska has a very functional and in most regards successful fisheries observer program. This program quite effectively monitors all of our federally managed directed fisheries for harvest and bycatch rates. Additionally, they monitor compliance with fisheries regulations, gear types, fishing areas, and well as Marine Pollution regulations and vessel safety requirements.

While some vessels incur observer costs of less than one half of one percent of their gross fishing revenues, smaller vessels may have observer costs that exceed 10 percent of their revenues, while other vessels incur no cost at all.

Careful thought should go into developing equitable and cost effective observer programs that are supported by the majority of the affected participants. An observer program should not be designed as an unfair tax to disproportionately impact certain segments of the industry. Nor should it be unduly burdensome on the harvester.

Mr. Chairman, I'll end by summarizing five import points:

- **Sustainable Fisheries are vital to Alaskan communities. Alaska's issues and needs are different than those in other areas of the nation. Access to well managed resources is paramount to the vitality of Alaska's coastal communities.**
- **Management by litigation does not encourage credible science. The level of science required for ESA is not consistent with traditional academic research which encourages transparency and peer review. Intra-agency consultation and review creates a bias perspective. Policy developed by ESA and the MMPA are not consistent with the National standards of the Magnuson-Stevens Act.**
- **Ecosystem Based Management Plans must include people. Ecosystem based management considerations, including socio-economic implications and traditional knowledge need to be incorporated into regional FMP's. However, given our current information base and technologies, comprehensive ecosystem based management structures would currently be too complex to be effectively implemented and administered.**
- **Rights Based Fisheries management would allow harvester and managers additional tools to meet increasing regulatory mandates. Federal fisheries in the Gulf of Alaska are being economically marginalized by entities with a more efficient market structure combined with the cumulative effects of severe environmental regulation that constrains our ability to operate. IFQs, co-ops or other forms of rights based management will encourage harvesters, processors, and fishing dependant coastal communities to invest in the long term vision of sustainable fisheries in Alaska to the overall benefit of the nation.**

- **A national fisheries observer program should be instituted, based on an equitable cost structure, regional needs and the information requirements of specific fisheries.**

Thank you for your consideration.