

(Correction to p 7 of RC 13)

RC 21

Permits Fished, Harvests, and Estimated Gross Earnings

Tables 6 and 7 show the number of permits used to record landings in the set and drift gillnet fisheries, along with total harvests and estimated gross earnings by residency of the year-end permit holder. Earnings are shown in both nominal and real (inflation-adjusted) dollars. Adjusting earnings for inflation provides a way to standardize and easily compare earnings between years. The annual number of permits renewed and permits fished is also shown. The tables contain figures for 1975 through 2011.

Figures for renewed permits include renewals of interim-entry permits, as well as permanent permits. Interim-entry permits are issued to individuals during the period when their applications for permanent permits are in adjudications. As of 2011, there are no interim-entry permits in either fishery. The last interim-entry permit to be issued in the drift gillnet fishery was 2007. The last interim-entry permit in the set gillnet fishery was issued in 2004.

Each year, the number of permits renewed is greater than the number used to record landings. CFEC regulations require persons to renew their limited entry permits annually, irrespective of whether the person actually fishes.

The figures contained in the 'permits fished' column (Tables 6 and 7) should be viewed with caution. Many permits are renewed and actively used in the fishery, but are not used to record landings. These permits would not be counted in the 'permits fished' column. This situation is common in the set gillnet fishery for two separate reasons. The first is when groups of individual permit holders (friends or family) fish together, they may record their landings on only one, or some, of the group's permits. Although this practice is unlawful, it still occurs.⁶ The second reason for possible undercounting deals with 'stacked permit operations' (a single permit holder who holds two set gillnet permits). Stacked permit operations have been in effect for the 2010-2012 fishing seasons and allow an individual with two set gillnet permits to fish two full complements of gear.⁷ A 'stacked permit operation' might record landings on only one permit. This practice is lawful, but makes an accurate accounting of 'permits fished' difficult. As a separate issue, in the drift gillnet fishery, the Board of Fisheries passed regulations that authorized two permit holders to fish concurrently on one vessel and to increase the vessel's total allowable amount of gillnet from 150 to 200 fathoms.⁸ These 'dual permit operations' began fishing in the 2004 season. When these dual permit operations make landings, it is often the case that the harvest is only recorded on one permit. As a result of the undercounting of 'permits fished', average earnings calculations may overestimate the returns to a residency group if the group contains many dual or stacked permit operations that only record harvests on one permit instead of two. This should be taken into account when making inter-residency comparisons of average earnings. In addition to these common situations, there are probably other occurrences where permits were used in the fishery, but do not show up on fish tickets.

⁶ See AS 16.05.680 (b) and AS 16.05.690 (b).

⁷ See 5 ACC 06.331 (u).

⁸ See 5 ACC 06.333 and CFEC Report No. 09-6N, *Bristol Bay Salmon Drift Gillnet Two-Permit Operations: Preliminary Estimates from 2009 District Registration Data*.