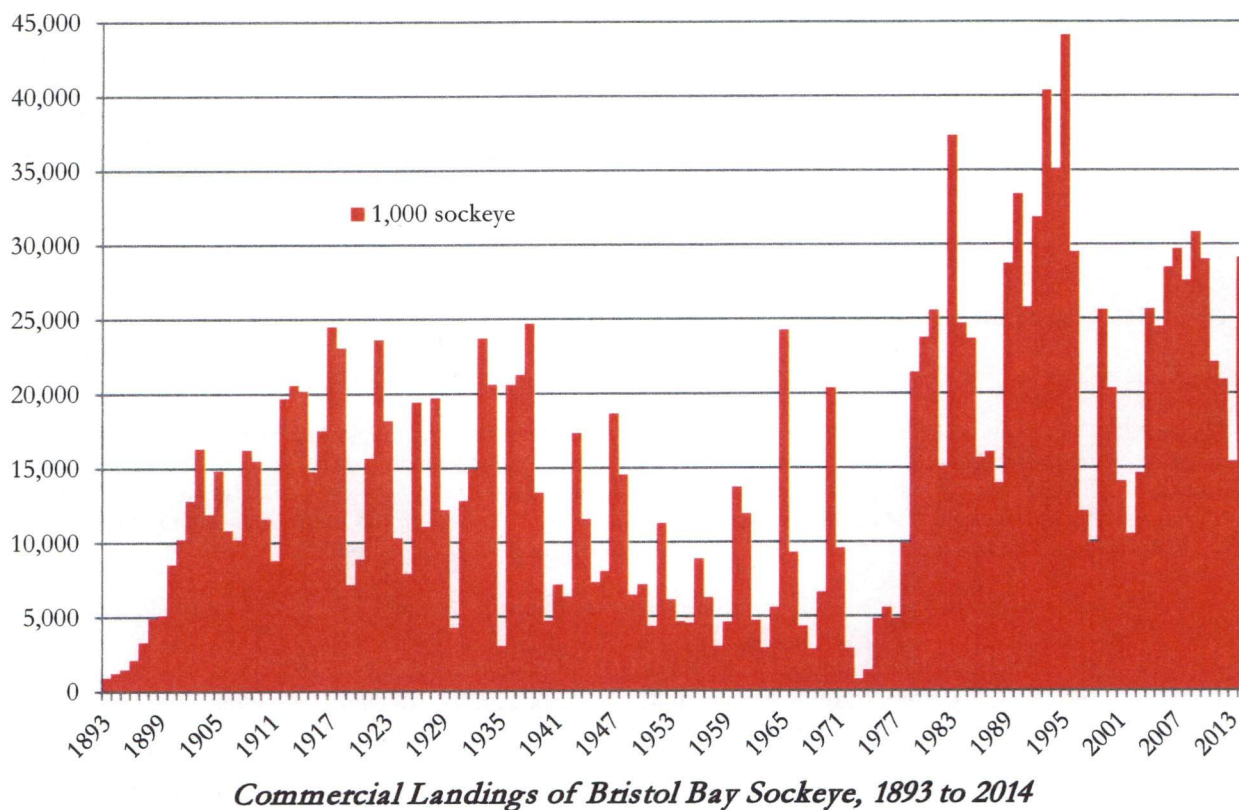


CFEC Permit Holdings and Estimates of Gross Earnings in the Bristol Bay Commercial Salmon Fisheries, 1975-2014



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Abstract

Limited entry permit holdings in both of the Bristol Bay salmon fisheries are examined: The Bristol Bay salmon drift gillnet fishery is first, followed by a separate examination of the Bristol Bay salmon set gillnet fishery. This report includes summary statistics on the number of permits held, permanent and emergency transfers of permits, permit value, permit latency, new entrants in the fisheries, permit holder median age, estimated gross earnings, dual permit operations, permit stacking, and Department of Natural Resource shore fishery leases in Bristol Bay. Some summary statistics are also broken out by resident type. A description of the computer files and methods used to generate the statistics are provided.

The figure on the cover depicts number of commercially landed sockeye salmon (*Oncorhynchus nerka*) from two sources: 1893 – 1974 data figures are from the ADF&G Regional Information Report No. 5J99-05 for 1893 to 1974, and ADF&G fish tickets provided the 1975 – 2014 numbers.

Prepared by Marcus Gho

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Contents

Introduction	1
Description of the Data Files Used to Generate This Report.....	2
CFEC Gross Earnings File	2
CFEC Permit File	2
CFEC Census File	2
ADF&G Bristol Bay Vessel Registration Data	3
DNR Shore Fishery Lease Data File	3
Bristol Bay Salmon Drift Gillnet Fishery	4
S03T Permit Holdings.....	4
Transfers of S03T Permits.....	5
S03T Permit Value.....	6
Emergency Transfers of S03T Permits	7
Latent S03T Permits	8
New Entrants into the Bristol Bay Salmon Drift Gillnet Fishery.....	9
Age of S03T Permit Holders.....	10
S03T Dual Permit Operations	11-15
Participation and Earnings	16-18
Bristol Bay Salmon Set Gillnet Fishery	19
S04T Permit Holdings.....	19
Transfers of S04T Permits.....	20
S04T Permit Value.....	21
Emergency Transfers of S04T Permits	22
DNR Shore Fishery Leases in the Bristol Bay Set Gillnet Fishery	23
Latent S04T Permits	24
New Entrants in the Bristol Bay Salmon Set Gillnet Fishery	25
Age of S04T Permit Holders.....	26
S04T Permit Stacking	27-28
Participation and Earnings	29-31
Appendix A. Dual and Stacking Regulations	32-33
Appendix B. Locations of DNR Shore Fishery Leases in Bristol Bay.....	34-38

List of Figures

Figure 1. Use of Emergency Transfer Permits in the Bristol Bay Drift Gillnet Fishery	7
Figure 2. Bristol Bay Salmon Drift Gillnet Permit Latency	8
Figure 3. New Entrants into the Bristol Bay Drift Gillnet Fishery	9
Figure 4. Bristol Bay Drift Gillnet Permit Landings by Operation Type, 2004 - 2014	11
Figure 5. Estimated Nominal and Real Average Ex-vessel Earnings Per Bristol Bay Drift Gillnet Permit	16
Figure 6. Use of Emergency Transfer Permits in the Bristol Bay Set Gillnet Fishery.....	22
Figure 7. New Entrance Rate into the Bristol Bay Set Gillnet Fishery	25
Figure 8. Estimated Nominal and Real Average Ex-vessel Earnings Per Bristol Bay Set Gillnet Permit.....	29

List of Tables

Table 1. Percent of Total Ex-vessel Value of Bristol Bay Salmon Fisheries by Species, 1975-2014	1
Table 2. Communities Local to the Bristol Bay Salmon Fisheries, as Indicated in the CFEC Census File.....	2
Table 3. Initial Issuance and Year-end 2014 Totals of Bristol Bay Drift Gillnet Permits, With Net Changes Due to Permit Transfers, Migrations, and Cancellations, by Resident Type	4
Table 4. Transfer Acquisition Methods for Permits in Select Fisheries, 1980-2014.....	5
Table 5. Relationships of Transferor to Transfer Recipients for Permits in Select Fisheries, 1980-2014.....	5
Table 6. CFEC Estimated Value of Bristol Bay Salmon Drift Gillnet Permits.....	6
Table 7. Use of Emergency Transfer Permits in the Bristol Bay Drift Gillnet Fishery	7
Table 8. Bristol Bay Salmon Drift Gillnet Permit Latency.....	8
Table 9. New Entrants into the Bristol Bay Drift Gillnet Fishery.....	9
Table 10. Median Age of S03T and Select CFEC Permit Holders	10
Table 11. Use of Emergency Transfer Permits in Dual Operations	12
Table 12. Residence Type of Individuals in Dual Permit Operations.....	12
Table 13. Earnings of S03T Permit Holders by Resident and Operation Type	13-15
Table 14. Estimated Total Ex-vessel Earnings (Real and Nominal) for the Bristol Bay Salmon Drift Gillnet Fishery, With Average Real Earnings by Permit and Vessel.....	17
Table 15. S03T Earnings by District.....	18
Table 16. Initial Issuance and Year-end 2014 Totals of Bristol Bay Set Gillnet Permits, With Net Changes Due to Permit Transfers, Migrations, and Cancellations, by Resident Type	19
Table 17. Year-end Counts of Interim Entry and Permanent Permits in the Bristol Bay Salmon Set Gillnet Fishery.....	19
Table 18. Transfer Acquisition Methods for Permits in Select Fisheries, 1980-2014.....	20
Table 19. Relationships of Transferor to Transfer Recipients for Permits in Select Fisheries, 1980-2014.....	20
Table 20. CFEC Estimated Value of S04T Permits	21
Table 21. Use of Emergency Transfer Permits in the Bristol Bay Set Gillnet Fishery.....	22
Table 22. Bristol Bay Set Gillnet DNR Shore Fishery Leases by District.....	23
Table 23. Bristol Bay Set Gillnet Permit Latency	24
Table 24. New Entrants into the Bristol Bay Set Gillnet Fishery	25
Table 25. Median Age of S04T and Select CFEC Permit Holders.....	26
Table 26. Single and Stacked Permit Operations by Resident Type.....	27
Table 27. Transfer Acquisition Method for the Second S04T Permit	27
Table 28. Source of the Second S04T Permit	27
Table 29. Bristol Bay Salmon Set Gillnet Participation, Effort, and Earnings by Operation and Resident Type, 2010-2012.....	28
Table 30. Bristol Set Gillnet Permits and Estimated Total Gross Earnings (Real and Nominal) by Permit.....	30
Table 31. S04T Earnings by District.....	31

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Introduction

This report was prepared by the Commercial Fisheries Entry Commission to provide an overview of limited entry permit holdings and estimated gross earnings in the Bristol Bay commercial salmon fisheries.

Commercial fishing in Bristol Bay has been documented as far back as 1884.¹ Historically, many gear types have been employed to commercially catch salmon, including fish traps, set gillnets, and drift gillnets.

In 1972, Alaskan voters amended the state constitution to allow limited entry in the state's commercial fisheries. Following the amendment, in 1973 the Alaska State Legislature enacted the Limited Entry Act (AS 16.43), giving the Commercial Fisheries Entry Commission (CFEC) the authority to administer the program. Permit fisheries are defined by CFEC as a specific gear type for a fishery resource within a defined administrative area.

The Bristol Bay salmon permit fisheries were part of the original group of 19 salmon fisheries that were limited in 1974. For Bristol Bay, limited entry salmon permits were first issued in 1975 for drift gillnet (S03T), and set gillnet (S04T).

The majority of ex-vessel value for the Bristol Bay salmon fisheries comes from sockeye salmon, as illustrated in Table 1.

Table 1. Percent of Total Ex-vessel Value of Bristol Bay Salmon Fisheries by Species, 1975-2014

Species	Drift Gillnet	Set Gillnet
<i>Chinook</i>	1.6%	0.9%
<i>sockeye</i>	95.1%	96.1%
<i>coho</i>	0.7%	1.5%
<i>pink</i>	0.6%	0.5%
<i>chum</i>	2.1%	1.0%

¹ See *Alaska's Commercial Salmon Catches, 1878-1997*. ADF&G RIR No. 5J99-05.

Description of the Data Files Used to Generate This Report

Five data files were used to generate the statistics in this report: the CFEC gross earnings file, the CFEC permit file, the CFEC Census file, Alaska Department of Fish and Game (ADF&G) Bristol Bay vessel registration file, and the Alaska Department of Natural Resources (DNR) shore fishery lease file. CFEC datasets were created from the ADF&G and DNR datasets. In addition to these files, a shape file from the DNR was combined with geographic information systems to create a map depicting set gillnet sites that have active DNR shore fishery leases. The most recent updated data is included in this report. The following is a brief description of each file. Please contact CFEC for more detail about these files if you are interested.

CFEC Gross Earnings File

The CFEC gross earnings file is based on ADF&G fish tickets and is enhanced with CFEC permit holder data. The ex-vessel value for salmon in the CFEC gross earnings file largely come from the Commercial Operators Annual Report, ADF&G fish tickets, and was enhanced by additional information provided by processors.

CFEC Permit File

The CFEC permit file contains data on persons who hold or have held CFEC permits. It originates from CFEC permit renewal and permit transfer forms. The permit data file contains a field indicating the declared residency of permit holders as well as their addresses.

In this report, resident status is broken into three resident types:

- **Alaska Locals** – permits held by persons residing locally to the Bristol Bay ADF&G management area
- **Alaska Nonlocals** – permits held by persons who reside in Alaska outside of Bristol Bay ADF&G management area
- **Nonresidents** – permits held by nonresidents of Alaska

CFEC Census File

CFEC maintains a computer file of places within Alaska where permit holders reside. Each community is annotated with information on its rural or urban status using U.S. Census Bureau criteria. Table 2 shows the places that are currently designated as local to the Bristol Bay salmon fisheries in the 2010 CFEC Census File.

Table 2. Communities Local to the Bristol Bay Salmon Fisheries, as Indicated in the CFEC Census File

Aleknagik	Igiugig	Kvichak	Nunachuak	South Naknek
Cape Newenham	Igushik	Levelock	Nushagak	Togiak
Clarks Point	Iliamna	Manokotak	Pedro Bay	Twin Hills
Dillingham	Kashiagamiut	Nakeen	Pilot Point	Ugashik
Egegik	King Salmon	Naknek	Pope-Vannoy Ldg	Ungalikthluk
Ekuk	Koggiung	New Stuyahok	Port Alsworth	
Ekwok	Kokhanok	Newhalen	Port Heiden	
Hallersville	Koliganek	Nondalton	Portage Creek	

ADF&G Bristol Bay Vessel Registration Data

Bristol Bay drift gillnet permit holders have registration requirements per 5 AAC 06.370 for much of the fishing season. These registration records indicate if the permit holder is fishing by themselves, or jointly with another permit holder on the same vessel as a dual permit operation. Registration data was provided to CFEC from ADF&G which was used to determine which permits were used in dual permit operations for what date. Because registration requirements do not include dates that fully encompass the entire fishing season in Bristol Bay, counts of dual permit operations may not be complete in every instance.

DNR Shore Fishery Lease Data File

The DNR Land Administration System contains records used to maintain the DNR Shore Fishery Lease program. These records were merged with the CFEC permit file to create a dataset. Creation of the dataset is described in CFEC Report Number 14-4N, *CFEC Salmon Set Gillnet Permits and DNR Shore Fishery Leases in Prince William Sound, Cook Inlet, Kodiak, Alaska Peninsula, and Bristol Bay 1975-2013*.

Bristol Bay Salmon Drift Gillnet Fishery

S03T Permit Holdings

With the advent of limited entry, Bristol Bay salmon drift gillnet (S03T) permits were issued starting in 1975. Table 3 indicates the initial distribution and historical net changes in permit holdings for the drift gillnet fishery. CFEC has issued 1,875 S03T permits. Of this total, Alaska Locals received 38.0% (712) of the permits. Nonlocal Alaskans received 22.3% (418) of the permits, and Nonresidents received the remaining 39.7% (745). Every Bristol Bay salmon drift gillnet permit issued are transferable permits.

Table 3. Initial Issuance and Year-end 2014 Totals of Bristol Bay Drift Gillnet Permits, With Net Changes Due to Permit Transfers, Migrations, and Cancellations, by Resident Type

Fishery	Residency	Total		TRANSFERS		MIGRATIONS		CANCELLED		2014 YEAR-END	
		Initially Issued	Percent Issued	Change	Percent Change from Initial	Change	Percent Change from Initial	Change	Percent Change from Initial	2014 Year-End Total	Percentage of Year-End Total
Drift Gillnet	Local	712	38.0%	-286	-40.2%	-74	-10.4%	-3	-0.4%	349	18.7%
	Nonlocal	418	22.3%	118	28.2%	-53	-12.7%	-3	-0.7%	480	25.8%
	Nonresident	745	39.7%	168	22.6%	127	17.0%	-6	-0.8%	1,034	55.5%
Total		1,875	100.0%	0	0.0%	0	0.0%	-12	-0.6%	1,863	100.0%

The number of permits held by each resident type can change for three reasons: permits can be transferred to other resident types (transfer); permit holders can move from one location to another (migration); or permits can be cancelled (such as when a permit holder does not pay the renewal fee for two consecutive years). Table 3 indicates the extent to which these factors have contributed to net changes in permit holdings in this fishery. Transfers have had the largest impact on the changes in permit holders among resident types. Migrations have also had a large impact. By the end of 2014, nine of the 12 cancelled permits were closed out due to nonpayment. All of the Bristol Bay salmon drift gillnet permits were issued as transferable permits.