

**Kake:**

**Holdings of Limited Entry Permits, Sablefish Quota  
Shares, and Halibut Quota Shares Through 1997  
and  
Data On Fishery Gross Earnings**

**CFEC Report 98-SPKake-N**

Alaska Commercial Fisheries Entry Commission  
8800 Glacier Highway, Suite 109  
Juneau, Alaska 99801  
(907) 789-6160



**Abstract:**

This report is one of a series of reports on Gulf of Alaska coastal communities that were prepared with funding provided by the Restricted Access Management Program (NMFS-RAM) of the National Marine Fisheries Service - Alaska Region. This report covers the holdings of restricted use-privileges by persons from Kake, Alaska.

This report provides fishery-specific data on holdings of Alaska limited entry permits by persons from Kake. There are tables that show the number of limited entry permits initially issued to persons from Kake, and the number of these permits held at year-end 1997. Time series data on limited entry permit holdings are also provided. Similarly, the report contains data on halibut and sablefish quota shares initially allocated to persons from Kake as well as quota shares held at year-end 1997. Quota shares are the basic use-privileges issued under the halibut and sablefish individual fishing quota (IFQ) programs. Time series data on quota share holdings are also provided. Finally, the report contains time series data on the fishery gross earnings of Commercial Fisheries Entry Commission (CFEC) limited entry and interim-use permit holders from Kake, organized by permit fishery. The report also contains 1995-1997 time series data on gross earnings in the halibut and sablefish IFQ fisheries for quota share holders from the community.

**List of Preparers:**

Susan Shirley	Kurt Iverson
Elaine Dinneford	Al Tingley
Kurt Schelle	

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# Introduction

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## **Purpose of the Report**

This report is one of a series of reports on Gulf of Alaska coastal communities. The reports were prepared by the Commercial Fisheries Entry Commission (CFEC) with funding provided by the Restricted Access Management Program (NMFS-RAM) of the National Marine Fisheries Service - Alaska Region. This particular report covers the holdings of restricted use-privileges by persons from Kake, Alaska.

In early 1998, the *Gulf of Alaska Coastal Communities Coalition* (Coalition) made presentations to two committees of the Ocean Studies Board of the National Academy of Sciences (NAS) and National Research Council regarding restricted access programs of the North Pacific Fishery Management Council (Council). These two committees were “the Committee to Review Community Development Quotas (CDQ)” and “the Committee to Review Individual Fishing Quotas (IFQ)”. A presentation was also made before a joint meeting of the Alaska Board of Fisheries (ABOF) and the Council.<sup>1</sup>

The Coalition indicated that Gulf of Alaska coastal communities were dependent upon continued access to commercial fishing and they wanted their concerns to be considered in the future when the Council develops new restricted access programs or modifies existing Council programs. They also indicated that some Gulf of Alaska coastal communities had not fared well under the State of Alaska’s limited entry program or under the Council’s sablefish and halibut IFQ programs.

NMFS-RAM administers the sablefish and halibut IFQ programs and the Council’s vessel moratorium for groundfish and crab. NMFS-RAM will administer the new groundfish and crab license limitation programs passed by the Council as well as any future restricted access programs passed by the Council. NMFS-RAM is committed to monitoring changes under the existing restricted access programs in Alaska so they can provide the Council and the public with accurate data and information on the programs. NMFS-RAM hopes this monitoring effort will help inform policy discussions on proposals for new programs or proposals to alter existing programs.

For this reason, NMFS-RAM contracted with CFEC to produce a series of reports on Gulf of Alaska coastal communities or groups of communities. The purpose of the series

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<sup>1</sup>The name of the group making the presentations was slightly different for each presentation. The statement to the Committee to Review CDQs in January 1998 was made by a group called “The Coalition of Gulf of Alaska Small Boat Fishermen In Support of Marine Resources Conservation and Allocation Equity.” The statement made at the February 1998 joint meeting of the ABOF and the Council was made by a group called “Gulf of Alaska Fisheries Dependent Communities Coalition.” The presentation to the Committee To Review IFQs in April 1998 was made by a group called the “Gulf of Alaska Coastal Communities Coalition.” The authors have assumed that these are the same groups and we have used the latter name herein for ease of exposition.

of reports is to provide basic data on how these communities have fared with respect to the initial allocation and retention of entry permits for Alaska's limited fisheries and with respect to the initial allocation and retention of quota shares under the sablefish and halibut IFQ programs. Data are also presented on the estimated fishery gross earnings of persons from these communities.

## **Report Overview**

This report is divided into three sections. Each section contains information on both CFEC permits issued under Alaska's limited entry program and on Quota Shares (QS)/IFQ issued under the Council's sablefish and halibut IFQ programs.

Section 1 provides data on the initial allocation of permanent limited entry permits issued to persons from Kake and the year-end 1997 number of entry permits held by persons from the community. These data are provided by limited entry fishery. The section also provides data on the amount of QS initially allocated to persons from Kake and the amount of QS held by persons from the community at the end of 1997. These data are provided for the sablefish and halibut fisheries by management area.

Section 2 provides a more detailed time series table on the holdings of limited entry permits by persons from Kake. The table shows how the holdings of entry permits have changed over time. These data are provided by limited fishery. Section 2 also provides a time series table on the holdings of sablefish and halibut QS by persons from Kake. These data are provided by species and management area and show how QS holdings have changed over time.

Section 3 provides information on the estimated fishing gross earnings associated with persons from Kake. One table provides time series gross earnings information on CFEC permit holders who live in Kake. These data are based upon fish ticket records and include information on both limited and unlimited fisheries. A second table provides time series gross earnings data associated with quota share holders from Kake. These data are based upon NMFS-RAM harvest records and are presented by species and management area.

## 1. Initial Allocation and Year-End 1997 Holdings Of Restricted Use-Privileges

This section provides overview data on the restricted fishery use-privileges held by persons from Kake at initial allocation and at year-end 1997.

*Table 1a* provides data on holdings of Alaska limited entry permits by permit type. These data are compiled from CFEC permit files.

The table shows the number of limited entry permits held at initial allocation and at year-end 1997 by limited fishery permit type. One summary row shows the total number of limited entry permits held across all limited fisheries. A second summary row shows the number of unique persons from Kake who hold limited entry permits.

Note that a person can hold limited entry permits for more than one limited fishery. Note also that different fisheries have been limited at different points in time since 1975, and the initial allocation of permits may have taken place in any year over the 1975 to 1997 period.

There are several reasons why the number of limited entry permits held by persons from a community can increase or decrease over time. Permits can be initially allocated to persons in the community. Permits can also be transferred from persons outside the community to persons in the community, or vice versa. Similarly, persons holding limited entry permits can move into or out of the community. Finally, some limited entry permits can be revoked or forfeited under the law. For all of these reasons, the number of entry permits for a particular fishery held at year-end 1997 might be different than the number of entry permits held by persons in the community at some other point in time.

*Table 1b* provides data on halibut and sablefish QS holdings at initial allocation and at year-end 1997. These data are taken from NMFS-RAM computerized records.

The table shows the amount of QS and the number of QS holders at initial allocation and at the end of 1997, by species and management area. QS amounts have been converted into 1997 IFQ equivalent pounds using 1997 NMFS-RAM standard conversion factors.

Summary rows showing halibut and sablefish IFQ pounds and the unique counts of QS holders across areas are provided. Lastly, a community total row is provided showing the unique number of QS holders from the community across both species and all management areas.

The reader should note that a QS holder might hold QS in multiple areas and for both halibut and sablefish. Also, it should be noted that individual QS units hold different values as IFQ pounds from year-to-year and from area-to-area and are therefore not additive across areas.

There are several reasons why the amount of QS held by persons from a community can increase or decrease over time. Quota shares can be initially allocated to persons in the community. Quota shares can also be transferred from persons outside the community to persons in the community, or vice versa. Similarly, persons holding QS can move into or out of the community. Finally, some QS may be revoked. For all of these reasons, the amount of QS of a particular type held at year-end 1997 might be different than the amount of QS of that type held by persons in the community at some other point in time. For similar reasons, the number of QS holders can change over time.



Table 1a. Number of entry permits held in KAKE at initial issuance and at year-end 1997, by limited entry fishery.

<b>Limited Entry Fishery</b>	<b>Number of Permits at Initial Issuance</b>	<b>Number of Permits at Year-end 1997</b>
Sablefish, Longline, Northern Southeast	0	1
Dungeness Crab, 300 Pots (or 100% of Max), Southeastern	1	1
Dungeness Crab, 150 Pots (or 50% of Max), Southeastern	2	2
Dungeness Crab, 75 Pots (or 25% of Max), Southeastern	3	3
Herring Spawn on Kelp, Pound, Prince William Sound	0	1
Salmon, Purse Seine, Southeastern	17	8
Salmon, Hand Troll, Statewide	82	56
Salmon, Power Gurdy Troll, Statewide	3	11
<b>Total Number of Entry Permits (All Fisheries)</b>	<b>108</b>	<b>83</b>
<b>Number of Unique Persons Holding Entry Permits</b>	<b>96</b>	<b>76</b>

Table 1b. Type and amount of QS, 1997 IFQ pounds equivalent and number of unique QS holders in KAKE at initial issuance and at year-end 1997.

Quota Share Type	Area	Initial Issuance			Year-end 1997		
		Amount of QS (QS units)	1997 IFQ Equivalent (pounds)	Number of QS Holders	Amount of QS (QS units)	1997 IFQ Equivalent (pounds)	Number of QS Holders
<b>Halibut</b>	2C	1,590,590	269,135	53	1,371,300	232,030	39
	3A	178,152	24,084	4	177,102	23,942	2
	<b>Halibut Total</b>		293,220	53		255,973	39
<b>Sablefish</b>	Southeast	309,797	37,771	2	309,797	37,771	1
	West Yakutat	13,902	1,319	1	0	0	0
	<b>Sablefish Total</b>		39,090	2		37,771	1
<b>Community Total (Unique)</b>				53			39

## 2. Comparisons of Holdings Of Restricted Use-Privileges Over Time

This section provides more detailed time series data on the restricted use-privileges held by persons in Kake.

*Table 2a* provides time series data on the type and number of limited entry permits held by persons from Kake in five-year increments from 1975 through 1995 and at year-end 1997. Holdings of entry permits in the community can change over time due to initial allocations, permit transfers, the relocation of permit holders, and permit revocations or forfeitures.

The reader should note that this table only covers entry permits in limited fisheries. Fisheries are limited under Alaska law only when limitation becomes necessary. The original 19 salmon fisheries were limited in 1974. Other limitations occurred in more recent years.

*Table 2b* provides time series data on the amount of sablefish and halibut QS held by persons from Kake over the 1995 to 1997 time period. The sablefish and halibut IFQ program began in 1995. The table is organized by species, management area, and year. It also shows the number of QS holders from Kake and translates the QS holdings into 1997 IFQ equivalent pounds using standard NMFS-RAM conversion factors. The table includes summary rows showing the total unique number of QS holders from the community in each year across all areas and species.

The reader should note that the counts of QS holders in the table refer to the persons holding the QS. These persons can be natural persons (individuals), corporations, partnerships, or other legal entities. These persons are not always the individuals who fish the IFQ in a year. Provisions in the IFQ program allow for the use of hired skippers and for some QS leasing under certain conditions.

Holdings of QS in the community can change over time due to initial QS allocations, QS transfers, the relocation of QS holders, QS revocations, or other changes due to administrative appeals.

Table 2a. Year-end counts of permits, by limited entry fishery, held by persons from KAKE from 1975 to 1997.

Limited Entry Fishery	1975	1980	1985	1990	1995	1997
Sablefish, Longline, Northern Southeast	0	0	0	0	1	1
Dungeness Crab, 300 Pots (or 100% of Max), Southeast	0	0	0	0	0	1
Dungeness Crab, 150 Pots (or 50% of Max), Southeast	0	0	0	0	0	2
Dungeness Crab, 75 Pots (or 25% of Max), Southeast	0	0	0	0	0	3
Herring Spawn on Kelp, Pound, Prince William Sound	0	0	0	0	0	1
Salmon, Purse Seine, Southeastern	14	13	10	9	8	8
Salmon, Drift Gill Net, Bristol Bay	1	1	0	0	0	0
Salmon, Hand Troll, Statewide	0	0	84	72	62	56
Salmon, Power Gurdy Troll, Statewide	2	4	4	6	8	11
<b>Total Number of Entry Permits (All Fisheries)</b>	<b>17</b>	<b>18</b>	<b>98</b>	<b>87</b>	<b>79</b>	<b>83</b>

Table 2b. Quota share amounts held in KAKE in 1995, 1996 and 1997.

Quota Share Type	Area	Year-end	Amount of QS Held (QS units)	1997 IFQ Equivalent (pounds)	Number of QS Holders
<b>Halibut</b>	2C	1995	1,565,876	264,954	50
		1996	1,391,680	235,479	42
		1997	1,371,300	232,030	39
	3A	1995	178,152	24,084	3
		1996	178,152	24,084	3
		1997	177,102	23,942	2
<b>Sablefish</b>	Southeast	1995	309,797	37,771	2
		1996	309,797	37,771	1
		1997	309,797	37,771	1
	West Yakutat	1995	13,902	1,319	1
	<b>Community Total (Unique)</b>	1995			50
		1996			43
1997				39	

### 3. Fishery Gross Earnings

This section examines the estimated fishery gross earnings of persons from Kake. The gross earnings shown in these tables are CFEC estimates of the dollar amount received for the fish sold. These estimates are not measures of net earnings or profits because none of the costs associated with the fishing operations have been removed.

*Table 3a* provides time series data on the gross earnings of CFEC permit holders from Kake. The table covers the 1975 to 1995 time period in five-year increments. The table is organized by CFEC permit fishery and includes counts of the number of persons from Kake who had gross earnings from the fishery.<sup>2</sup> The table also includes a summary row that totals the gross earnings of CFEC permit holders from Kake over all fisheries in the year and provides a count of the unique number of persons who recorded landings in any fishery during the year.<sup>3</sup> The table includes data from both limited and unlimited fisheries. Table 3a is derived from Alaska Department of Fish & Game (ADF&G) fish ticket data and CFEC ex-vessel price estimates.<sup>4</sup>

*Table 3b* provides 1995-1997 time series data on the gross earnings of QS holders from Kake in the sablefish and halibut IFQ fisheries. These data are derived by applying CFEC statewide average ex-vessel price estimates to NMFS-RAM harvest data. NMFS-RAM catch files represent a different data source than the ADF&G fish ticket files. The table includes estimates of total gross earnings and the number of QS holders from Kake by species, management area, and year.<sup>5</sup> A summary row provides the total gross earnings associated with the QS holders from Kake summed over all management areas and species as well as a count of the unique number of QS holders from Kake with commercial sablefish or halibut harvests during the year.<sup>6</sup>

Both tables represent estimates of fishery gross earnings associated with persons from Kake, irrespective of where the harvest actually occurred or where the fish were landed. The reader should note that these tables do not represent the value of fish landed in Kake. Data on halibut and sablefish landings by major port are available from NMFS-RAM.

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<sup>2</sup>In some cases, CFEC permit codes for a fishery have changed over the years. In such cases, the reader may see a fishery description repeated in the table.

<sup>3</sup>A person may participate in multiple fisheries as a CFEC permit holder. Therefore, the unique number of permit holders in the community is usually less than the sum of permit holders with landings across all fisheries.

<sup>4</sup>The 1975 fishery earnings in the table for CFEC permit holders may be underestimated. 1975 was the first year that CFEC permit numbers were data entered. Permit numbers are not on the 1975 computerized halibut fish ticket records. Therefore, halibut earnings cannot be attributed to any CFEC permit holder during that year and hence cannot be assigned to communities. Also, in 1975, in some fisheries besides halibut, the percentage of missing or unmatched CFEC permit numbers was higher than in more recent years. For these reasons, the 1975 gross earnings may be underestimated.

<sup>5</sup>Again, these data represent the person who holds the QS and not necessarily the individual who recorded the landing. The IFQ programs allow the use of hired skippers under certain conditions. Some QS leasing is also allowed.

<sup>6</sup>QS holders may have holdings for more than one management area and species. Thus the unique counts of QS holders with harvests across all species and areas may be less than the sum of the counts of QS holders with harvests across all species and areas.

Table 3a. Gross earnings and number of persons from KAKE with landings by fishery and year, 1975-1995.

CFEC Permit Fishery	1975		1980		1985		1990		1995	
	Gross Earnings (\$)	# persons	Gross Earnings (\$)	# persons	Gross Earnings (\$)	# persons	Gross Earnings (\$)	# persons	Gross Earnings (\$)	# persons
Halibut, Hand Troll, Statewide	\$0	0	**	1	\$0	0	\$14,279	6	\$21,495	6
Halibut, Longline, Under 5 Tons, Statewide	\$0	0	\$27,175	22	\$82,821	42	\$130,755	25	\$82,143	16
Halibut, Jig, Statewide	\$0	0	\$0	0	**	1	**	1	\$0	0
Halibut, Longline, 5 Tons or Over, Statewide	\$17,066	13	\$122,335	17	\$201,951	14	\$300,822	14	\$365,584	13
Sablefish, Longline, Northern Southeast	\$0	0	\$0	0	\$0	0	\$0	0	**	1
Sablefish, Longline, 5 Tons or Over, Statewide	\$0	0	**	1	\$0	0	**	1	**	2
Dungeness Crab, Pot Gear, To 50 Ft, Southeastern	\$0	0	\$0	0	\$0	0	\$0	0	\$183,020	4
Dungeness Crab, Pot Gear, To 50 Ft, Statewide	\$0	0	\$0	0	**	2	\$84,922	5	\$0	0
Red/Blue and Brown King, Tanner Crab, Pot Gear, Southeastern	\$0	0	\$0	0	**	1	\$0	0	\$0	0
Misc Saltwater Finfish, Mechanical Jig, Statewide	\$0	0	**	1	\$0	0	\$0	0	\$0	0
Shrimp, Pot Gear, To 50 Ft, Statewide	\$0	0	\$0	0	\$0	0	\$0	0	\$8,617	4
Salmon, Purse Seine, Southeastern	\$102,505	11	\$348,645	12	\$726,659	8	\$435,379	9	\$418,014	8
Salmon, Hand Troll, Statewide	\$9,687	32	\$109,214	74	\$124,064	55	\$168,434	28	\$42,484	16
Salmon, Power Gurdy Troll, Statewide	\$0	0	*	4	**	2	\$60,895	4	\$42,556	6
Tanner Crab, Ring Nets, Southeastern	\$0	0	\$0	0	\$0	0	\$0	0	\$16,400	5
Tanner Crab, Pot Gear, Southeastern	\$0	0	\$0	0	\$0	0	**	1	**	1
Tanner Crab, Other Gear, Southeastern	\$0	0	\$0	0	\$0	0	**	3	\$0	0
Demersal Shelf Rockfish, Longline, 5 Tons or Over, Southeast	\$0	0	\$0	0	\$0	0	\$0	0	**	1
<b>Unique Totals For All Fisheries</b>	<b>\$129,259</b>	<b>46</b>	<b>\$627,211</b>	<b>90</b>	<b>\$1,167,833</b>	<b>79</b>	<b>\$1,386,215</b>	<b>59</b>	<b>\$1,469,568</b>	<b>49</b>

Note: ‘\*\*’ and ‘\*’ indicate data that are masked to preserve confidentiality

Table 3b. Gross earnings and numbers of persons (QS holders) from KAKE with credited IFQ landings in halibut and sablefish IFQ fisheries by area and year, 1995-1997.

Quota Share Type	Area	1995		1996		1997	
		Gross Earnings (\$)	Number of Persons	Gross Earnings (\$)	Number of Persons	Gross Earnings (\$)	Number of Persons
<b>Halibut</b>	2C	*	36	*	35	*	34
	3A	**	1	**	1	**	1
	<b>Halibut Total</b>	*	36	*	35	*	34
<b>Sablefish</b>	Southeast	**	2	**	1	**	1
	<b>Sablefish Total</b>	**	2	**	1	**	1
<b>Community Total (Unique)</b>		\$566,303	36	\$612,278	35	\$595,980	34

Note: ‘\*\*\*’ and ‘\*’ indicate data that are masked to preserve confidentiality