

PROCESSOR ADVISORY GROUP

January 25, 2012

SEVENTEETH ANNUAL MEETING REPORT

IPHC 88TH Annual Meeting—Anchorage, AK

CHAIR: Tom McLaughlin, Seafood Producers, Coop

VICE-CHAIR: David Sugden, Pasco Seafoods

The Processor Advisory Group meeting was called to order at 2:35 p.m. by HANA President Blake Tipton. The first order of business was to nominate a U.S. chair for the meeting. Tom McLaughlin of Seafood Producers Coop was nominated and approved unanimously as chair. David Sugden of Pasco Seafoods was nominated and approved unanimously as vice-chair.

Twenty-two companies with 33 representatives attended the first day of the PAG meetings this year; 18 companies with 28 representatives attended on the second day. This represents a majority of halibut bought and processed in Alaska, British Columbia, Oregon and Washington. This attendance is the highest representation of the industry in PAG's history, breaking our record from last year.

The PAG is grateful to the additional guests who offered more information on a variety of subjects, and suffered our many questions. Thank you to

Juan Valero and Steven Hare of the IPHC staff
John Field of the U.S. Department of State
Bennett Brooks and Scott McCreary of Concur
Allison Webb of DFO, Canada

CATCH LIMITS

The PAG approved by unanimous vote the IPHC staff recommendations.

Area 2A	.989
2B	6.633
2C	2.624
3A	11.918
3B	5.070
4A	1.567
4B	1.869
4CDE	<u>2.465</u>
TOTAL	33.135

SEASON DATES

The PAG approved season dates of opening on Saturday, March 17, 2012, and closing on Wednesday, October 31, 2012.

The opening date was determined by favorable tides and moon phases, and is the closest Saturday to the IPHC staff recommendations. The PAG continues to favor a Saturday opening to get product to the market by the following week.

The closing date was determined in part by the need for IPHC staff to have sufficient time to prepare accurate information, including stock assessments to the commissioners for their interim meeting. We are given to understand that the Conference Board has adopted a November 18th closure, so if a compromise is possible, we would recommend November 7th, which would still allow the staff more time to prepare their reports.

CATCH SHARING PLANS: AREA 2A, 2B AND 4CDE – The PAG continues to support the staff’s recommendation that the Commission endorse the catch sharing plans developed by the Pacific and North Pacific Fisheries Management Councils for these areas, respectively. Similarly, the PAG supports the staff’s recommendation that the catch sharing allocation of 88% commercial and 12% recreational, developed by the DFO for Area 2B, be endorsed.

STAFF PROPOSED CHANGES TO THE IPHC REGULATIONS

The PAG did not discuss the Canadian commercial logbook regulation proposal or the Area 2A logbook option.

The PAG discussed at length the Area 2C proposed reverse slot limit under the industry proposals.

INDUSTRY PROPOSALS

1. Mandatory Weighing of All Removals

PAG made no comment on this proposal.

2. Amend Pacific halibut Fishery Regulations, for Alaska, to exempt mutilation prohibition from vessel already exempted from possession limits.

PAG opposed this proposal by a unanimous vote.

3. Abundance Based management of U32 Removals

PAG had no comment.

4. Control 2C/3A Guided sport Harvest to Allocation in 2012.

The PAG heard from the author of this proposal and understands that conditions have changed since this proposal was submitted, but we support the concept of adopting an effective mechanism to keep the charter sector to its GHL level year to year. We encourage all regulatory bodies to work together to achieve this goal. The PAG has serious concerns that the reverse slot limit may not keep the charter sector to its GHL, but may result in future overages and increased mortality at a rate that may be currently underestimated.

The PAG appreciates the successful efforts of the IPHC to finally, after seven years of charter sector overages in 2C, keeping that sector to its GHL in 2C with the size limit management measure in 2011.

PAG took no action on late proposals.

INDUSTRY COMMENTS

Comment #1. PAG HAD NO COMMENT

Comment #2. The PAG believes the max size limit has some merit. The PAG requests that the commissioners task the staff to determine the impact of setting a maximum size limit of 60 inches on the long term health of the biomass.

Comment #3. No comment since the PAG supported staff recommendations.

Comment #4: The PAG made no comment as we have already expressed our reservations about the reverse slot limit.

Comment #5 & 6: The PAG wholeheartedly supports.

Comment 7: The PAG has no comment.

Comment 8: The PAG made no comment as we have earlier supported staff recommendations.

Comment 9: The PAG supports this comment.

Comment #10: The PAG made no comment.

Comment #11: The PAG no comment.

By-Catch Statement

The PAG also wanted to note that we recognize that progress has been made in efforts to account for halibut by-catch removals and reiterate our strong concern that these efforts continue to get high priority. The PAG also again encourages the Commission to incorporate these concerns in its annual letter to the respective governments.

The PAG passed the following motion by unanimous vote:

Because of the ongoing uncertainties created by the inability of the current modeling procedure to accurately predict EBio and considering the retrospective analysis information, the PAG recommends that the commission direct the staff, and provide the necessary resources to begin an outside scientific review of the assessment model/s, the historic use of the model/s, and the harvest policy assumptions and formulation, including the following:

1. effects of migration, and
2. evaluation of apportionment policy.

The PAG passed the following motion by unanimous vote:

The PAG strongly support the retention of the current slate of IPHC Commissioners, namely Ralph Hoard, Phillip Lestenkof, and Dr. Jim Balsiger of the U.S. and Dr. Laura Richards, and Gary Robinson of Canada, understanding that one Canada seat may be replaced this year.

This strong recommendation is due to the high degree of uncertainty in the current resource assessment and evaluation. Because of this high degree of uncertainty it is important that going forward the decision makers have the background from where we have come as a reference point.

We are concerned that without this, more time and effort will be spent bringing new commissioners up to speed and there will be more opportunity for error, delay, and misunderstanding. In keeping the current commissioners, we can achieve a critical continuity among the commission and stakeholders, preserve institutional knowledge, and go

forward knowing these commissioners will understand clearly what has happened, where we need to go, and what preferred options might be to get there.

The PAG adjourned at 3:10 p.m.

PAG Attendees 2012

United States	Canada
APICDA Joint Ventures	Aero Trading
Auction Block Company	Canadian Fishing Co.
Bellingham Cold Storage	French Creek Seafood
Bering Pacific Seafoods	PASCO Seafoods Ltd.
Dana F. Besecker Co., Inc.	SM Products (BC) Ltd.
Finest At Sea Seafoods	
Icicle Seafoods	
North Pacific Seafoods	
Northport Fisheries	
Pacific Seafoods	
Pacific Storm Seafoods	
Peter Pan Seafoods	
Seafood Producers Coop	
Snug Harbor	
Trident Seafoods	
Wild Harvest Seafoods	
Yakutat Seafoods	