



New England Fishery Management Council *News Release*

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NE Fish Council Leadership Responds to Interim Report About Groundfish Fishery Economics

Newburyport, MA The New England Fishery Management Council leadership reacted to an interim report released last week about the performance of a 2010 program it developed to regulate catches of groundfish in the region. Prepared by the Social Sciences Branch of NOAA's Northeast Fisheries Science Center, the report used standardized measures to evaluate the economic and social performance of fishing vessels during their first nine months of operations under the Amendment 16 "sector" system.

Commenting on the report's findings, Rip Cunningham, the Chairman of the Council's Groundfish Committee said, "For the first year of a new management system, these results are very encouraging."

He added, "Given that fishing mortality reductions between 16 to 55% depending on the species were implemented along with the new sector management strategy, the information I see in the report shows that the industry had a successful year." Fishing mortality is the scientific term that defines the rate at which fish in a particular stock are removed by fishing activities.

The report acknowledges three clear changes that occurred during the May 2010 through January 2011 period. When compared with the 2007, 2008 and 2009 fishing years, "revenues from all species landed were higher in 2010 than in 2008 or 2009, but were \$4 million less than in 2007. Combined yearly average prices for all species were higher in 2010 than any other year in the time series," leading the authors to conclude that "economic performance, as indicated by revenue per unit of effort, improved in 2010."

This information was further broken down in the report: all species on all fishing trips made by groundfish vessels during the first nine months of 2010 were up about \$24 million over the same period in 2009. Massachusetts ports and vessels generated most of the increase, with \$16 million.

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Other trends were included in the interim report. About 66% of revenues from groundfish sales during 2007-2009 resulted from landings by 20% of active groundfish vessels. In 2010, 75% of the revenues from groundfish sales resulted from landings by 20% of active groundfish vessels. Also, there were 18% fewer active vessels in 2010 than in 2007, 46% fewer groundfish trips, 38% fewer days absent on groundfish trips, and fewer crew positions, days, and trips.

A full year-end evaluation is scheduled for the fall and will detail all 12 months of fishing year 2010 (May 2010-April 2011). According to the report, preliminary numbers suggest the groundfish catch for the year will be nearly equal to 2009-10. In discussing the final report, the interim report authors note that information at the vessel ownership level, including vessel operating costs, could be used to better evaluate changes in financial performance and include estimates of crew earnings. Once it receives the final report, the Council plans to conduct a “lessons learned” review of the first year of sector operations with sector representatives.

Rules for fishermen who harvest cod, haddock, pollock and flounders were significantly revised in May 2010 when the Council adopted and NOAA Fisheries approved the expanded use of “sectors” as a strategy to manage the east coast groundfish fishery.

To ensure that groundfish stocks continued to rebuild as each sector developed its own unique set of rules, the Council allocated a percentage of the total allowable groundfish catch to each group, based on the amount of catch history each sector member brought to the group. At that time, the Council acknowledged that sector formation is the first step in a process that could require many adjustments as the program evolves and reaches its potential.

Interim Report for Fishing Year 2010 on the Performance of the Northeast Multispecies (Groundfish) Fishery, May 2010 – Jan. 2011:

<http://www.nefsc.noaa.gov/nefsc/publications/crd/crd1107/1107.pdf>