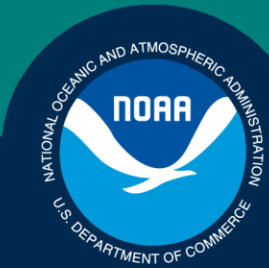


Science, Service, Stewardship



The FY13 Groundfish Fishery Performance Report and Amendment 18

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April 17, 2015

**NOAA
FISHERIES
SERVICE**



Major Findings – 2013

All species nominal revenues: \$286.5M

GF nominal revenues: \$58.7M

Decreases in landings & revenues for all species

(revenue at a 4 year low:
down \$26.1 million, 8.8%,
from 2012)

GF landings & revenues
at a 4 year low

(GF revenues down \$12.6
million, 18.6%, from 2012)

in
2013

Most measures of
economic performance
declined in 2013.

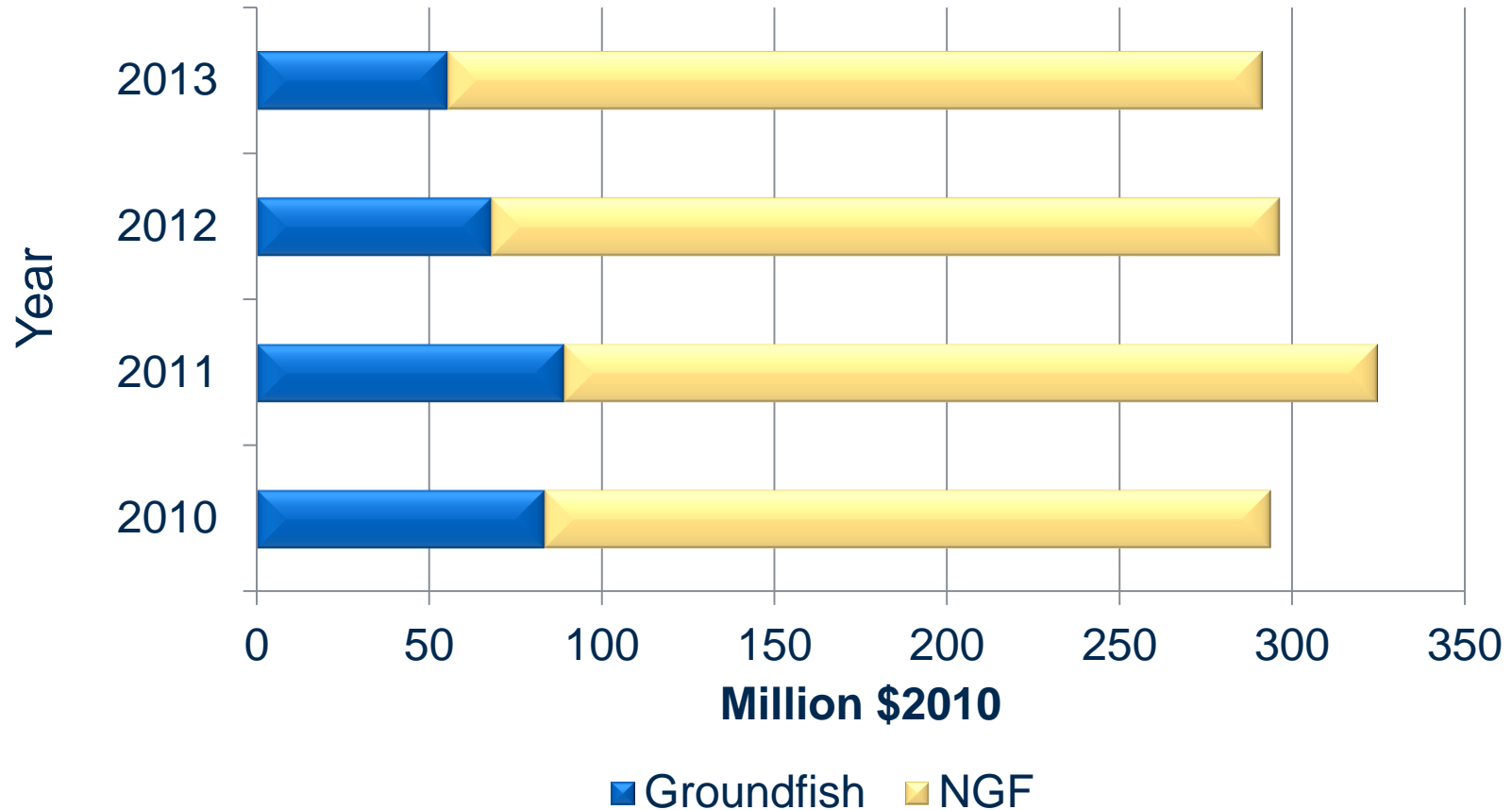
The quota market
declined in weight &
value in 2013;
21 million lbs leased,
valued at \$4.4 million.



All species revenues at a 4 year low in 2013

All species down 8.8%, GF down 18.6% , NGF down 5.9% from 2012

**Revenues for all groundfish vessels, May-April
all trips, all species**

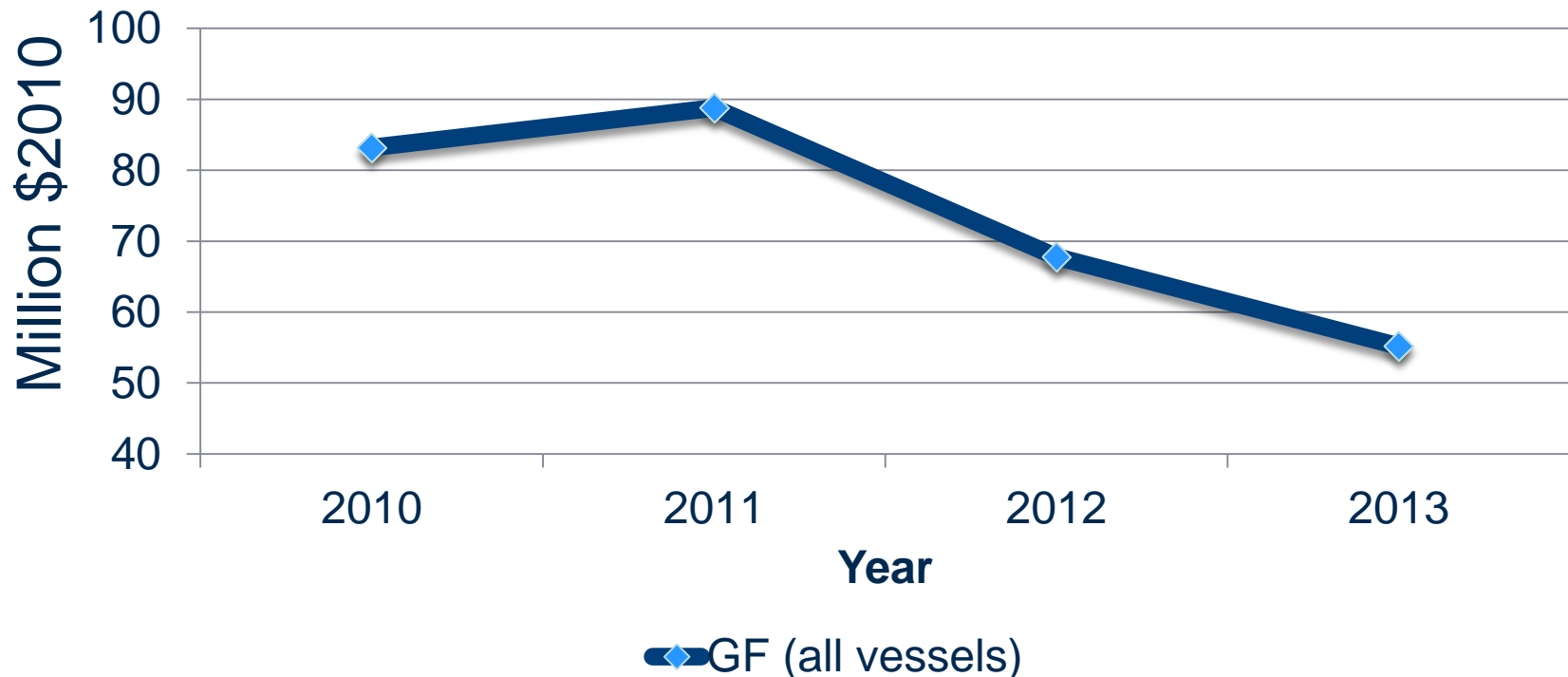


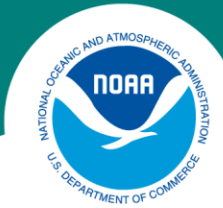


**GF Revenues at a 4 year low
down \$28M, 33.6% from 2010**

Value of Groundfish Landings May-April

Groundfish, all trips

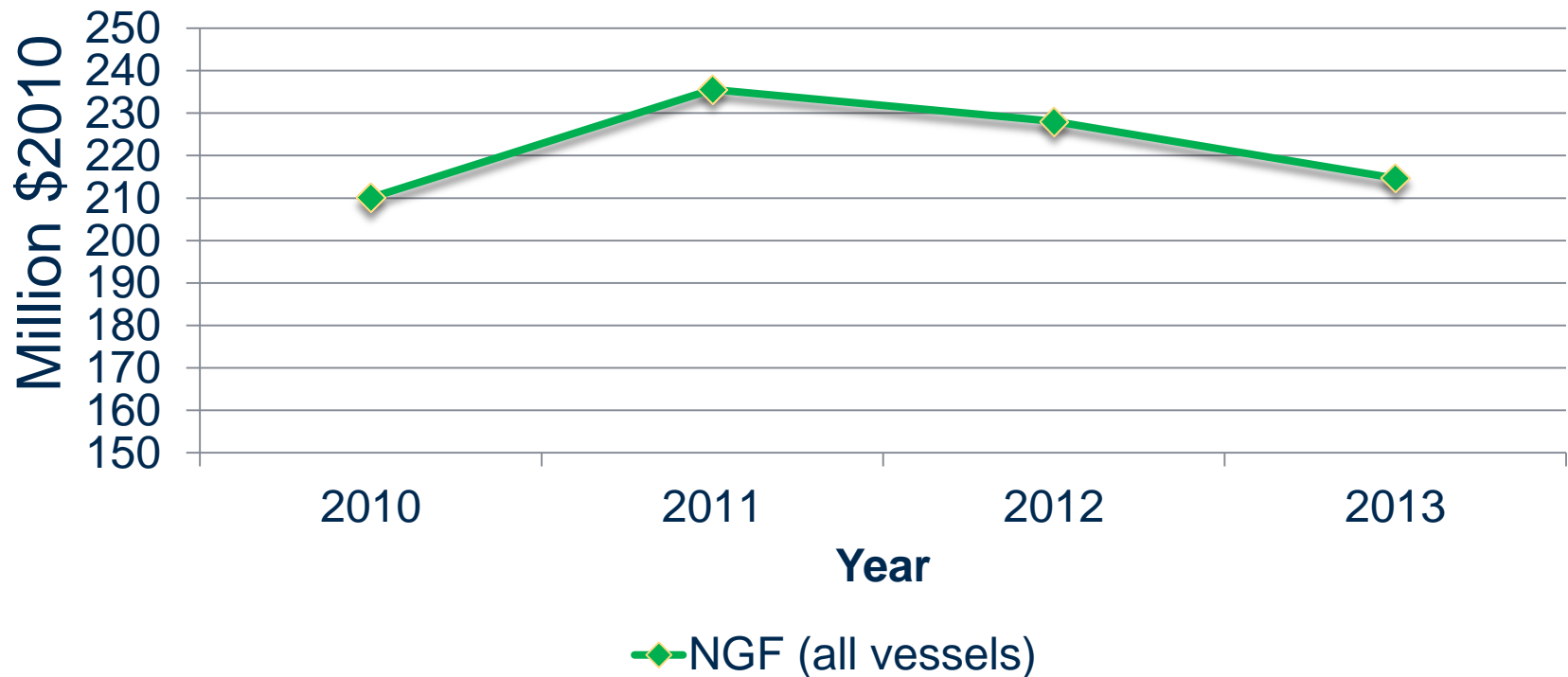




NGF Revenues at a 3yr low
Down 5.9% from 2012
Up 2.2% from 2010

Value of Non-groundfish Landings May-April

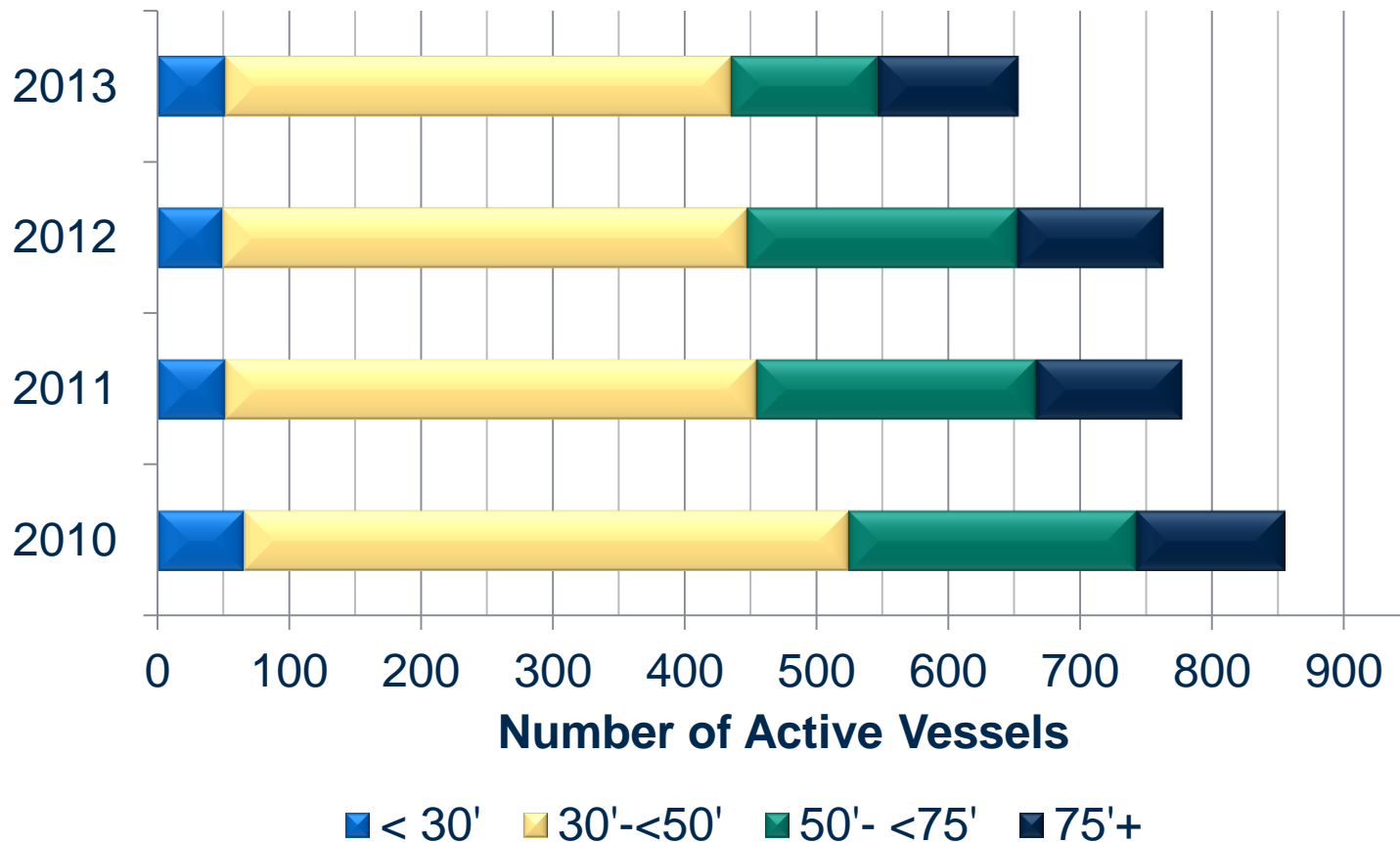
Non-groundfish, all trips





Fewer Active Vessels
across all vessel length classes
Down 3.7% from 2012, 14% from 2010

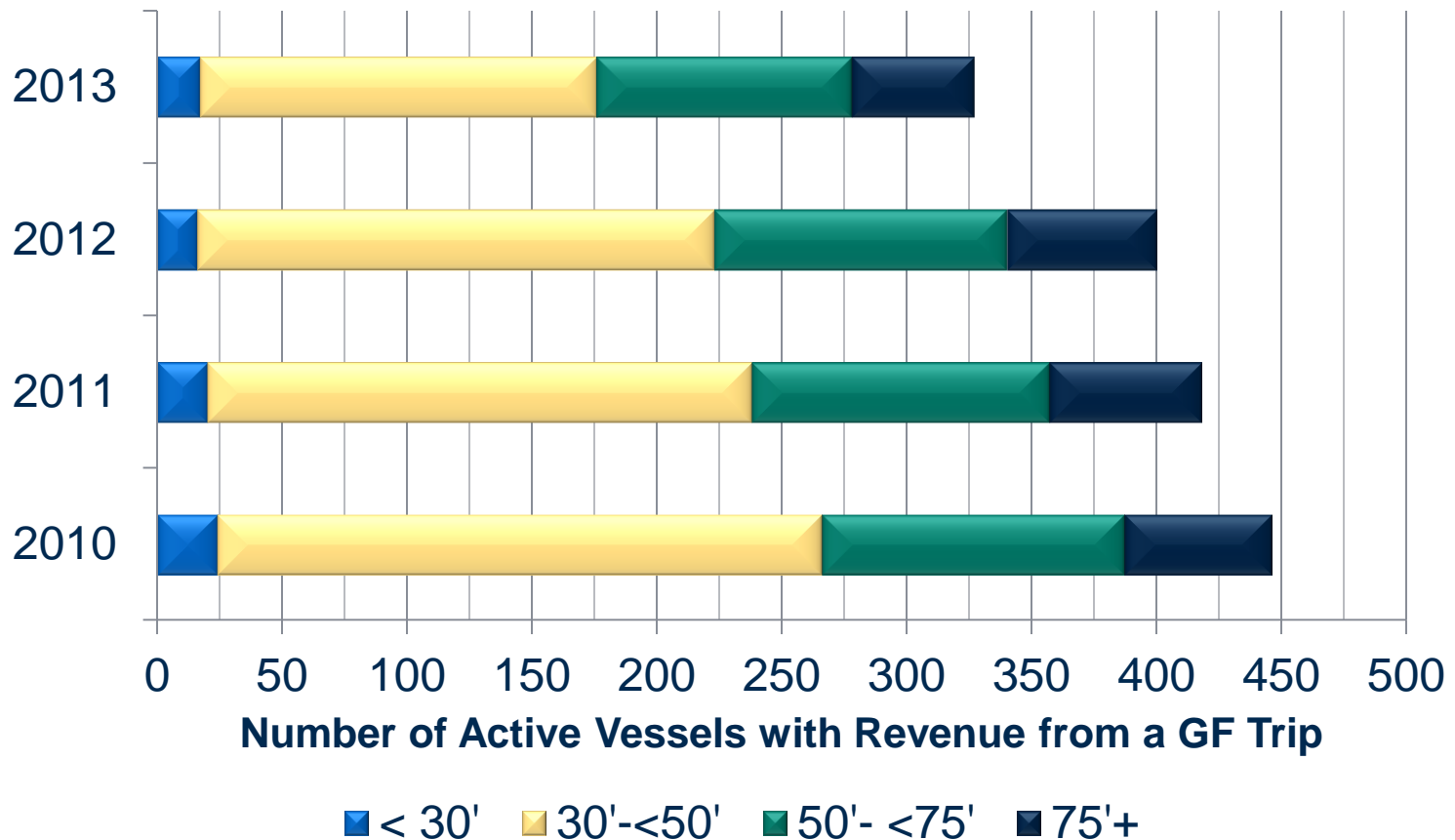
**Number of groundfish vessels
with revenue from any species, May-April**





**Fewer Active Vessels Targeting GF
across all vessel length classes
Down 18.3% from 2012, 26.7% from 2010**

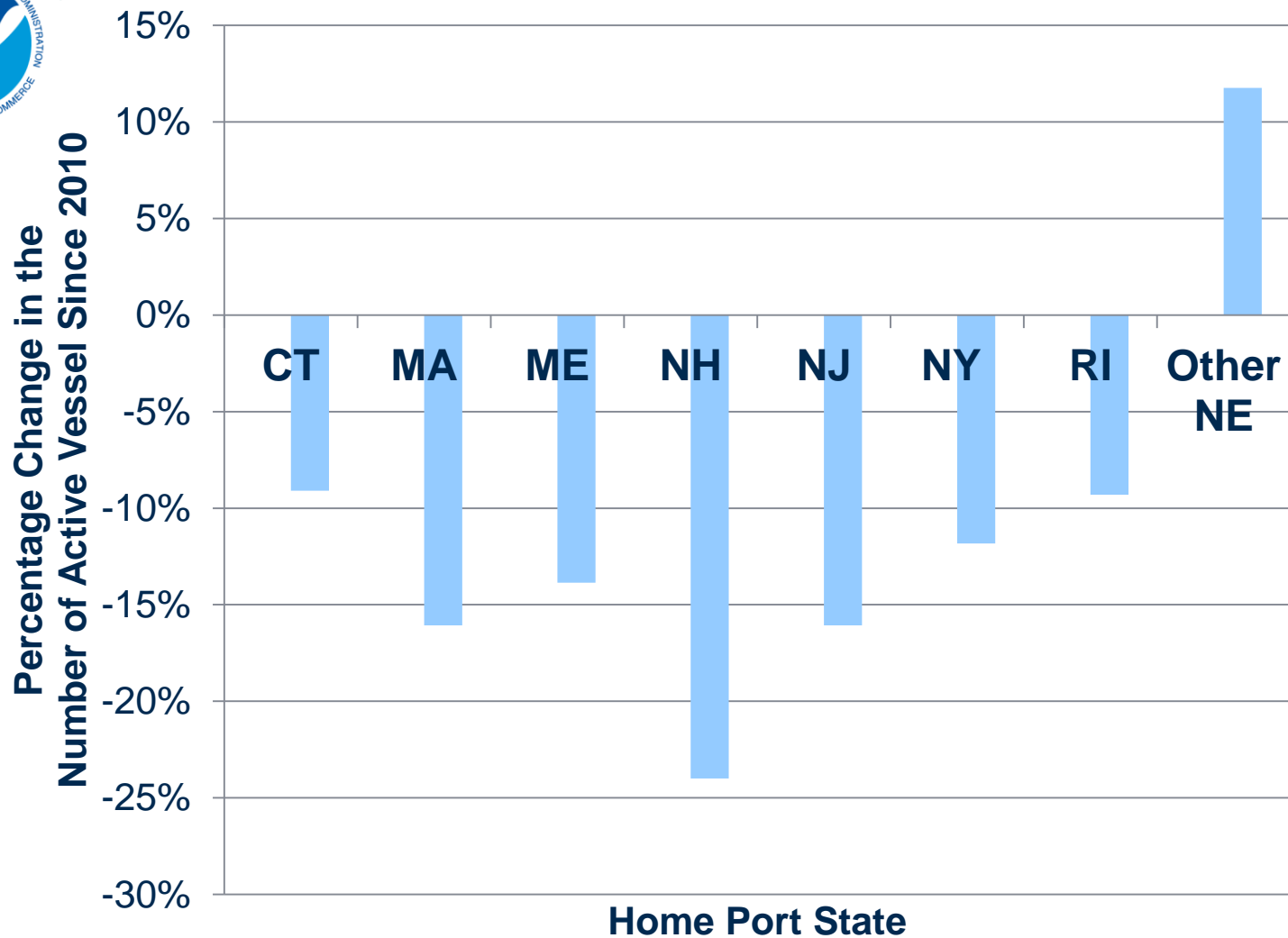
**Number of groundfish vessels
with revenue from at least one GF trip, May-April**





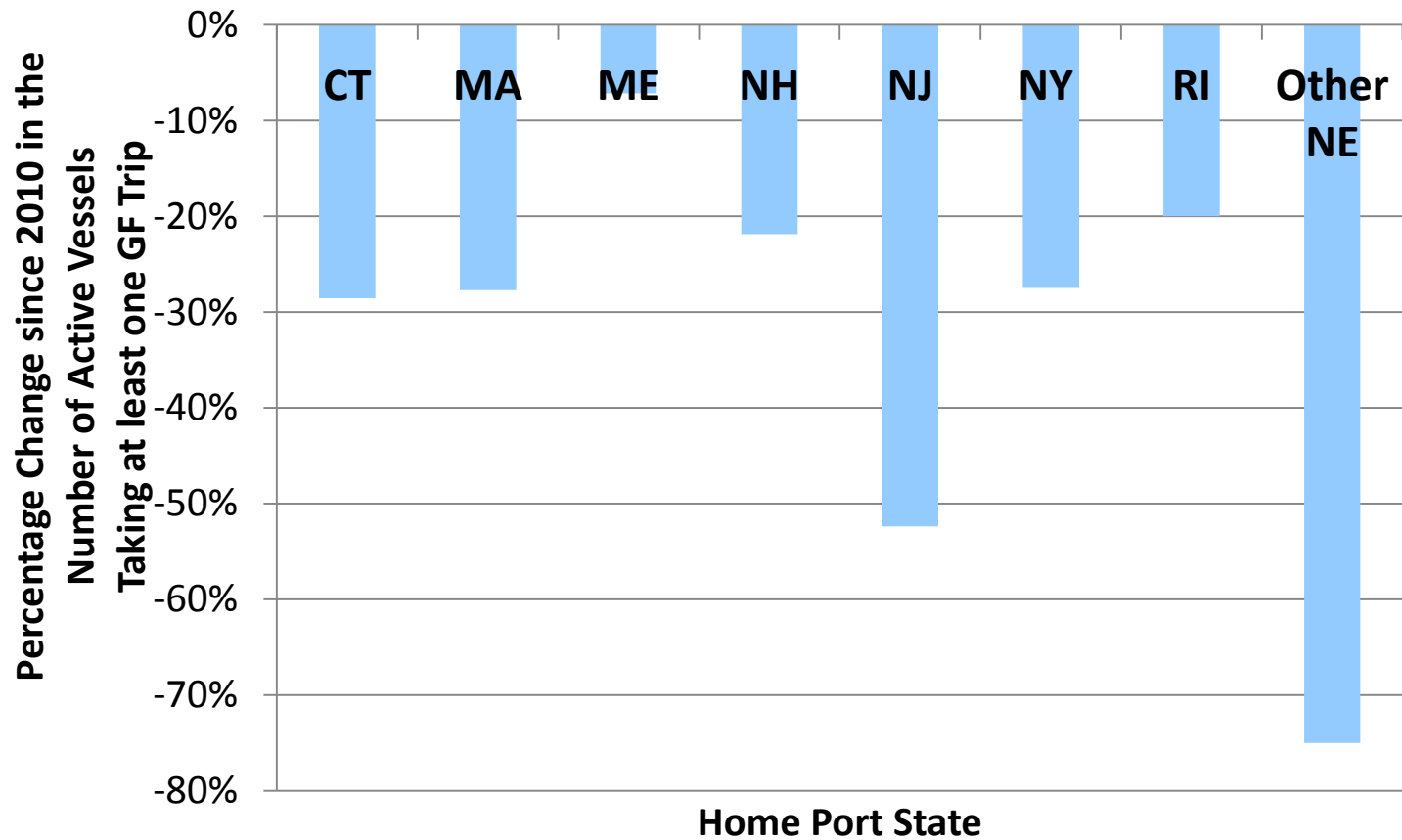
Fewer active vessels in most home port states since 2010

(In absolute terms, declines range from -1 vessel in CT to -68 vessels in MA)





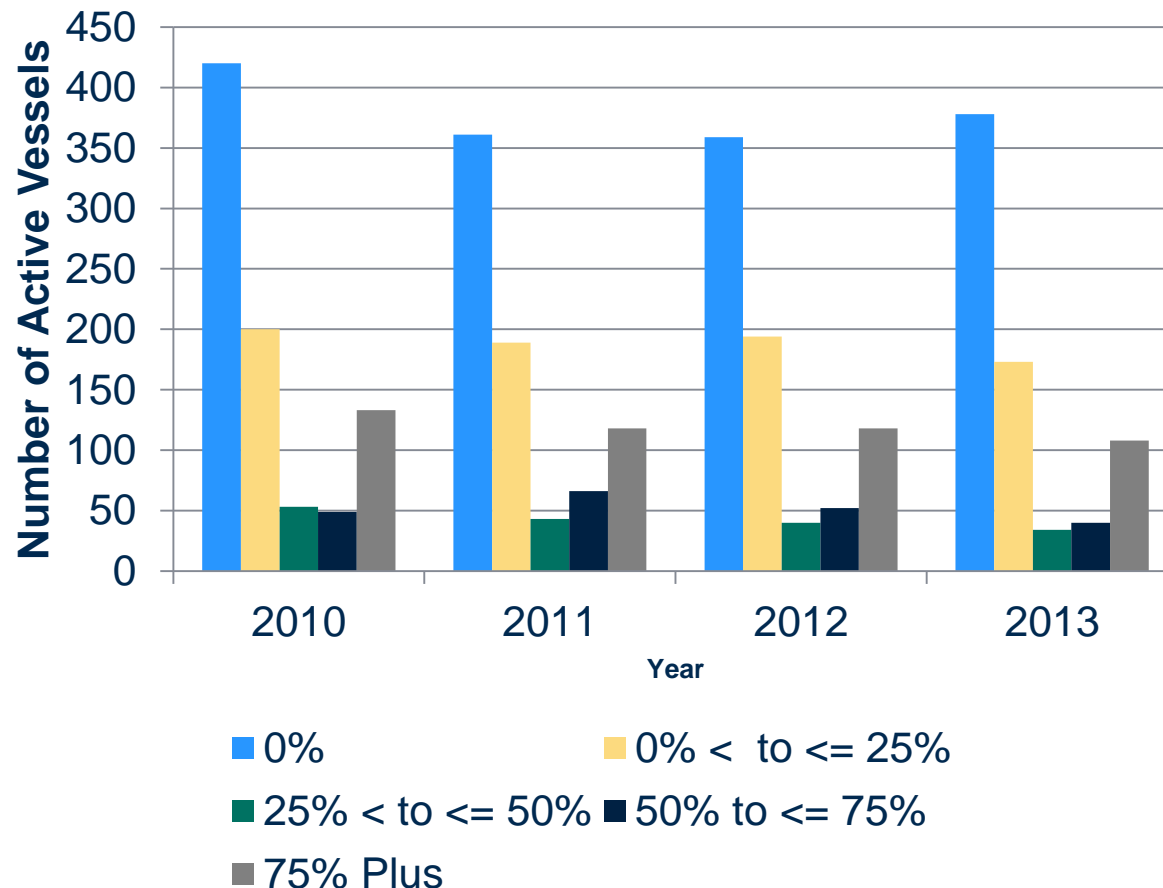
Fewer vessels targeting GF in all home port states since 2010
(In absolute terms, declines range from -2 vessels in CT to -66 vessels in MA)





Declines in the number of vessels since 2010 in each GF dependency group range from -10% (no dependence on GF revenue) to -36% (25% < to <50% of all revenue from GF)

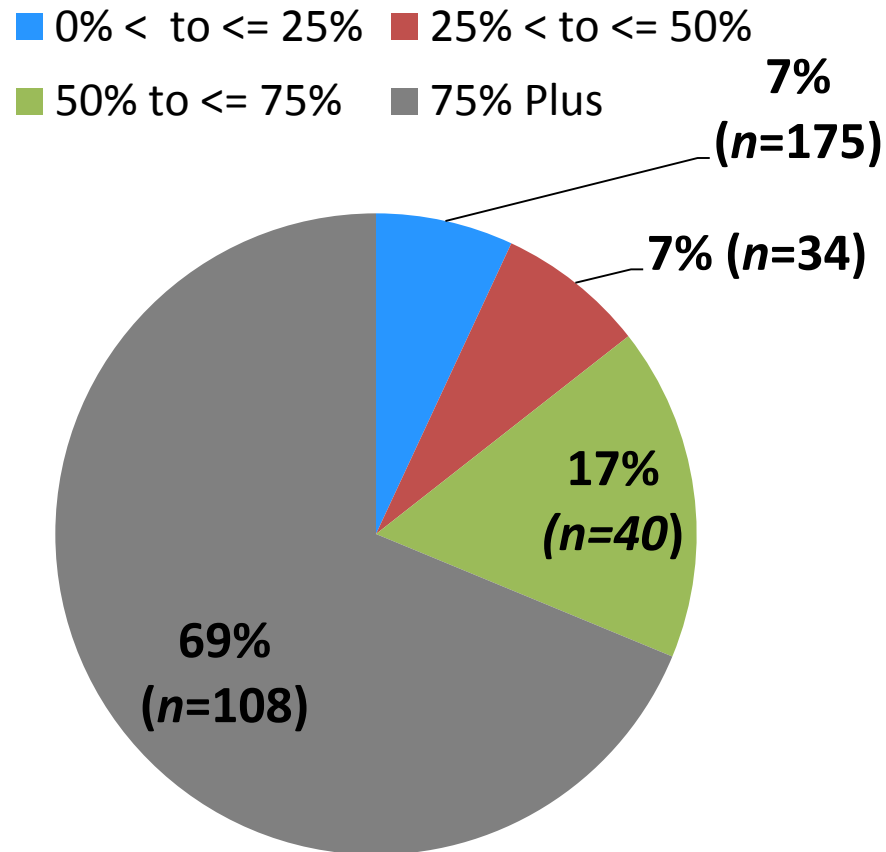
Number of Active Vessels by Level of Dependence on GF Revenue





Percent of Total GF Revenue for FY2013 earned by each GF dependency class

(*n* is the number of active vessels in each class)

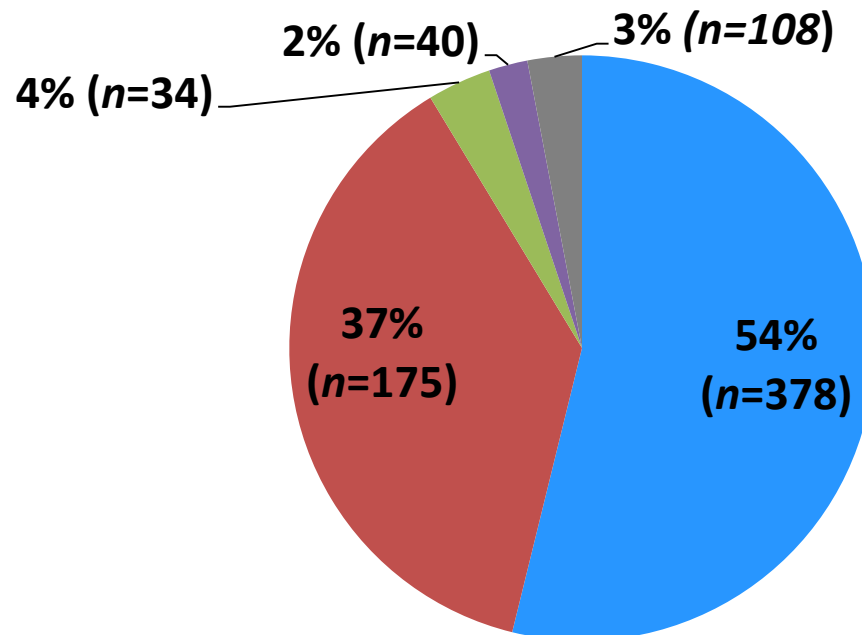


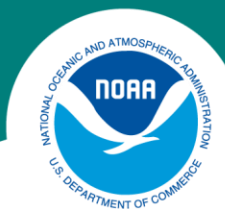


Percent of NGF Revenue for FY2013 earned by each GF dependency class

(*n* is the number of active vessels
in each GF dependency class)

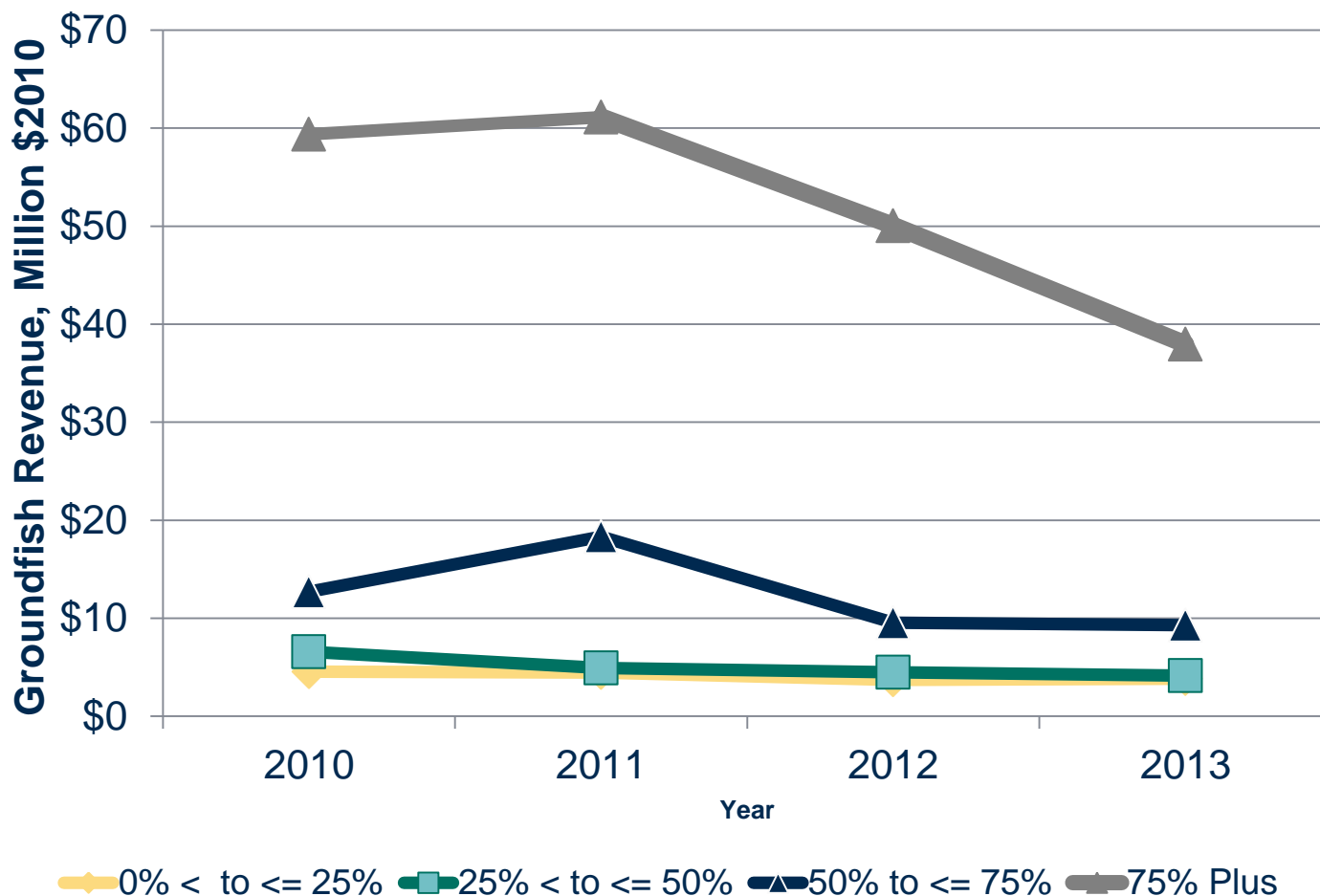
■ 0% ■ 0% < to ≤ 25% ■ 25% < to ≤ 50%
■ 50% to ≤ 75% ■ 75% Plus





Declines in GF Revenue since FY 2010 for each GF dependency class range from -16% (for 0% < to < 25% of all revenue from GF) to -37% (for 25% < to < 50% of all revenue from GF).

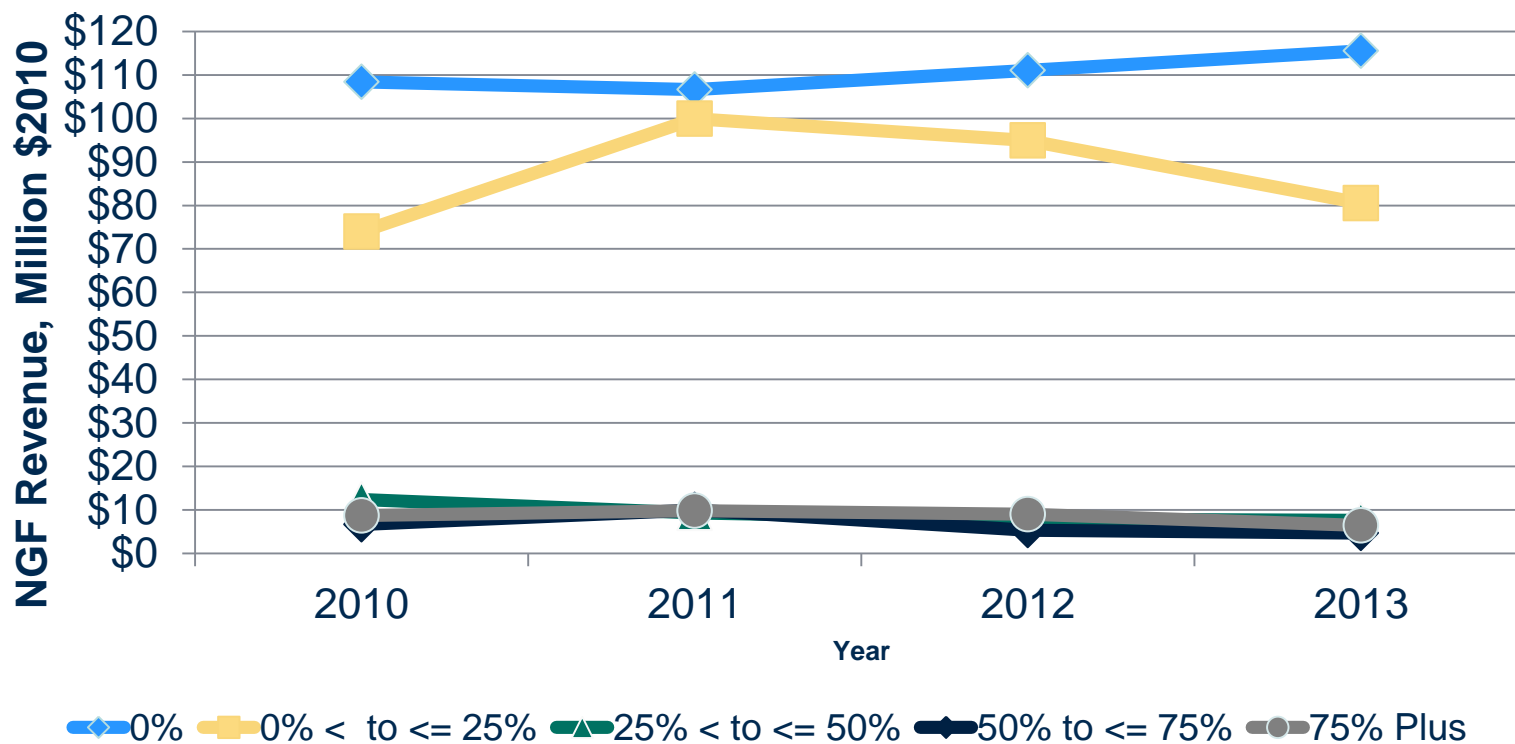
GF Revenue Earned by level of dependence on GF Revenue





Changes in NGF Revenue since FY2010 for each GF dependency class range from +9% (for 0% < to < 25% of all revenue from GF) to -39% (for 25% < to < 50% of all revenue from GF).

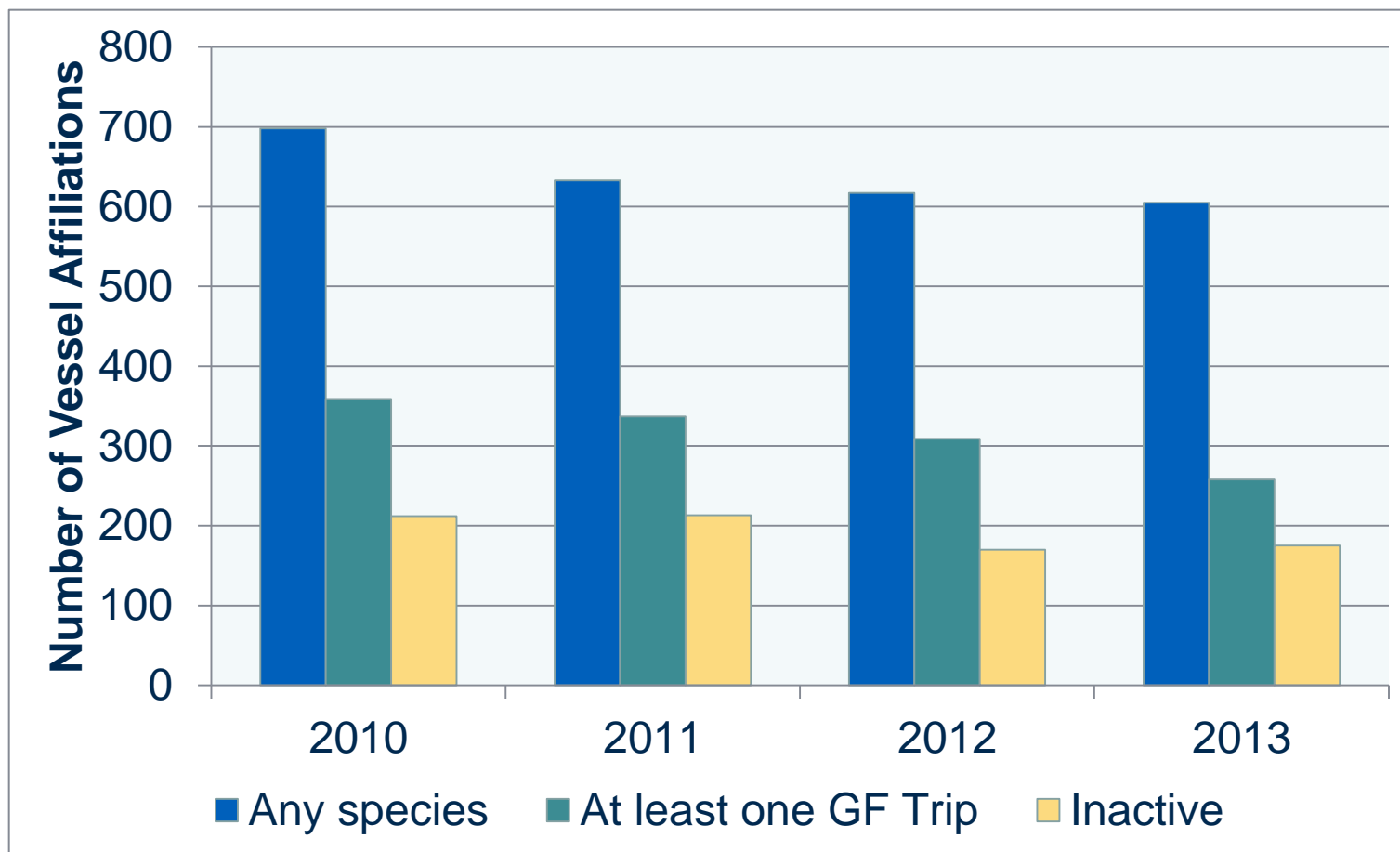
NGF Revenue Earned by level of dependence on GF Revenue

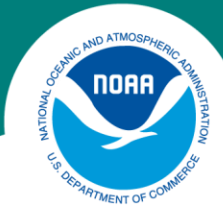




Fewer Active Vessel Affiliations

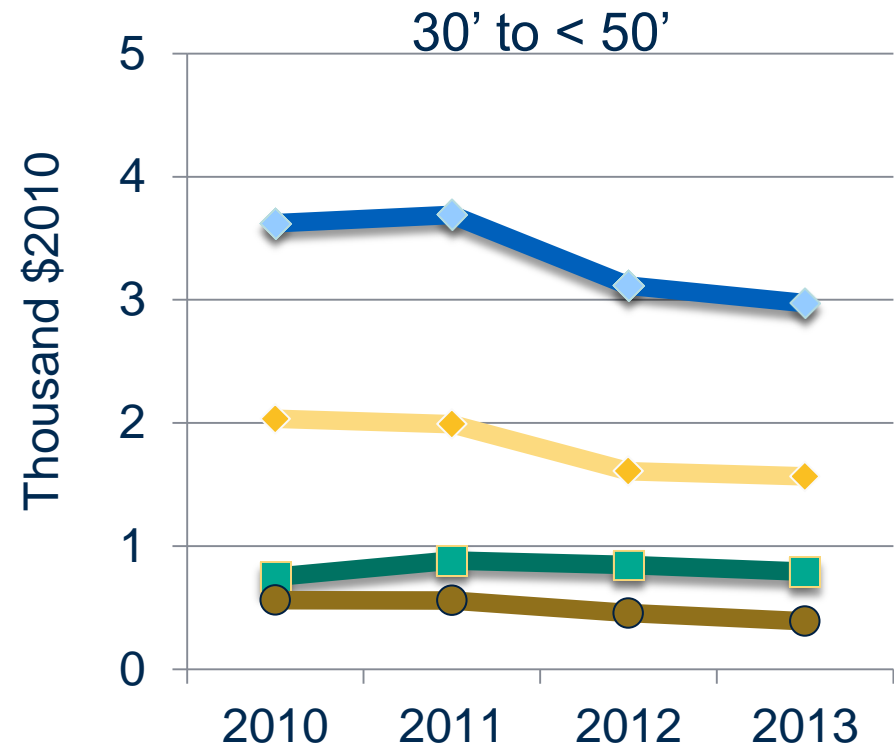
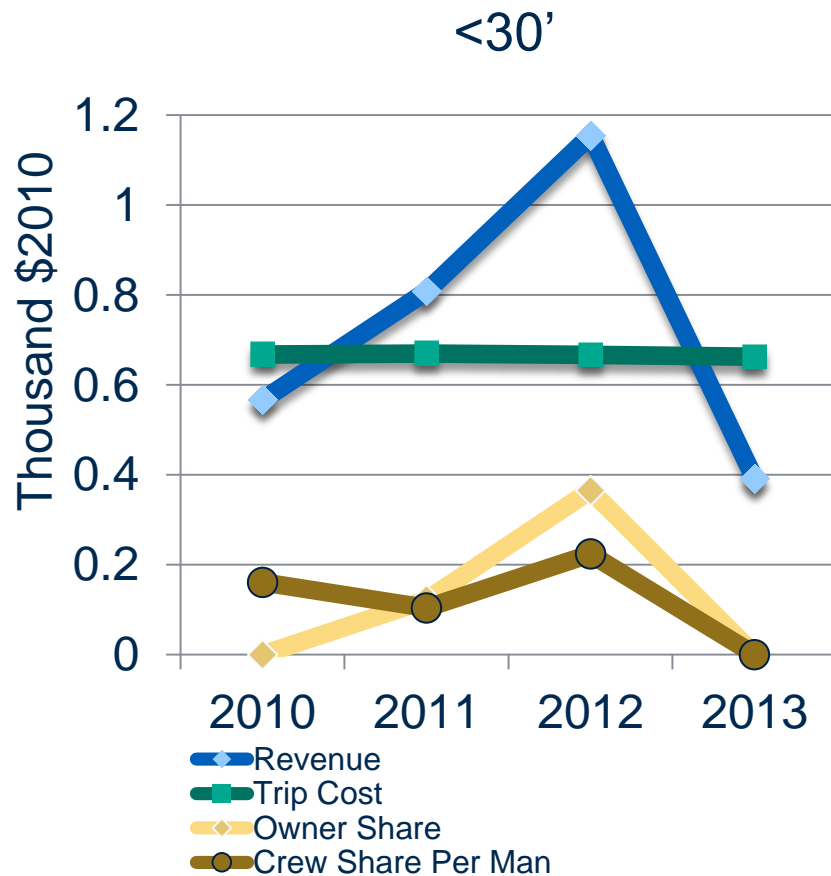
Number of Vessel Affiliations (w/ revenue from any species and from GF, and inactive)





Median Per Day Values on GF Trips
Revenues and shares at 4 year lows
for smaller vessels (unadjusted for leasing)

Groundfish trips, May-April

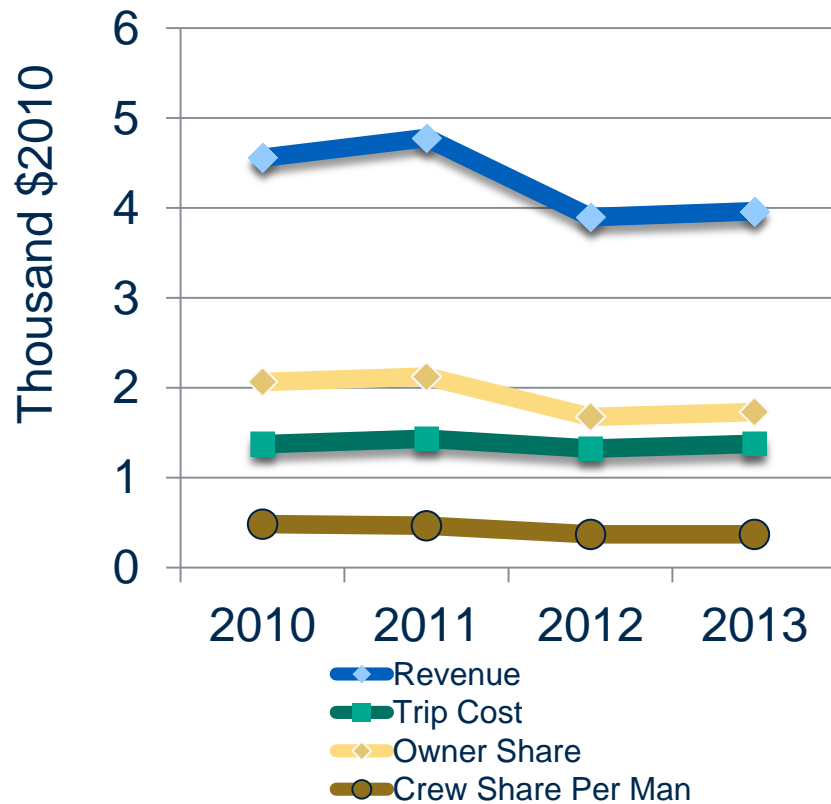




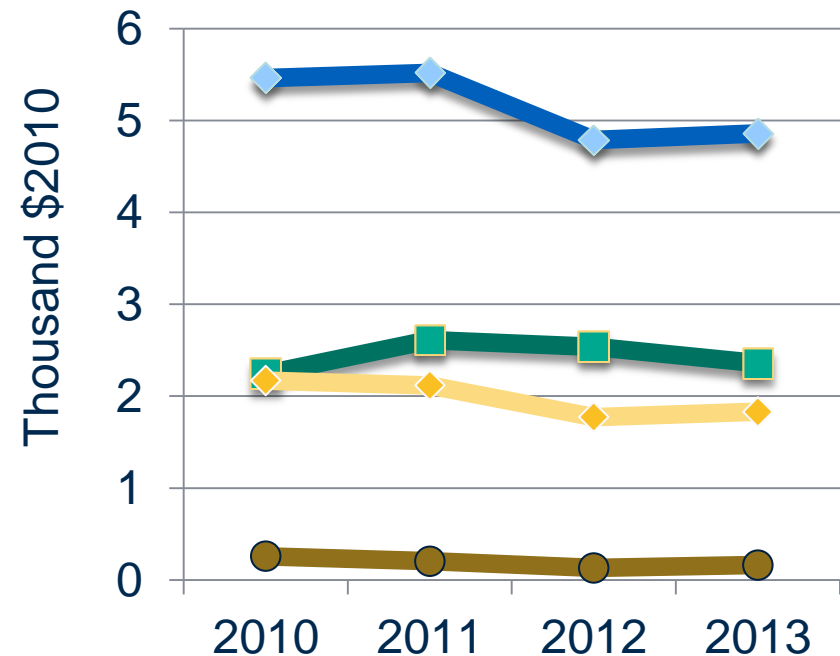
Median Per Day Values on GF Trips
Revenues & shares very slightly higher in 2013 than 4 year lows in 2012
for larger vessels (unadjusted for leasing)

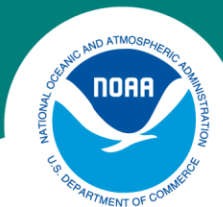
Groundfish trips, May-April

50' to <75'



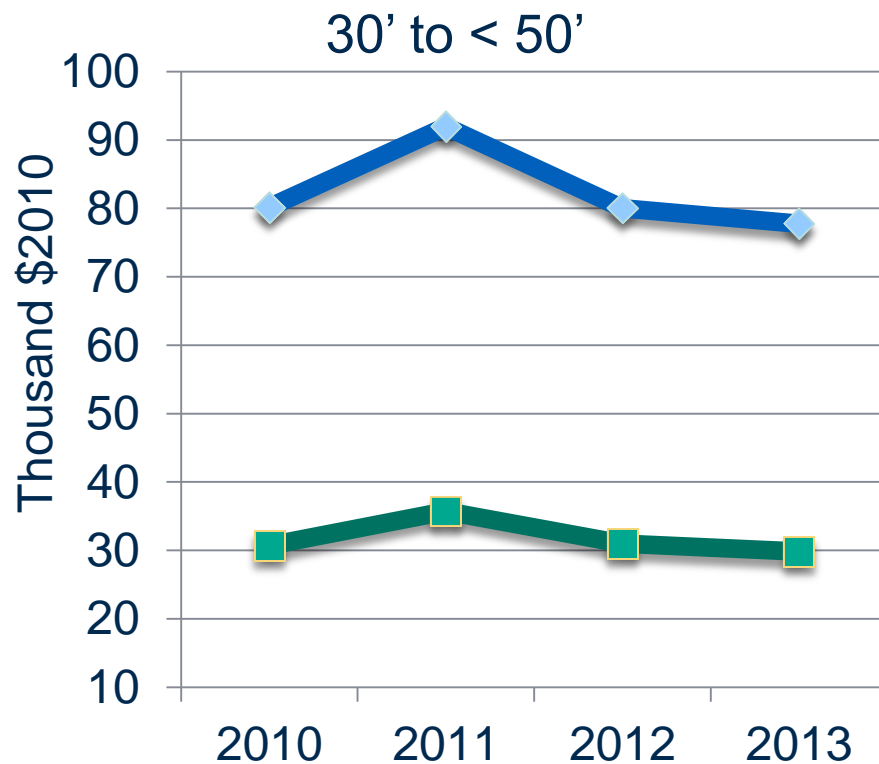
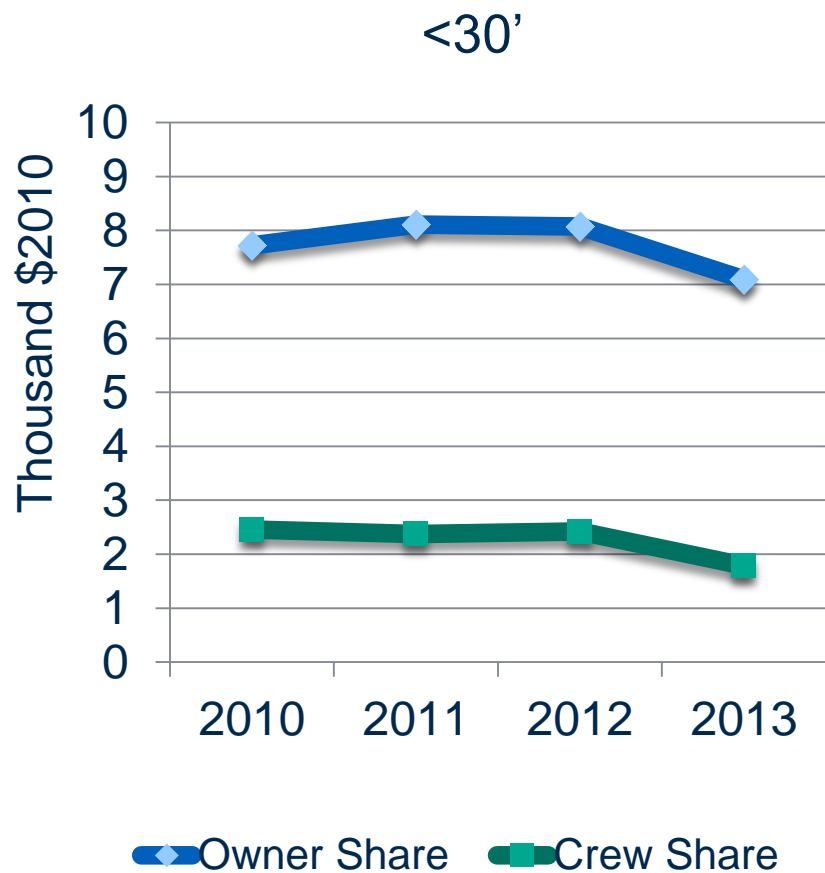
75'+





**Average Per Vessel Shares at four year lows
for <30' and 30' to <50' (unadjusted for leasing)**

All trips, May-April

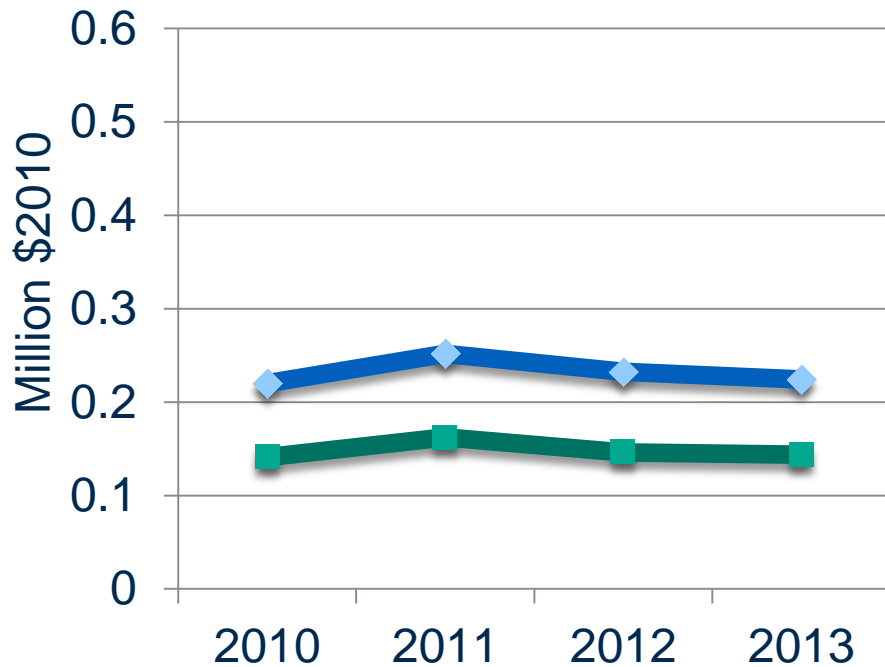




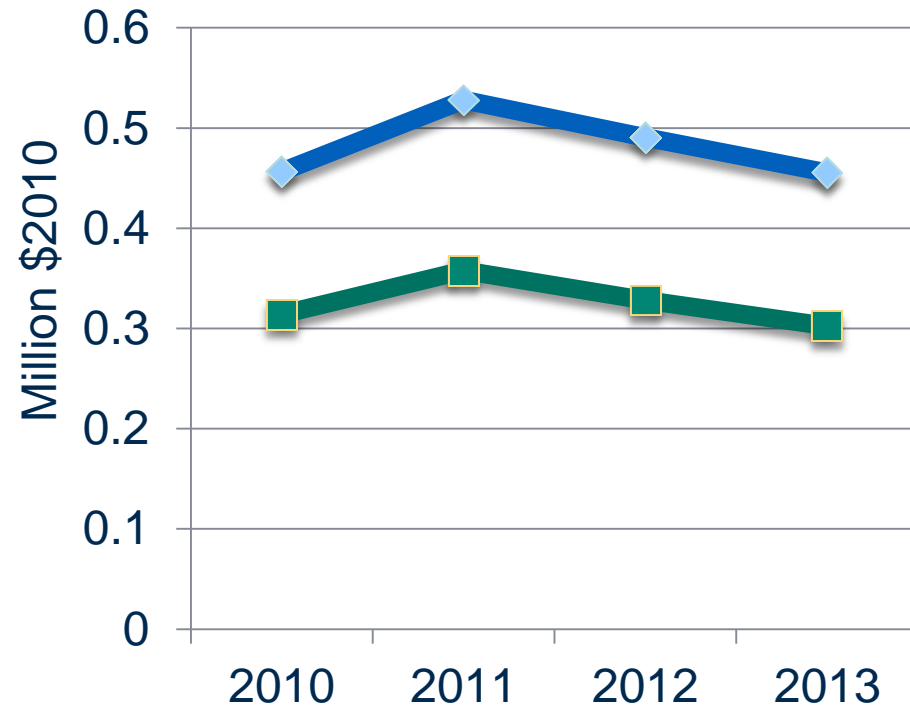
**Average Per Vessel Shares
at a 3 year low for 50' to <75' , 4 year low for 75'+
(unadjusted for leasing)**

All trips, May-April

50' to <75'



75'+



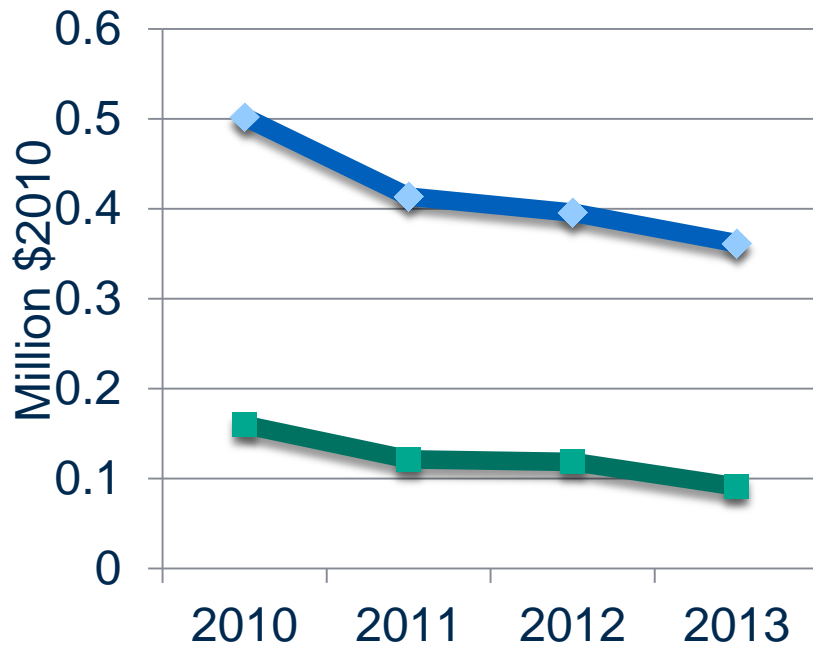
Owner Share Crew Share



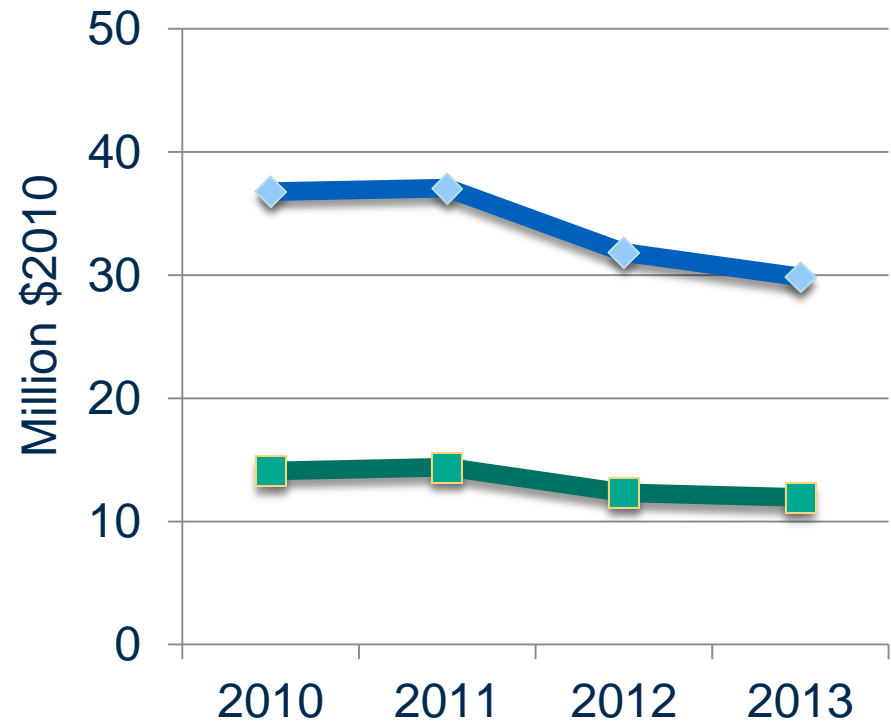
**Fleet Level Shares at 4 year lows
for smaller vessels (unadjusted for leasing)**

All trips, May-April

<30'



30' to < 50'



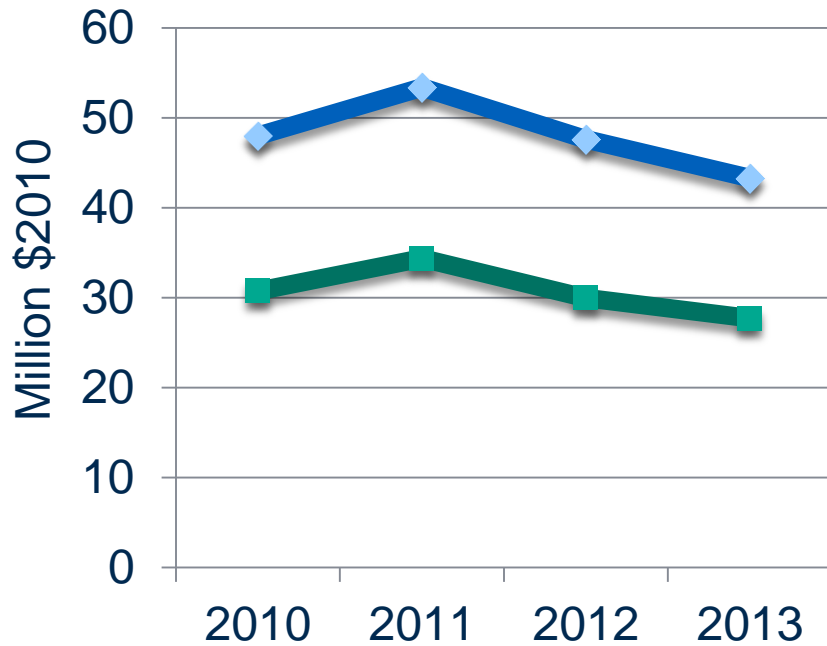
Owner Share Crew Share



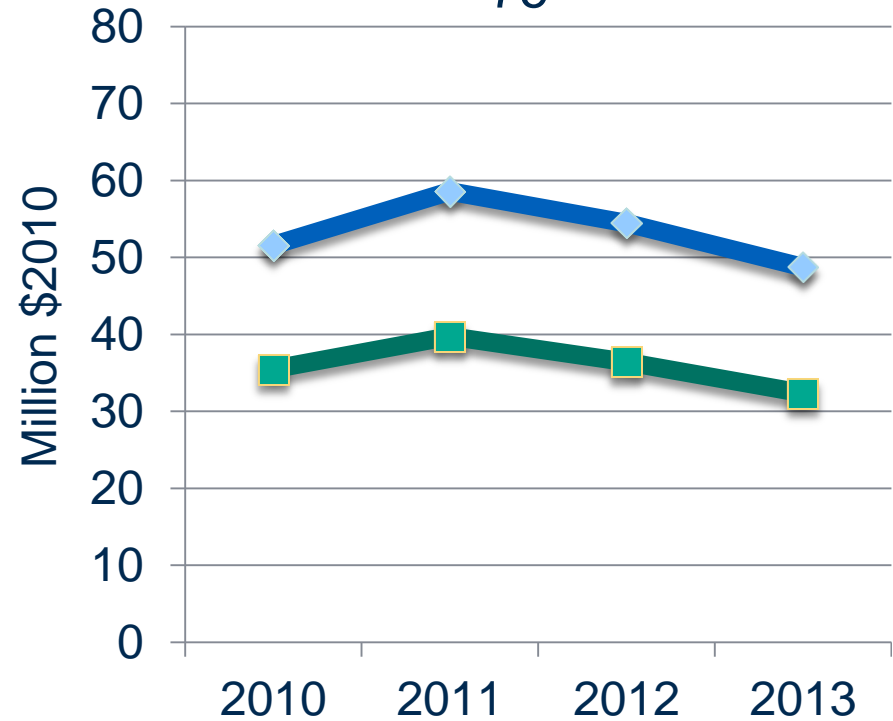
**Fleet Level Shares at 4 year lows
for larger vessels (unadjusted for leasing costs)**

All trips, May-April

50 to <75'



75'



Owner Share Crew Share

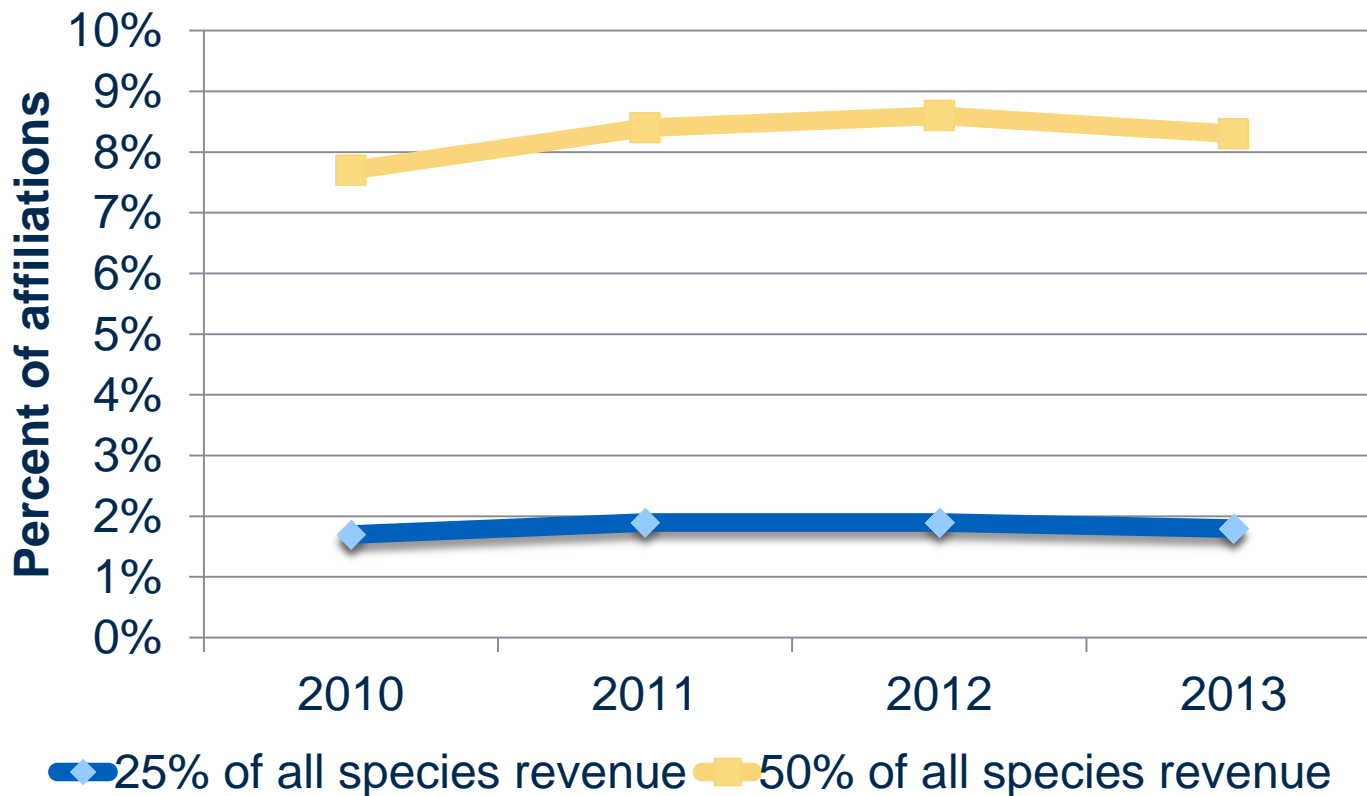


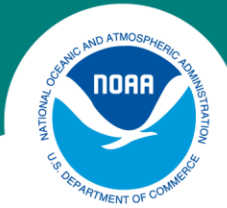
Consolidation & Distribution of Revenues from Landings by the active GF fleet

- Consolidation and concentration of revenues from landings differ from consolidation and concentration of permits.
- Consolidation of revenues from landings:
 - A shift in the GF fishery towards fewer active vessels or active vessel affiliations earning GF and all species revenues earned by landing fish.
- Concentration/Distribution of revenues from landings:
 - The distribution of GF and all species revenues from landing fish among the remaining active vessels or active vessel affiliations in the fishery.

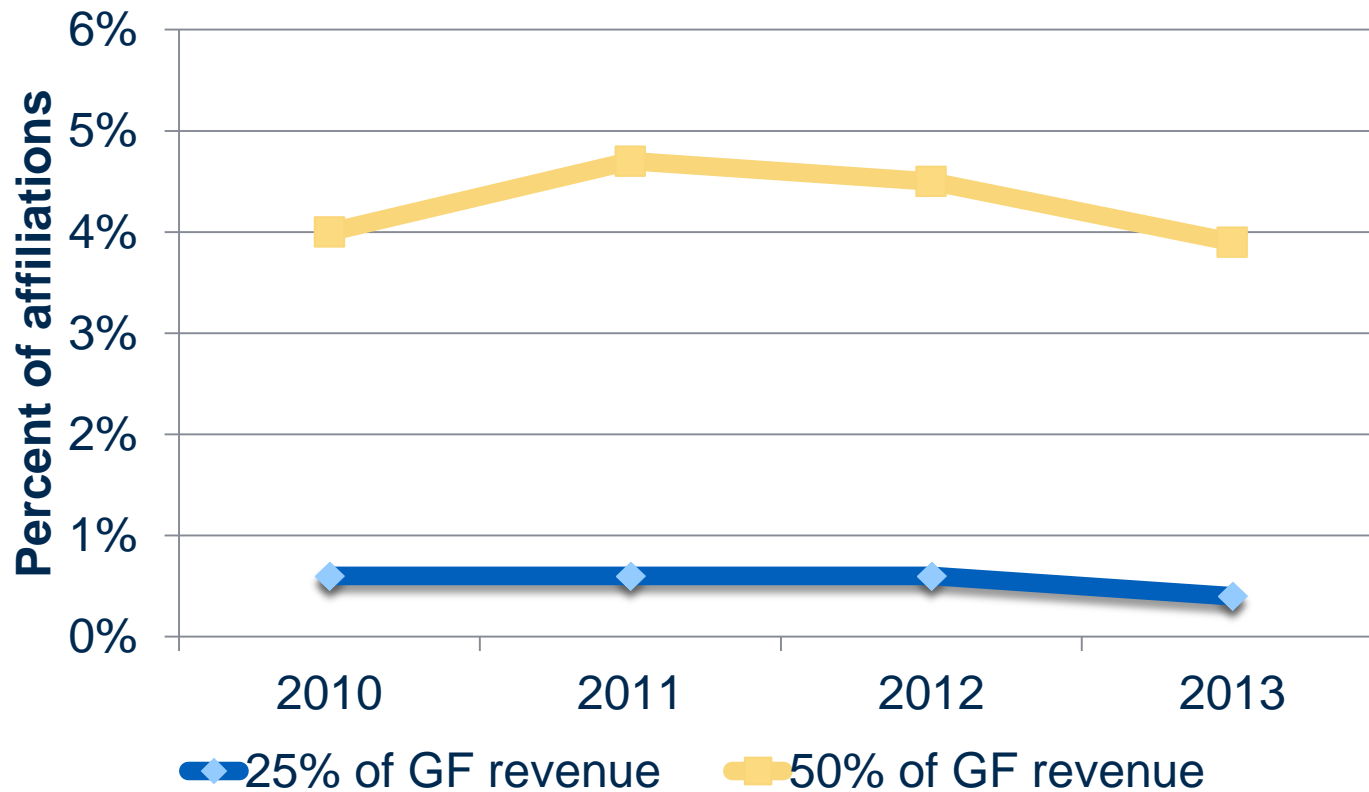


Percent of vessel affiliations landing top 25% and 50% of all species revenue





Percent of vessel affiliations landing top 25% and 50% of groundfish revenue





Consolidation & Distribution of Revenues from Landings by the active GF fleet

- Consolidation of revenues from landings onto fewer vessels and vessel affiliations is occurring, particularly for vessels that take GF trips.
- GF revenues are more concentrated than all species revenues, and have become slightly more concentrated in FY2013.
- Fewer vessels affiliations earning all species revenues (-93 affiliations since 2010), but percentage in each quartile of earnings has remained nearly constant.



A18 and the FY13 Groundfish Report

Goal 1: Promote a diverse groundfish fishery...

- The number of vessels actively participating is down from 2010 across size classes – declines range from -5% to -22%
- Diversity, when measured by Shannon or Simpson indices, appears relatively stable
- Regulators must be forward-looking: is our fishery prepared to meet the needs of the early 21st century markets and consumers?
 - Diverse markets, consumer preferences
 - Role for govt. regulation may be to encourage “constrained flexibility”



A18 and the FY13 Groundfish Report

Goal 2: Enhance Sector management to ... achieve management goals ... and improve data quality

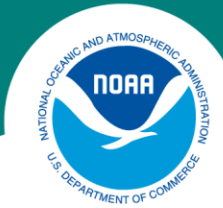
- Management goals include rebuilding stocks and providing access to healthy stocks (among many others).
- Increases in redfish landings in FY12 and FY13 compared to earlier years are an example of how Sector management can help.
- Data quality reasonably good; room for improvement possible.
 - ACE lease market more likely to suffer from transparency vs. quality problems.



A18 and the FY13 Groundfish Report

Goal 3: Promote resilience and stability of fishing businesses by encouraging diversification, quota utilization and capital investment

- FY13 Report shows non-groundfish landings comprise 80% of all revenues generated by vessels with limited access groundfish permits.
- In FY13, five stocks (GB West cod, GOM cod, GOM haddock, dabs, grey sole) > 85% utilization, overall utilization ticked up from 32% in FY12 to 33% in FY13.
- Capital investment difficult due to environmental, regulatory uncertainties.
- Fleet level owner and crew shares down 18% to 19% from 2011 highs.



A18 and the FY13 Groundfish Report

Goal 4: Prevent individuals ... from acquiring or controlling excessive share of fishery access privileges

- No ownership trends tracked explicitly in report.
- Distribution of landings by affiliation relatively constant across four years, with some consolidation noted 2011-2013.



A18 and the FY13 Groundfish Report

Goal 4: Prevent individuals ... from acquiring or controlling excessive share of fishery access privileges

- Monitoring excessive shares to prevent market power a balance between scale efficiencies and (quota) market efficiencies.
 - FY13 report points to primary need for scale efficiencies as low-hanging fruit.
 - Market efficiency concerns may be valid, but FY13 report hints they may be distributional in nature--high util. rates for dabs (98%) and grey soles (105%) shows that quota in aggregate can move.



More Information

- Murphy T, Kitts A, Demarest C, Walden J. 2015. 2013 Final report on the performance of the northeast multispecies (groundfish) fishery (May 2013 -April 2014). US Dept Commer, Northeast Fish Sci Cent Ref Doc. 15-02; 106 p. Available from: National Marine Fisheries Service, 166 Water Street, Woods Hole, MA 02543-1026, or online at <http://www.nefsc.noaa.gov/publications/>
- Visit SSB on the web at <http://www.nefsc.noaa.gov/read/socialsci/>



More Information

For general questions about the Performance Measures Program, (including the GF Report) or economic and social data collection, please contact:

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Email: Chad.Demarest@noaa.gov