

**Effects of the 2002 Chignik Cooperative:  
A Survey of Chignik Salmon  
Permit Holders**

by

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We would like to thank the eighty-nine Chignik permit holders who responded to this survey.

We hope that it will help people to understand your perspectives about the management changes during the 2002 Chignik salmon season and the effects of the Co-op.



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## I. INTRODUCTION

This report presents the results of a survey of Chignik Salmon Purse Seine permit holders about management changes in the Chignik salmon fishery and the effects of the 2002 Chignik salmon cooperative.

In January 2002, the Alaska Board of Fisheries passed regulations that established criteria and management measures for a cooperative fishery in the Chignik purse seine salmon fishery. Under the regulations, if 51 or more Chignik permit holders chose to join a cooperative, the cooperative would receive an allocation of a percentage of the Chignik sockeye salmon harvest. The purpose of the regulations was to allow permit holders the opportunity to fish cooperatively to reduce costs, improve quality and increase value by reducing the number of vessels fishing and slowing down the fishery. Permit holders who chose not to join the cooperative could fish in an “open” or “independent” fishery with a separate allocation.

Subsequently the Chignik Seafood Producers Alliance (CSPA) formed as a cooperative in accordance with the new regulations. In 2002, 77 Chignik permit holders joined the Co-op, 22 permit holders chose to fish independently in the open fishery, and 1 permit holder did not join the cooperative and also did not fish.

Under the new regulations, the Co-op received an allocation of 0.9% of the sockeye harvest per permit holder, or 69.3% of the total sockeye harvest. Permit holders fishing in the open fishery received the remaining 30.7% of the sockeye harvest, for an implicit average allocation of 1.4% per permit holder. During the 2002 season the Alaska Department of Fish and Game (ADFG) managed the fishery with separate openings for these two different groups.

The allocation to a cooperative was a new development in the management of Alaska salmon fisheries. There has been a great deal of interest in the effects of the management change and the Co-op in the salmon industry and Alaska.

In response to this interest, the University of Alaska Anchorage Institute of Social and Economic Research (ISER) is doing a study of economic effects of the Co-op. As part of the study, we surveyed Chignik permit holders about the management changes during the 2002 Chignik salmon season and the effects of the Co-op. This report presents the results of the survey.

This report is based on the 89 survey responses that we received by January 15, 2003. (An earlier report was based on the 80 responses received by December 3, 2002.)

Funding for the survey and the study was provided by University of Alaska Foundation funds made available to ISER by University of Alaska President Hamilton for a series of Alaska economic studies.

## II. HOW WE DID THIS SURVEY

Our goals for the survey were to gather basic information about permit holders' perspectives on effects of the management changes and the Co-op, and also to give permit holders an opportunity to comment on effects of the management changes and the Co-op. We designed the survey to fit on one page (front and back), with questions that were clear, easy to understand, and easy to respond to.

There are many other questions that we would have liked to ask in order to learn more about how people were affected by the Co-op. However, we have learned from experience that if a survey is too long, many people won't take the time to respond. It is more useful to have a high number of responses to a few questions than only a few responses to many questions.

We left space for permit holders to add additional comments with their responses, and invited them to include any additional comments they might have about the change in management of the Chignik salmon fishery in 2002 and the effects of the Co-op.

We sent slightly different surveys to those permit holders who joined the Co-op and those who did not join the Co-op. The front pages for both surveys were the same. The back page included different questions about the 2002 season for permit holders who joined the Co-op and permit holders who did not join the Co-op.

We mailed the surveys in early November 2002. Each mailing included a cover letter, a copy of the survey, and a stamped envelope for permit holders to mail the survey back to us. The following pages provide copies of the cover letter and the surveys.

We mailed the surveys to current holders of Chignik Salmon Purse Seine (S01L) permits as listed on the Commercial Fisheries Entry Commission (CFEC) website ([www.cfec.state.ak.us/menus/mnus\\_pmt.htm](http://www.cfec.state.ak.us/menus/mnus_pmt.htm)). We mailed Co-op permit holder surveys to the 77 permit holders on a list provided to us by the Alaska Department of Fish and Game. We mailed surveys for permit holders who did not join the Co-op to the remaining 23 permit holders.

During the last week of November we began telephoning permit holders from whom we had not received surveys. In addition to the surveys which were returned by mail, we were able to conduct several additional surveys by telephone.

We continued to conduct surveys by telephone until January 15, 2003. This report is based on eighty-nine survey responses received as of that date.

## Survey Cover Letter

November 11, 2002

[Permit Holder Name/address]

As you know, the change in the management of the Chignik salmon fishery this year has drawn a great deal of attention. The Board of Fisheries and fishermen across Alaska are very interested in the effects of the allocation to a co-op and how it affected fishermen and others involved in the Chignik fishery.

To learn more about these questions, the University of Alaska Anchorage's Institute of Social and Economic Research (ISER) is studying the economic effects of the allocation to the Co-op. Our study is funded by a grant from the University of Alaska Foundation. I visited the Chignik area twice this summer and talked with many fishermen (both Co-op members and independent fishermen), tender operators, processors, managers, and others in the Chignik community. I am writing a report which I will present to the Board of Fisheries at their meeting on December 5 and 6 in Anchorage, when they will discuss the Chignik fishery.

The goal of our study is not to advocate for or against the Co-op. I hope to describe fairly and objectively the many different effects the Co-op had and the different perspectives of people who have been affected.

I want to give all Chignik permit holders a chance to be heard in this study. For this reason, I am sending you the enclosed short survey. It should take about 10 minutes to complete. It will help us to include your views if you fill it out and mail it back before November 22; you may use the enclosed self-addressed, stamped envelope. Your responses will be confidential and used only in combination with those of other permit holders. The completed questionnaires will be kept in a locked filing cabinet in my office. The number written on your questionnaire will be used only for tracking purposes.

I realize the survey may not cover all of the issues that you think are important. Please use the space provided to add anything you feel is important to include in the report. I will provide copies of all comments I receive to the Board of Fisheries (without names).

If you have any questions about our study or this survey, or if you would like to talk to me about the Chignik salmon fishery or the Co-op, please feel free to call me at 907-786-7717 or e-mail me at [afgpk@uaa.alaska.edu](mailto:afgpk@uaa.alaska.edu). If you should have any questions about your rights as a research subject, please contact Dr. Kim Peterson in the Office of Academic Affairs at UAA (907)786-1921.

Sincerely,

Gunnar Knapp  
Professor of Economics

## Survey of 2002 Chignik Salmon Permit Holders

Please check the boxes that describe how you participated in the Chignik fishery between 1995 and 2001. For years you did not participate, don't check anything.

1a. Fished a permanent permit I held							
1b. Fished an interim permit I held							
1c. Fished a permit by emergency transfer							
1d. Crewed							
1e. Tendered							

The next two questions ask about your ties to the Chignik area. *[check one answer for each question]*

2. I am a current or former year-round resident of one of the Chignik-area villages.  
 Yes     No
  
3. I have close personal ties to the Chignik area.  
 Yes     No
  
4. Please check **the one statement** which best describes how you felt about the Board of Fisheries' January 2002 decision to allocate part of the Chignik harvest to a co-op.  
 I opposed it.                       I opposed it, although I had some mixed feelings.  
 I supported it.                       I supported it, although I had some mixed feelings.

**Comments:**

5. Overall, how did having a Co-op this year affect you financially, compared to how you would have done if there had not been a Co-op? *[check only one]*  
 I am worse off financially than I would have been if there had not been a Co-op this year.  
 I am better off financially than I would have been if there had not been a Co-op this year.  
 I'm not sure if I'm worse off or better off financially than I would have been if there hadn't been a Co-op this year.

**Comments:**

*THIS SURVEY CONTINUES ON THE OTHER SIDE OF THIS PAGE*

[Second page of Survey: Version for Co-op Permit Holders]

6. Overall, how would you describe your feelings about the Co-op and the change in the management of the Chignik salmon fishery in 2002? (check only one)

- Very positive                       Somewhat positive                       Mixed  
 Somewhat negative                       Very negative

<b>Comments:</b>
------------------

We have included the questions listed below only in the surveys we are sending to permit holders who joined the Co-op. Please check **the one answer** for each question that best expresses your opinion. Write in comments if you wish to explain more about your answer.

	Yes	No	Not sure
7a. The Co-op was managed well.			
7b. The Co-op chose catcher boats fairly.			
7c. The Co-op did a good job catching the fish.			
7d. The Co-op did a good job tendering the fish.			
7e. The Co-op did a good job marketing the fish.			
7f. The boats that fished for the Co-op were paid fairly.			
<b>Comments:</b>			

**Please answer the next two questions only if you FISHED FOR THE CO-OP.**

- 8a. The quality of the fish was better this year because of how the Co-op fished.  
 Yes       No       Not sure
- 8b. I enjoyed fishing for the Co-op more than competitive fishing.  
 Yes       No       Not sure

**Please answer these three questions only if you DID NOT FISH FOR THE CO-OP.**

- 9a. If there hadn't been a Co-op this year, I would have fished in the Chignik salmon fishery.  
 Yes       No       Not sure
- 9b. If there hadn't been a Co-op this year, I would have hired Chignik-area residents as crew.  
 Yes       No       Not sure       I wouldn't have fished
- 9c. Not fishing allowed me to earn money from other work this summer.  
 Yes       No       Not sure
- 9d. I missed fishing this summer.  
 Yes       No       Not sure

**Other Comments.** Please use the space below or attach additional pages for other comments you have about the change in management of the Chignik salmon fishery in 2002 and the effects of the Co-op. We will provide copies of all comments that we receive to the Board of Fisheries (without your name).

6. Overall, how would you describe your feelings about the Co-op and the change in the management of the Chignik salmon fishery in 2002? (*check only one*)

- Very positive                       Somewhat positive                       Mixed  
 Somewhat negative                       Very negative

<b>Comments:</b>
------------------

We have included the questions listed below only in the surveys we are sending to permit holders who did not join the Co-op. Please check **the one answer** for each question that best expresses your opinion. Write in comments if you wish to explain more about your answer.

	Yes	No	Not sure
7a. I caught less fish this year than I would have caught if there had not been a Co-op.			
7b. I had lower costs this year than I would have had if there had not been a Co-op.			
7c. I was paid a higher price this year than I would have been if there had not been a Co-op.			
7d. I had more trouble finding and keeping crew this year than I would have had if there had not been a Co-op.			
7e. I missed one or more days of fishing this summer due to breakdowns.			
7f. I enjoyed fishing less this year than if there had not been a Co-op.			
<b>Comments:</b>			

### Other Comments

Please use the space below or attach additional pages for any other comments you have about the change in management of the Chignik salmon fishery in 2002 and the effects of the Co-op. We will provide copies of all of the comments that we receive to the Board of Fisheries (without your name)

## Number of Survey Responses

The table below summarizes the number of surveys which we mailed, the number of responses which we received, and the response rates for different groups. We use the term “Independent permit holders” to refer to permit holders who did not join the Co-op.

	Independent permit holders	All Co-op permit holders	Permit holders on CSPA harvester list (a)	Permit holders not on CSPA harvester list	All permit holders
Number of surveys mailed	23	77	20	57	100
Number of responses received	20	69	19	50	89
Number of surveys for which no response was received	3	8	1	7	11
Response rate (%)	87.0%	89.6%	95.0%	87.7%	89.0%
Non-response rate (%)	13.0%	10.4%	5.0%	12.3%	11.0%

(a) From Financial Statement for CSPA as of October 31, 2002.

The Chignik Seafood Processors Association (CSPA) “Financial Statement for CSPA as of October 31, 2002,” included a list of 20 permit holders who fished for the Co-op as well as a list of persons who tendered for the Co-op. The table above shows response rates for the Co-op members who were on this list as and for those who were not on this list.

In the report, we divide responses from Co-op permit holders into two groups:

- “Co-op permit holders who fished for the Co-op,” and
- “Co-op permit holders who did not fish for the Co-op.”

To divide permit holders in these two groups, we did not use the CSPA list of permit holders who fished. Instead, we based our grouping on how Co-op permit holders responded to questions 8a-8b or 9a-9d. The survey asked Co-op permit holders to respond to questions 8a-8b “only if you fished for the Co-op” and to respond to questions 9a-9d “only if you did not fish for the Co-op.” Grouping permit holders based on which of these two sets of questions they responded to resulted in a slightly different grouping than that shown in the table above.

Of the 21 Co-op permit holders whom we grouped as “Co-op permit holders who fished,” because they answered questions 8a-8b, 18 were on the CSPA harvester list, 2 were on the CSPA tender list, and 1 was on neither list. Of the 48 permit holders whom we grouped as “Co-op permit holders who did not fish” because they answered questions 9a-9d, 1 was on the CSPA harvester list and 1 was on the CSPA tender list. Six Co-op permit holders answered both sets of questions. We grouped all of them as “Co-op holders who did not fish” because none of them were on the CSPA harvester list (although 1 was on the CSPA tender list).

The table below shows the number of responses in the groups for which we report survey responses in the rest of this report.

	Independent Permit holders	All Co-op permit holders	Co-op permit holders who fished (a)	Co-op permit holders who did not fish	All permit holders
Number of responses received	20	69	21	48	89

(a) Based on whether permit holders responded to questions 8a-8b or questions 9a-9d.

In reading the survey results, keep in mind that the surveys do not represent all permit holders. There were eleven permit holders—three Independent permit holders and eight Co-op permit holders, who did not respond. If they had responded, the percentage distribution of responses to any given question might have been different.

### III. SURVEY RESPONSES FOR QUESTIONS FOR ALL PERMIT HOLDERS

#### QUESTIONS 1A-1E: PART PARTICIPATION IN THE CHIGNIK SALMON FISHERY

Please check the boxes that describe how you participated in the Chignik fishery between 1995 and 2001. For years you did not participate, don't check anything.

1a. Fished a permanent permit I held							
1b. Fished an interim permit I held							
1c. Fished a permit by emergency transfer							
1d. Crewed							
1e. Tendered							

#### Responses to Questions 1a-1c

	Response	Independent permit holders	All Co-op permit holders	Co-op permit holders who fished	Co-op permit holders who did not fish	All permit holders
Number of responses	Fished permanent permit every year	13	46	12	34	59
	Fished permanent, interim or emergency permit every year	3	7	4	3	10
	Other	4	15	4	11	19
	No answer		1	1		1
	Total	20	69	21	48	89
Percent of responses	Fished permanent permit every year	65%	67%	57%	71%	66%
	Fished permanent, interim or emergency permit every year	15%	10%	19%	6%	11%
	Other	20%	22%	19%	23%	21
	No answer		1%	5%		1%
	Total	100%	100%	100%	100%	100%

#### Responses to Question 1d

	Response	Independent permit holders	All Co-op permit holders	Co-op permit holders who fished	Co-op permit holders who did not fish	All permit holders
Number of responses	Crewed at least one year	2	5	2	3	7
	Did not crew	18	63	18	45	81
	No answer		1	1		1
	Total	20	69	21	48	89
Percent of responses	Crewed at least one year	10%	7%	10%	6%	8%
	Did not crew	90%	91%	86%	94%	91%
	No answer		1%	5%		1%
	Total	100%	100%	100%	100%	100%

### Responses to Question 1e

	Response	Independent permit holders	All Co-op permit holders	Co-op permit holders who fished	Co-op permit holders who did not fish	All permit holders
Number of responses	Tendered at least one year	1	1	1		2
	Did not tender	19	67	19	48	86
	No answer		1	1		1
	Total	20	69	21	48	89
Percent of responses	Tendered at least one year	5%	1%	5%		2%
	Did not tender	95%	98%	90%	100%	97%
	No answer		1%	5%		1%
	Total	100%	100%	100%	100%	100%

The next two questions ask about your ties to the Chignik area. *[check one answer for each question]*

### QUESTION 2: RESIDENCY IN CHIGNIK-AREA VILLAGES

2. I am a current or former year-round resident of one of the Chignik-area villages.  
 Yes    No

### Responses to Question 2

	Response	Independent permit holders	All Co-op permit holders	Co-op permit holders who fished	Co-op permit holders who did not fish	All permit holders
Number of responses	Current or Former Year Round Resident	15	46	18	28	61
	Non Resident	5	22	3	19	27
	No answer		1		1	1
	Total	20	639	21	48	89
Percent of responses	Current or Former Year Round Resident	75%	67%	86%	58%	69%
	Non Resident	25%	32%	14%	40%	30%
	No answer		2%		2%	1%
	Total	100%	100%	100%	100%	100%

### QUESTION 3: PERSONAL TIES TO CHIGNIK AREA

3. I have close personal ties to the Chignik area.

- Yes     No

#### Responses to Question 3

	Response	Independent permit holders	All Co-op permit holders	Co-op permit holders who fished	Co-op permit holders who did not fish	All permit holders
Number of responses	Close personal Ties	20	61	21	40	81
	No Close Personal Ties		8		8	8
	Total	20	69	21	48	89
Percent of responses	Close personal Ties	100%	88%	100%	83%	91%
	No Close Personal Ties		12%		17%	9%
	Total	100%	100%	100%	100%	100%

### QUESTION 4: FEELINGS ABOUT BOARD OF FISHERIES DECISION

4. Please check **the one statement** which best describes how you felt about the Board of Fisheries' January 2002 decision to allocate part of the Chignik harvest to a co-op.

- I opposed it.                       I opposed it, although I had some mixed feelings.  
 I supported it.                       I supported it, although I had some mixed feelings.

#### Responses to Question 4

	Response	Independent permit holders	All Co-op permit holders	Co-op permit holders who fished	Co-op permit holders who did not fish	All permit holders
Number of responses	Opposed	18	3		3	21
	Opposed/mixed	2	1	1		3
	Supported/mixed		18	6	12	18
	Supported		47	14	33	47
	Total		20	69	21	48
Percent of responses	Opposed	90%	4%		6%	24%
	Opposed/mixed	10%	1%	5%		3%
	Supported/mixed		26%	29%	25%	20%
	Supported		68%	67%	69%	53%
	Total		100%	100%	100%	100%

## Comments on Question 4

### **Co-op permit holders who fished who responded that they opposed the Board's decision, but had mixed feelings:**

I opposed the way in which it was set up, meaning I would have liked to see some sort of historical applied. The "concept" is great.

### **Co-op permit holders who fished who responded that they supported the Board's decision:**

I think the Board of Fisheries did very good job. Thank you

I think it was a decision that had to be made. The salmon industry is suffering statewide. Everyone involved is searching for answers. It was the best decision for the Chignik management area.

I am really glad they made the decision. While it was a bold change and I wasn't in front of the board last year, but the changes are so positive that I am going in front of the board this year to really get behind the effort. Last year, I passively supported it. Now I will aggressively support it.

We should have been allocated more fish, or at least the percentage should have been equal.

The co-op helped bring more money to our borough and, in turn, supported our schools with more funds. Cut costs on fleet insurance and fuel costs and maintenance costs.

I think it went well for the first time around. It's all around better.

I still believe it's a good concept.

It was either that or get the overhead down. We couldn't have made it the normal way.

I believe that equal access means every permit should have equal access to the fish, whether that permit is in the co-op or not (1 to 1)--not .9 to 1.1 as it was last summer. If anyone has a lawsuit against the state, it should be permit holders who had their equal access reduced to .9.

I didn't totally agree with how the co-op decided to allocate funds but that has nothing to do with the BOF decision. Some fishermen have more of an investment, so they should be paid more.

### **Co-op permit holders who fished who responded that they supported the Board's decision, but had mixed feelings:**

I am fishing there a long time and we should base the co-op workings on historical performance.

What pushed me was when Norquest came out with 45 cents/pound for salmon.

Most of my reservations about the co-op evolved from permit holders with little or no investment received an equal permit share as the holder with assets (boat, gear, payments).

One of the things was that when they allocated shares to the co-op, they gave us .9%, and I thought it should be at least 1% instead of penalizing the co-op.

Well, if they have allocative issues, it should be based on historical performance. So their performance would go with them in the co-op.

**Co-op permit holders who did not fish who responded that they opposed the Board's decision:**

I oppose the co-op because I was forced into it by sheer numbers. I would have no objection to a co-op, but the allocation takes the individual right away to compete and better himself and support his investment.

**Co-op permit holders who did not fish who responded that they supported the Board's decision:**

The reason I supported it, I can see where the salmon industry is going—and farmed fish competition. We have to do something with the way we market our fish. We have to compete with farmed fish, and we have to give the consumer what they want, which is boned fillets.

I have never missed a salmon season in 50 years. This is the first year I have not fished. I have always been above average and most of the time considered a high liner. Did this co-op make a difference in Chignik salmon quality, price, and my overall earnings? The answer is “yes.” Did this co-op make a difference in trying to get an experienced crew that wants to fish? The answer is, “experienced crewmen have moved on to better paying jobs.” Thank God we started this co-op.

The co-op received a better price for our product.

Anybody who opposed the co-op is living in a dream world. It's like the buffalo hunters. If only 100 are taken, you want to maximize what we can do with it. It's not the wild and woolly days of the 60s. There is also a pretty profound alcohol problem in Chignik, and I have told this to the mayor.

It was obvious that with the very low price of premium sockeye, some other avenue had to be looked at. I am all for the co-op in Chignik.

Fish prices were projected to be poor. Fish run was predicted to be med-poor. It made sense economically to take a chance to see if the co-op would work.

The possible alternative was going to be a disaster: (1) low prices, (2) strike to try to raise prices, losing fish, (3) weak run.

From what I could see, it was the best thing that could ever happen. The price was getting lower each year. It has given us a better price for our fish. It also gives the salmon buyers better-quality fish. They have never seen anything like it. Our fish were live when they got to the processor. Without this co-op, it would have never happened. The rest of the industry is looking at us.

I saw it as our best option for survival and, at this point, I still see it as our best option for survival, both from an economic and social (community) perspective. Change is never easy, but often very necessary.

I think it was a step in the right direction. The Board of Fish was nervous about the legalities, but at least they gave us a chance to work this.

It was the best thing that could have happened at this time.

I was one of the founding directors of CSPA and believe in its future potential. I believe that, given the opportunity, we can work out our problems and provide for a real solution to our salmon crisis in Chignik.

I supported this plan mainly because we will be selling quality red salmon.

After having economic disaster declarations in 3 of the last 5 years, I feel something had to be done. Nothing the BOF could have done to make everybody happy, but I think that 77 out of 100 permit holders joining the co-op proves the BOF made the right choice.

I'd like to see the co-op get 100% of the allocation.

I think it's going fine for me. I will be in the co-op again this year.

There was no question; something had to be done.

I still have yet to learn what is going on with that.

Just glad that we can do something for ourselves. We were being strangled by the rules and regulations of the whole salmon fishery. The whole thing needs an overhaul or we're doomed.

I've been involved with co-op proposal since 1997. We have been trying to hammer out a proposal for a long time.

I think it was a wonderful idea. It really helped us out this year. If it weren't for the co-op, I wouldn't have been able to live in Anchorage.

**Co-op permit holders who did not fish who supported the Board's decision, but had mixed feelings:**

At first didn't think too much about it, but when I heard what they were going to pay, I figured I had nothing to lose.

Because it was something new to me, but I knew something had to be done because everything was on the downside. Also, for this co-op thing, I didn't see any other way. It was two previous years that I got extensions on my loans. Even my crew was not making any money.

I believe that the niche market that can be developed by improving quality is our best hope for higher prices. I still have a huge investment in boat and gear that is idle but requires maintenance. I like to fish but it has been very difficult to get a good crew even though I usually catch over 150% average.

I realize the purpose. I'm just not sure if this is the way to go for the good of the village. For the permit holders, it's okay; but for the crew and people in the village, it's not so great.

There was no price and I could hardly have a crew any more, so I'll probably stick with it if it goes like this.

I had mixed feelings when the majority planned to pay higher percentages to "highligners." That isn't fair and would never work. Luckily, everyone agreed to have the equal shares.

I knew that it would bring hard feelings throughout the fishing community. The "let the strong survive" argument doesn't do anything to help market conditions—maybe co-op quality fish can [smiley face]

When the issue was first before the Board of Fish, I was not aware of wording of the proposal, whether it was historical, etc.

### **Independent permit holders who opposed the Board's decision:**

January 2002 I testified at the BOF meeting in favor of the co-op concept only if it was based on historical catch. I'd have testified against the co-op, but CSA was paying my \$1,500 expenses only if I testified in favor. I also wanted to testify against Igvak interception. CSA spent thousands of dollars unauthorized to pay for testimonies in favor of the co-op. I'm a CSA board member.

This decision gave an allocation to people who were not even involved in the fishery or no longer had an investment in it other than their permit card. It's like adding a huge tax to the fishermen who were surviving in Chignik and justifying it by saying, "We are giving it to your fellow fishermen and, by the way, they don't need anything but a piece of plastic to collect (permit card)." This is welfare in the form of Communism. The only thing is, we are not all getting the welfare. I fail to see how you can make something more efficient by adding more bills, and that's what these people are. The only reason they are involved to the level they are is because the co-op needs their vote to stay in business. If these people did not have a say, the co-op wouldn't even be talking to them. The co-op is basically buying their vote. How many people do you know who will turn down \$20,000 when all they have to do is make sure the co-op survives. They don't even have to come to Alaska, and all it takes is a vote. After all, that's what this survey is all about, isn't it--a tally of votes?

The allocation is unfair to those who did not join the co-op because we were not allowed to fish when fishing in the Lagoon was open. We have a commercial fishing permit, but it was no good because of this allocation and due to that, we lost our chance to make enough money to make ends meet.

I don't think the state of Alaska should have the power to take the fishery away from people who fished in it. Apparently, the Limited Entry Commission is null and void to the actions that the Board of Fish has taken to this allocation. Now that there are so many people in financial stress, how is the state going to provide \$ to help Chignik area boat owners, permit holders, crew-- basically, the whole village. Or is Alaska going to leave it to the federal government to take care of all the people who will go on welfare?

I really oppose this allocation. It's cut our fishing time to almost nothing and made me lose 95% of my season's gross. I will never approve of a co-op allocation.

I believe the main proponents are overextended and never did that well. When I bought my permit, I bought a limited entry permit, equal access. The 2001 strike was forced upon us to begin the co-op. I have a video of a strike breaker that shows the savage environment that was a lever in building the co-op. Allocating a pulse fishery is not possible.

I have not got to fish in the outside areas because of the co-op and the allocation.

Because of the allocation, I did not get to fish in the months of August and September, and only fished 15 days in June and July.

Why would I support a system that takes free enterprise away from me? Why did I work hard and manage my finances all these years, just to have my chance to continue making a living taken away? The co-op has ruined the ability for the healthy part of the Chignik fleet to keep this operation from going broke. I was issued a "limited entry" permit in 1972; now it seems I have a "limited, limited" entry permit due to the board's actions--something that does not affect any one of them personally.

The Board of Fisheries and the co-op took our livelihood away.

It was not right. We have been fishing here all our lives and these people barge in and try to change everything for their benefit. All summer all we got to fish was 16 days.

I felt I got ripped off. They gave all this to people who have not fished there for years. It was a bad joke. I got penalized for working hard. They do not reward people for working hard; they are trying to create a welfare list.

Your supportive action is killing the village generations and the economics of the village. You have not studied this monster.

I didn't got up to the Board to fight it because I didn't realize what was happening until later. I am opposed to allocation. I believe it hurts young people who are up and coming. I've been on a boat all my life, and now I and other people my age have to wait until you can afford a permit or have one handed down to you. The co-op has put the price out of reach. If you've been working at this all your life, it's not right that you should have to wait until your father retires to get to fish. Also, my younger siblings now don't have any chance. With this co-op, the already devalued price of the boat will continue to go lower.

You were issued a limited entry permit for that fishery and you should be able to fish it if you have a permit. No arrangements should have been made for any special groups like co-ops by people (Bd of Fish) who are primarily sports fishermen and not commercial fishermen.

I don't feel that anyone should be guaranteed a percentage of a fishery.

**Independent permit holders who opposed the Board's decision, but had mixed feelings:**

Allocation needed to reflect the fishing history of the people who are in it.

If money was the only reason to support or not to support, I would be for it (at least in theory). I always felt the social impact is too great: (1) Losing the traditional fishing lifestyle (family ties); (2) People need to work and earn a living and be productive to be happy. A lot of Chignik people only salmon fish for the whole year.

## QUESTION 5: FINANCIAL EFFECTS OF THE CO-OP

5. Overall, how did having a Co-op this year affect you financially, compared to how you would have done if there had not been a Co-op? [*check only one*]
- I am worse off financially than I would have been if there had not been a Co-op this year.
  - I am better off financially than I would have been if there had not been a Co-op this year.
  - I'm not sure if I'm worse off or better off financially than I would have been if there hadn't been a Co-op this year.

### Responses to Question 5

	Response	Independent permit holders	All Co-op permit holders	Co-op permit holders who fished	Co-op permit holders who did not fish	All permit holders
Number of responses	Worse off	18	5	2	3	23
	Better off		46	11	35	46
	Not sure	2	17	7	10	19
	No answer		1	1		1
	Total	20	69	21	48	89
Percent of responses	Worse off	90%	7%	10%	6%	26%
	Better off		67%	52%	73%	52%
	Not sure	10%	25%	33%	21%	21%
	No answer		1%	5%		1%
	Total	100%	100%	100%	100%	100%

### Comments on Question 5

#### **Co-op permit holders who fished who responded they were worse off:**

It's a loaded question because it was a poor run, and we might also have gone on strike. I wonder if I might have done better.

#### **Co-op permit holders who fished who responded they were better off:**

If there were no co-op, I wouldn't have made any money.

The co-op unquestionably improved the overall value of the fish. The co-op also effectively cut the overall costs of operating in the Chignik salmon fishery.

Knowing that we had a bad salmon return. the co-op did better in fish price and less expense. Let's see what happens on a good salmon return. The delivered salmon were in top shape compared to iced.

I am confident that I made the right choice by going with the Chignik co-op for the fishing season of 2002. This is the only answer that we may have of surviving falling salmon prices and producing highest grade marketable salmon.

Because I made \$ and my crew made \$.

For the first thing, without the co-op we would have been stuck with a lower price. We would have never made the amount we did if we went independent.

The co-op definitely brought the price up for both groups of fishermen last summer. Because I was a catcher boat for the co-op, I did better financially. If I had not been a catcher boat, I feel I would have done better as an independent fisherman.

The reason I am better off is that I would have a lot more expenses if I fished, and I was having difficulty getting crew members.

**Co-op permit holders who fished who responded they weren't sure if they were better off or worse off:**

I think if we hadn't been in the co-op, we would have been on strike, but there are a lot of variables in that scenario.

Part of me is not sure because I chose to fish in the co-op and because of that I made less money this year. But this is for the long haul, and I would expect that runs will be better. Certainly you can plan on the Fish and Game projection.

Depends on whether you want to look at the short-range picture or the long-range picture. I am an above-average fisherman and usually fish in the Chignik Lagoon where most of the fish turned up. So this year is not indicative of future. Also, we need to pay attention to the quality of the fish, and this co-op allowed us to do that. The way the salmon fishing is going, we can't be allowed the luxury of a competitive fishery. We have to pay attention to quality and the diversification of our markets. I'm perfectly happy with what transpired.

I'm not sure how different it would have been if I were on my own.

Probably a little more than I would have if I had to fish the normal way, but there are a lot of bugs they are still working out.

If I could have found a crew for the 2002 season, I probably would have gone competitive. Either way, I think I would have made out about the same, financially speaking.

It helped out more people than it hurt, but I'm not sure how it affected me.

**Co-op permit holders who did not fish who responded they were better off:**

It's pretty simple: mathematics. Early price was 43 cents/pound, and if we went on strike, we would have missed the best part of the run. So this was the obvious choice: to be competitive.

I invested my whole life in fishing (50 years). I'm 58 years old. I love to fish but not to slowly die. If you can't make a living in my line of work, make a change and make it work. With this co-op I have a chance. Without it, I will slowly die out of the salmon industry. Why? our economy has far surpassed our cost to fish and make a living. I have tried very hard to stay fishing and make my crew good money to endure the long hours and weather that we fish in. But they don't come back to fish with me any more. God bless this co-op.

If I didn't join the co-op, I would never had my boat payment and would never had money to pay for fuel and groceries for the winter.

I would not have made any money this year if we hadn't went with the co-op. Prices would have been too low.

I honestly believe it was a great move. There were people who would have lost their permits this year without the co-op. There is nothing on my permit that says I owe those tender guys a thing. The tenders have never taken a hit on this thing.

It's a great idea. It needs some tweaking, but it's the future.

I feel that the CSPA was a huge success. Had it not have been a poor return below the predicted forecast, we would have been smiling. But that is the way fishing is. Also, once we get Roy Wadsworth on line at the start of the season and the other fresh markets utilized, I am sure the CSPA will be a home run!

My operation would have cost more to run than I would have made in 2002. The dividends from the co-op were take-home funds to live on.

I worked when I would have been fishing. That and not having the expenses of gearing up for the season offset any fishing losses.

Since this is our first year, there are ups and downs. We anticipate improvements each year. Some of the competitive guys did poorly, but in the co-op, we made about \$20,000 and expect to get more. If we weren't in the co-op, we may not have made so much because their time was drastically cut.

The price combined with low volume this past season means that even if I doubled the average, I would probably not have grossed \$75,000. At least I put over \$20,000 in my pocket this season, which I would not have done with a boat gross under \$75,000.

It seems like we're just getting off the launching pad, but there is a lot of potential. It was a weak run. So even though I didn't make a lot of money, there is potential in the future.

I am a new permit holder. It would not have been profitable to fish competitively due to the sudden drop in price for sockeye.

If I fished the outer area, I might have been able to do more, but who knows. The co-op did good, well not good but okay. Made about 24,000 and there should be another check coming.

I was able to work construction all summer and so kept from going in the hole.

My family is better off financially only because we've held jobs all year round. We usually have to find new jobs all the time, never with benefits or secure home.

With the current fish prices, I can't make enough money to cover my operating costs.

I think that I probably would have netted a little more money than I made, but I have a very expensive operation, and I am in the co-op for the future. My great hope is to niche market our salmon and that, along with reduced operating costs, will benefit all Chignik fishermen tremendously.

The co-op has helped me a lot to stay connected with the fishery and also financially.

With the poor run of reds and the better price, we would not have done better independently as the price would have been terrible.

I was able to pursue other work-related interests instead of being tied to the limited entry system.

Although the \$22,000 does not cover my boat and permit payments completely, I feel this is more than I would have cleared without the co-op.

If we didn't have a co-op, we would have been facing an economic disaster. This has helped all of us, both co-op and "uncooperative." We would have been lucky to see \$.50/lb in addition to a lot less fishing time.

Because of prices, if it hadn't been for the co-op, we would have been fishing for 40 cents/pound. It wasn't anything big, but it was enough to pay our bills.

That co-op did some good. It helped out financially.

Just in the light of co-op fishing, yes. I am also a tender owner and operator, so I was partially compensated for that work, too, as they employed me for about 5-6 weeks this year. Normally, it would be 10-12 weeks.

Tough question because I did not fish competitively.

It's something that was good for us financially, and I'm glad we're doing it again this year. Thanks to the people who had the idea and created the co-op. It had to be a lot of work.

**Co-op permit holders who did not fish who responded they weren't sure if they were better off or worse off:**

Getting paid for 7 weeks as a co-op tender sure helped because the co-op dividend was small. I am one of the few boats that often make 33% of my boat gross from non-sockeye species, few of which the co-op can catch in Chignik Lagoon.

The summer before I had a total engine breakdown, and I lost out. If I hadn't broke down, I would have been able to make my loan payment and make \$, too. Also, you don't know how to predict how the fish will run and what prices we'll get. What is happening here with the fishery--is it global warming, the Russians nuclear wastes--a few years back, we had all these dead birds around here--thousands of them. Then we had this huge green mass of something like algae. It's very strange. All of these areas are not just over fishing--all of the fisheries (not just salmon) are going down.

The run was so poor, and it is difficult to know what the price would have been that I cannot say. I did not fish, so was able to supplement my income with another job which, in combination with the co-op payment, was probably as much as I would have made fishing with less expense and risk.

Probably would have been close to the same, especially with the low prices.

Not sure because I couldn't pay off all my bills and stuff with the money I got.

The openings for the traditional fishermen, the weather was bad, and they missed some fishing days because of weather. I would have been one of them if there wasn't a co-op.

Because of engine parts and labor I needed, I was better off in co-op and boat payment glad w/payment for the boat, not for engine parts (maybe next time).

### **Independent permit holders who responded they were worse off:**

With a low price forecast and a low prediction and processors tightening upon POS, participation would have been considerably less. Our fish price would have been higher because Trident, my buyer, was boycotted and could not meet expenses due to low volume. We were not allowed to fall fish. We fished only 4 days in June, 4 in July when the fish are running.

I own two boats that were involved in the Chignik salmon fishery. One was built in 1991 and the other was built in 1979. They have fished no where else--one was not fished at all last year, resulting in \$0 income to me. The people who were the most heavily invested in this fishery have lost the most because of this co-op.

Dynamics of having a lot less fishing days affected me.

Because of the allocation, we were only allowed to fish a few days for each month of the season. So, yes, financially I am much worse off.

I fished 15 days compared to the 78 days the co-op fished. That is a drastic change compared to the normal 50-70 days. In the 15 days I fished, I doubled what their permit holders were paid and that was at 53 cents/pound compared to their 73 cents/pound.

I was only able to fish a few days out of the time the fishing season was open. The co-op fished most of the time, which I feel was really unfair. Thanks to the allocation, I was unable to pay my bills.

I have my own markets and did not join the co-op because of my attorney's advice. Going into business with people who are in debt is foolish. How many members of the co-op are in the red? I was planning to fish outside and have multiple avenues to market. The co-op controlled the fishery and made it impossible for me to conduct my business as I should have the right to do.

As you said, the devil is in the details and not all the details were investigated before the co-op. It was started by permit holders who did not have 10 years under the system.

I have made 1/4 of the money that I would have made if there was no allocation or co-op.

This is the first year that I haven't made my boat payment because of the allocation in the Chignik Fisheries.

I am, or rather have been, a "Cape Fisherman" for the last 20 years (I have fished Chignik 37 years). With only 48 hour openings, this overnight destroyed my fishery. The co-op didn't even fish in a competitive manner; the fisheries dept having to push them along to fill their quotas, which also took fishing time away from independent fishermen. I fish the capes because I am not that good at fishing the lagoon; there are boats in the fleet that draw too much water; they can't even fish in the lagoon; so what, they have to join the co-op?

I think we are worse off for the fact we had only a few fishing days.

I'm a hard working fisherman, and this really upsets me. I made less money this year-- definitely so. They give them 72 hours and us 24 hours, and we sit on the beach all summer. We heard them laughing on the VHF radio about it. It affected all of us quite a bit. It took me years to get where I am, and these guys are just trying to take over everything for themselves.

(I have a problem with the question.) My belief is that it was not the co-op that screwed me; it was the allocation that got me. I only got to fish 12 days when I am used to fishing 60.

This is a guess. We held pretty close to our historical average, but I think I would have done better if it had been a normal year and the rest of the boats showed up.

Because I did not get to fish my outside fisheries (humps and dogs) nor did I get to fish the central district for reds. I hope it changes.

Because of the way the co-op harvested their allocation, the independents had less fishing time.

**Independent permit holders who were responded they weren't sure if they were better off or worse off:**

On a normal year, we have longer openings and I fish only on the capes. We need more time to compete effectively with the Lagoon. Next year if the co-op continues, I may not have a market on the outside (nobody to buy my fish). I cannot effectively fish in the Lagoon. I have fished the cape almost exclusively competitively since 1978.

There wasn't enough fish this year.

**QUESTION 6: OVERALL FEELINGS ABOUT THE CO-OP AND THE CHANGE IN MANAGEMENT OF THE FISHERY**

6. Overall, how would you describe your feelings about the Co-op and the change in the management of the Chignik salmon fishery in 2002? (*check only one*)

- Very positive                       Somewhat positive                       Mixed  
 Somewhat negative                       Very negative

**Responses to Question 6**

	Response	Independent permit holders	All Co-op permit holders	Co-op permit holders who fished	Co-op permit holders who did not fish	All permit holders
Number of responses	Very Positive		43	13	30	43
	Somewhat Positive		18	7	11	18
	Mixed	3	8	1	7	11
	Somewhat Negative	2				2
	Very Negative	13				13
	No Answer	2				2
	Total		20	69	21	48
Percent of responses	Very Positive		62%	62%	63%	48%
	Somewhat Positive		26%	33%	23%	20%
	Mixed	15%	12%	5%	15%	12%
	Somewhat Negative	10%				2%
	Very Negative	65%				15%
	No Answer	10%				2%
	Total		100%	100%	100%	100%

**Comments on Question 6**

**Co-op permit holders who fished who responded “very positive”:**

With the co-op fishery, we can have fresh fish every day if we have someone to tend the fish and buy. They did a good job.

Management was great.

Without question, we, as fishermen, had a better financial season because of the co-op. Of course, there are improvements to be made, as with all first-year operations.

I'm not sure what the 'change in management' means. If it is the Fish & Game, I thought it was very well-planned out and executed. There need to be more changes in the fishing aspect that Fish & Game will regulate so that fishermen will be able to have a proper allocation between user groups. There are certain tools that will facilitate Fish & Game's ability to regulate us and still be managing for the river escapement.

Management was able to micromanage the fishery. Escapement was more closely managed than at any previous time, so the overall management quality was enhanced.

ADF&G is able to manage the fishery better by moving the fishing boats further down river and more effort up river to cut down on escapement.

The co-op should not be held to the same fishing regulations that a competitive fishery is required to adhere to. When Fish and Game asks the co-op to stop fish going through the weir, then the co-op should be allowed to do it logically, not stupidly.

For the first year, I think Fish and Game did an excellent job for what they had to deal with. I thought they did pretty good.

It turned out better than expected as far as efficiency.

### **Co-op permit holders who fished who responded “somewhat positive”:**

Fish and Game would have been happier with shorter openings, 24 hours instead of 48.

Fish & Game--they do a good job, but no one gives them credit. They get a lot of grief. I wouldn't want their job because no one gives them credit. I like them.

The co-op almost had the price settled by the time we got to Chignik.

I am concerned about management of the co-op. I have seen biased stuff going on, and I would like it totally unbiased. I've seen blatant favoritism and I think that is very wrong.

It was hard to make the decision in the beginning about whether or not to join the co-op, but when they put the price out and I ran the numbers, I had to join.

They should have let the co-op go first. We had a hard time to catch up with our allocation.

### **Co-op permit holders who fished who responded “mixed”:**

I think that I was the hardest worker in the co-op, busted my butt for someone else is the way I see it. If I had a chance to work that hard competitively, I would have made a bundle! Obviously, management was the best it has ever been.

### **Co-op permit holders who did not fish who responded “very positive”:**

Anytime a department can tell a fisherman to catch fish and allow the proper escapement, it's a good thing. In the past, there has been overescapement and that's not a good thing for the fishery. One thing could have been better: people at Chignik wear should keep their opinions to themselves and do their job managing the fishery. Overall, it went pretty well. There will be a few changes suggested at the board meeting but that's all.

Management has always made changes in our fishery. I have worked with ADF&G management all my life and they try their best to do what they are told. This change is the beginning of what the state of Alaska needs to help all salmon areas in a new way of doing business. I'm proud to be a salmon fisherman, but I still need to pay my bills.

The Board is diverse enough that I am confident that they will make the right decisions.

I wish to have the co-op continue for the seasons 2003 and as long as it's needed for us to survive.

They did excellently.

Fish and Game was great. We were thrilled with their ability to regulate the broad stock.

As you can see, the statistics of the past summer, the F&G management had the most precise escapement ever.

Co-op was a success. Management allowed steady harvest of fish for better quality, faster processing, better prices.

(1) The potential for increasing the value of co-op-harvested fish is the answer to our low price problems. (2) The risks and responsibilities of the ADF&G to the resource and the state are infinitely more manageable with a co-op.

From what I've seen, they did an outstanding job with the allocation.

I have only positive feelings for the changes in management and harvesting brought on by the co-op. I did miss fishing this past summer, but I realize that it was better for me and my community and family to sacrifice fishing to try to enact positive change in our fishery.

For a first-time operation, I'd have to say everything was right to the mark. It went like clockwork.

I wasn't even down there. I was only one of the guys who got the check in the mail. What I gathered was that the non-co-op people didn't have a lot of time to fish. There are a lot of politics about how that was arranged. The non-co-op got to go fish and they got a large catch, so they had to sit it out for awhile until the others caught up.

Based on how the department recorded it. According to Fish & Game, it went very well.

We are developing new markets and increasing the quality of the fish.

I am particularly excited because we proved you could produce perfect quality from a commercial seine fishery. The delivery of live fish was revolutionary and the product produced from it quite amazing. This along with tremendous cost savings make me a believer.

Am happy with the way things worked out. The bugs of this will be worked out for next year.

Positive but mixed feelings--this was my first summer I ever spent out of Chignik since I was born.

I've fished Chignik since 1953 and change isn't always easy. I saw fish traps go, area registration, and limited entry come in. There was opposition to all of this from one entity or another. We have to change to fit the situation or stagnate and die.

I'm 4th generation fisherman and my son is 5th generation. We've both fished all over Alaska and this has been the best orchestrated fishing I've ever seen in Alaska.

The change helped to bring our price up. We would have only got .43 cents from the cannery. Also, it gives us more of an independent feeling. It's the best thing to happen to our fishery.

**Co-op permit holders who did not fish who responded “somewhat positive”:**

The quality improvement and new markets are important for our future and quality will never be optimum with a competitive fishery.

It is certainly a pro-active stance to take during an industry down cycle. The old way of doing business just was not working.

I think they did a good job last summer.

Sounds like they worked really hard to get this all together, except that the salmon run wasn't very strong. They would have done better.

Still think it needs more changes, but I'm not sure what.

There are some of us that like to do part of fishery for a month; some of us have boats, too.

**Co-op permit holders who did not fish who responded “mixed”:**

I will probably turn it over to my grandson and see what he does with it.

As far as individual management decisions, nothing was that different, but I felt they could have been more helpful with some--they had trouble internally. I felt--depending on whether they supported the co-op or whether they didn't.

**Independent permit holders who responded “mixed”:**

(1) Positive: regulating harvest (escapement was easier. (2) Negative: caused social conflict. (3) Positive: might help to establish a recognizable, more valuable product. (4) Negative: one plant was unable to survive; may not be back. (5) Negative: people who would not have even fished in Chignik were part of the allocation.

**Independent permit holders who responded “somewhat negative”:**

There were a lot of things I didn't feel were right. They divided up the fish, the number of fish caught, instead of pounds. We counted our fish, and they were not required to count their fish because they said it was too much work. Also, when we would watch from the beach, their boats fished illegally. Their licenses were not checked until one-half way into the season when we complained that we saw people fishing who did not have deck licenses. When they were caught, F&G didn't ticket or fine them; they only made them go out and get licenses. The numbers (1st and 2nd run numbers) at the weir kept changing with regard to the escapement. Something strange was happening there, and I believe the escapement was greater than necessary. Also, I reported to F&G about boats who were fishing illegally, anchoring both ends of their seine (basically to create a wall so fish could not go up the river). These people only got a warning; they were not stopped or fined. The allocation was only for the reds, so we would fish and then let them (co-op) fish, and repeat. We would usually fish 2 days and then

have to wait 2 weeks or more to have them catch up. So when we were waiting for them, we couldn't fish other species that we fish. When they finally opened it up, there were no fish left to speak of. [Comments continued on attached sheet.]

**Independent permit holders who responded “very negative”:**

ADF&G favored the co-op. The co-op wasn't ready to fish in June; ADF&G postponed their opening so they could get ready. Our August escapement goal is 50,000. Denby Lloyd told us we could harvest over-escapement in August at Chignik salmon task force meeting. ADF&G "made up the rules as they go," allowing the co-op to surpass the August escapement.

I have fished for 46 years, and never once in that time have I seen the fishing opened every day of the complete season. It seemed as though the co-op was favored by the Fish and Game. I feel if people want a co-op, that's their business, but all fishermen who own a permit should be treated equally.

If the state and Board of Fish and you, Gunnar Knapp, think that the co-op is such a good thing, the co-op has 18 catcher boats compared to the 22 competitive boats. That makes 40 boats fishing compared to the usual 70 to 80 boats. So why not let this small fleet fish at the same time so the competitive fleet does not feel like outsiders in our own traditional fishing grounds.

I feel the whole think is unfair. We all bought permits, but only some of those were fishing the majority of the season. I feel like the co-op was favored.

I feel that this is a self-praise campaign by a few who see an opportunity to take advantage of a disorganized group located in an information vacuum. The Chignik community has a lousy communications infrastructure, which makes them vulnerable to opportunistic bed-feathering individuals. It's about making the history books.

As a full-time resident, I lost 2 months (Aug and Sept) of fishing time and gave it to people who could care less and have not ever collected in these months ever.

The co-op stopped the fishing in the central district, where I have fished every year since 1984.

Overall, the allocation and the co-op made so I didn't get to fish in August, Sept. I am a year-round resident with no other source of income.

The co-op caused a lot of hard feelings in Chignik. The fishery turned family members against each other--friends against friends. The way the co-op was first proposed, everyone was to put their name in the hat and then draw; people were promised a spot to fish if they joined; some people were promised tendering jobs. The Dept of Fish, media, politicians, everyone thinks that this is the way to save "Alaska fishing." This didn't help the villages make more money; it didn't help crew that had no jobs or cannery jobs. It made some over-extended fishermen a few dollars that isn't going to help them from going broke anyway.

I think that the co-op managed the fishery not the Fish and Game.

I think the management was set up to give the co-op all the fishing time, and we had the bad weather and all; that really got to us after awhile.

You, with your supportive action, are breaking the social aspects of life. You're on the papers as bad as the alien, Ross-Homer Kopun-Anchorage

ADF&G seemed to handle the situation okay. The social impacts are horrible. This was not researched well enough before implemented.

It was very lopsided. Fish & Game seemed to bend over backward for the co-op and not for the traditional fisherman. It wasn't run at all like past years, and whenever the co-op wanted things to change, Fish & Game got right to it.

#### IV. SURVEY RESPONSES FOR QUESTIONS FOR CO-OP PERMIT HOLDERS

We have included the questions listed below only in the surveys we are sending to permit holders who joined the Co-op. Please check **the one answer** for each question that best expresses your opinion. Write in comments if you wish to explain more about your answer.

	Yes	No	Not sure
7a. The Co-op was managed well.			
7b. The Co-op chose catcher boats fairly.			
7c. The Co-op did a good job catching the fish.			
7d. The Co-op did a good job tendering the fish.			
7e. The Co-op did a good job marketing the fish.			
7f. The boats that fished for the Co-op were paid fairly.			

#### QUESTION 7A: MANAGEMENT OF THE CO-OP

7a. The Co-op was managed well.

#### Responses for Question 7a

	Response	Co-op permit holders who fished	Co-op permit holders who did not fish	All Co-op permit holders
Number of responses	Yes	16	41	57
	No	1	3	4
	Not Sure	4	4	8
	Total	21	48	69
Percent of responses	Yes	76%	85%	83%
	No	5%	6%	6%
	Not Sure	19%	8%	12%
	Total	100%	100%	100%

**QUESTION 7B: CO-OP CHOICES OF CATCHER BOATS**

7b. The Co-op chose catcher boats fairly.

**Responses for Question 7b**

	Response	Co-op permit holders who fished	Co-op permit holders who did not fish	All Co-op permit holders
Number of responses	Yes	17	37	54
	No		4	4
	Not Sure	4	6	10
	No Answer		1	1
	Total	21	48	69
Percentage of responses	Yes	81%	77%	78%
	No		8%	6%
	Not Sure	19%	13%	14%
	No Answer		2%	1%
	Total	100%	100%	100%

**QUESTION 7C: CO-OP FISHING**

7c. The Co-op did a good job catching the fish.

**Responses for Question 7c**

	Response	Co-op permit holders who fished	Co-op permit holders who did not fish	All Co-op permit holders
Number of responses	Yes	21	40	61
	No		1	1
	Not Sure		6	6
	No Answer		1	1
	Total	20	48	69
Percent of responses	Yes	100%	83%	88%
	No		2%	1%
	Not Sure		13%	9%
	No Answer		2%	1%
	Total	100%	100%	100%

**QUESTION 7D: CO-OP TENDERING**

7d. The Co-op did a good job tendering the fish.

**Responses for Question 7d**

	Response	Co-op permit holders who fished	Co-op permit holders who did not fish	All Co-op permit holders
Number of responses	Yes	20	42	62
	Not Sure	1	5	6
	No Answer		1	1
	Total	21	48	69
Percent of responses	Yes	95%	88%	90%
	Not Sure	5%	10%	9%
	No Answer		2%	1%
	Total	100%	100%	100%

**QUESTION 7E: CO-OP MARKETING**

7e. The Co-op did a good job marketing the fish.

**Responses for Question 7e**

	Response	Co-op permit holders who fished	Co-op permit holders who did not fish	All Co-op permit holders
Number of responses	Yes	18	38	56
	No	1	3	4
	Not Sure	2	6	8
	No Answer		1	1
	Total	21	48	69
Percent of responses	Yes	86%	79%	81%
	No	5%	6%	6%
	Not Sure	10%	13%	12%
	No Answer		2%	1%
	Total	100%	100%	100%

## QUESTION 7F: FAIRNESS OF PAYMENTS TO CO-OP BOATS

7f. The boats that fished for the Co-op were paid fairly.

### Responses for Question 7f

	Response	Co-op permit holders who fished	Co-op permit holders who did not fish	All Co-op permit holders
Number of responses	Yes	9	26	35
	No	6	3	9
	Not Sure	6	18	24
	No Answer		1	1
	Total	21	48	69
Percent of responses	Yes	43%	54%	51%
	No	29%	6%	13%
	Not Sure	29%	38%	35%
	No Answer		2%	1%
	Total	100%	100%	100%

### Comments on Questions 7A-7F

#### Co-op permit holders who fished:

(7a) There were little things that could have been taken care of mainly for the catcher boats. I spent more time, set out more nets, and spent more time than I ever did before. Many of the crew will not be coming back if the pay is the same. It was too low. We pay these guys so little; this is the second most dangerous occupation in the world.

(7a) See note on favoritism

(7a) There was room for improvement

(7b) I heard last year that someone on the Board had a dispute with one of my brothers about fairness, and I am concerned.

(7b) favoritism

(7c) But if run was larger, they couldn't have kept up at the peak of the run. (7e) Most fish went to Norquest, and they market their own. Some went to Canadian company, and Wadsworth bought 250,000 and he has not been able to pay as of yet.

(7c) Even under the present regulation, they did a good job. They could do it more economically and more effectively if some regulations were tailored to the co-op.

(7d) Could have done better

(7e) In future, the catcher boats should be paid more so they can pay their crew more.

(7f) They were underpaid. It took way more than I thought it would, and my crew was very underpaid.

(7f) There could have been more.

(7f) Three people picked the boats and one person told my brother that if it weren't for him, my brother wouldn't have been picked and he might not be picked next year. Also, catcher boats needed to be better compensated, especially for their crew.

(7f) I think they should have been paid a little more, but that does not mean that they were paid unfairly. The conditions of the season dictated what we were paid.

(7f) I'd like to see that part raised up so we could pay our crew better. We had a hard time keeping crews.

(7f) They should pay more. There's lots of wear and tear on that gear. We need more for the crew, too.

(7f) We were paid fairly because we agreed on a price before season and since then we have received several bonuses so it was more than fair.

(7f) People that are in the co-op who do not have boats should pay a certain percentage to the co-op to pay for maintenance costs incurred by catcher vessels. For vessels that are fishing, there are issues about depreciation, maintenance, and deferred cost that are incurred (gear cost and replacement, etc.), one issue that needs to be worked out/addressed.

During hard times, to survive we all have to work together and give something up to make the co-op work for all.

I think I will write a book!

Room for discussion on how boats are paid.

Taking into consideration it was the first year for the co-op operation, it did very well. Fishermen helped each other. No cussing.

The expenses outweighed the extra pay for catcher and tender boats.

**Co-op permit holders who did not fish:**

I think the co-op is one avenue where we can change our fishery around. There were a few tiny glitches, but we will fix those this coming year. All in all, I think it went beautifully.

All Chignik fishermen will do their best, but none of us are perfect. With the time we had to do this Quest I thought our co-op did one hell of a job. Mainly our board of directors that put this all together.

I'm so happy they opened up new markets for us. It has been downhill for years; they did a good job.

For the first year, they did a really good job.

The co-op in its first season did an extremely good job. Especially considering the lawsuits, Trident Bundant delays with equipment, etc.

(7b) Everyone will have a chance; they'll just have to wait their turn.

(7b) It was going to be rotated each year, but I just got a letter saying the "Board" will choose which boats will . . .

(7c) We did good, excellent really, but can do even better. (7d) We can improve this area tremendously with some minor changes.

(7c) With some regulation and gear type changes, they could do better.

(7e) We never had a chance to get to a good level of marketing for 1st year. Wadsworth, our main marketer, did not show up until near the end. The lawsuit scared his financiers.

(7e) Co-op did okay; benefit of doubt for first year. Co-op needs to diversify markets more to take advantage of increased quality. Get away from traditional markets; take ownership of fish.

(7e) No Account Receivable. Miscellaneous expense outside of fishing \$170,000

(7e) No Account Receivable

(7e) They're still marketing. We got paid for 94% of fish, and the last should by the end of year.

(7f) They knew how the pie would be cut.

(7f) They were paid better than the rest of us, so I guess so.

(7f) Everyone who fished for the co-op became double the average fisherman this past season.

(7f) Not sure how it worked out.

(7f) I believe they will have to do some adjustments to certain areas of payments.

(7f) Based on the complaints from members, they fished too many days and didn't make enough money.

(7f) I haven't talked to any of the catcher boats to ask how they felt about their payment as to how hard they worked.

(7f) I think from what we learned this year, they should receive more next summer. This year, they were paid by contract.

(7f) They could have been paid a little more, especially for the sake of the crew. I believe we need to pay our harvesting vessels more money. They worked more days (not necessarily harder) but I still feel they could be paid more. We will refine many things (after) our first year.

(7f) Situation this year, lower run and lower dollar value; made payment low, but under conditions still fair.

I felt that the harvesting vessels--both the tenders and the harvesting boats--could have received more compensation.

I have no problem with it. Everything seemed fair.

I hope the co-op continues under the current management.

In most to all cases, it wasn't a good job; it was a great job.

Just wish it was a better season.

Might need some fine tuning, but for the first year, it was a great job.

Not sure what happens within the "co-op board" and decision-making process.

The co-op was conceived, implemented, and run by volunteer fishermen. It handled millions of dollars and hundreds of thousands of pounds of fish. It participated in a lawsuit, bought equipment, sold and transported fish to buyers in Alaska, Canada, and the Lower 48, issued POs and paid its members with, to my knowledge, no problems or allegations of impropriety. All this without even a paid secretary! I consider this astounding. It shows that we fishermen are not the bumbling resource rapers that the media sometimes portrays us. It should also encourage the BOF to allow other fishermen in other areas to try their ideas!!!

Please answer the next two questions only if you FISHED FOR THE CO-OP.

### QUESTION 8A: FISH QUALITY

- 8a. The quality of the fish was better this year because of how the Co-op fished.  
 Yes     No     Not sure

#### Responses to Question 8a

Response	Co-op permit holders who fished	Co-op permit holders who fished
Yes	21	100%
No		
Not Sure		
Total	21	100%

### QUESTION 8B: ENJOYMENT OF FISHING

- 8b. I enjoyed fishing for the Co-op more than competitive fishing.  
 Yes     No     Not sure

#### Responses to Question 8b

Response	Co-op permit holders who fished	Co-op permit holders who fished
Yes	11	52%
No	5	24%
Not Sure	5	24%
Total	21	100%

Please answer these four questions only if you DID NOT FISH FOR THE CO-OP.

**QUESTION 9A: PARTICIPATION IN FISHERY  
IF THERE HAD NOT BEEN A CO-OP**

- 9a. If there hadn't been a Co-op this year, I would have fished in the Chignik salmon fishery.  
 Yes       No       Not sure

**Responses to Question 9a**

Response	Co-op permit holders who did not fish	Co-op permit holders who did not fish
Yes	37	77%
No	2	4%
Not Sure	6	13%
No Answer	3	6%
Total	48	100%

**QUESTION 9B: HIRING OF CHIGNIK RESIDENTS AS CREW  
IF THERE HAD NOT BEEN A CO-OP**

- 9b. If there hadn't been a Co-op this year, I would have hired Chignik-area residents as crew.  
 Yes       No       Not sure       I wouldn't have fished

**Responses to Question 9b**

Response	Co-op permit holders who did not fish	Co-op permit holders who did not fish
Yes	15	31%
No	15	31%
Wouldn't have fished	2	4%
Not Sure	13	27%
No Answer	3	6%
Total	48	100%

**QUESTION 9C: INCOME FROM OTHER WORK**

- 9c. Not fishing allowed me to earn money from other work this summer.  
 Yes       No       Not sure

**Responses to Question 9c**

Response	Co-op permit holders who did not fish	Co-op permit holders who did not fish
Yes	31	65%
No	12	25%
Not Sure	3	6%
No Answer	2	4%
Total	48	100%

**QUESTION 9D: DID PERMIT HOLDER MISS FISHING?**

- 9d. I missed fishing this summer.  
 Yes       No       Not sure

**Responses to Question 9d**

Response	Co-op permit holders who did not fish	Co-op permit holders who did not fish
Yes	28	58%
No	13	27%
Not Sure	5	10%
No Answer	2	4%
Total	48	100%

## V. SURVEY RESPONSES FOR QUESTIONS FOR INDEPENDENT PERMIT HOLDERS

We have included the questions listed below only in the surveys we are sending to permit holders who did not join the Co-op. Please check **the one answer** for each question that best expresses your opinion. Write in comments if you wish to explain more about your answer.

### QUESTION 7A: EFFECT OF CO-OP ON CATCH

7a. I caught less fish this year than I would have caught if there had not been a Co-op.

#### Responses to Question 7a

Response	Independent permit holders	Independent permit holders
Yes	16	80%
No		
Not Sure	4	20%
No Answer		
Total	20	100%

### QUESTION 7B: EFFECT OF CO-OP ON COSTS

7b. I had lower costs this year than I would have had if there had not been a Co-op.

#### Responses to Question 7b

Response	Independent permit holders	Independent permit holders
Yes	3	15%
No	13	65%
Not Sure	3	15%
No Answer	1	5%
Total	20	100%

### QUESTION 7C: EFFECT OF CO-OP ON PRICE

7c. I was paid a higher price this year than I would have been paid if there had not been a Co-op.

#### Responses to Question 7c

Response	Independent permit holders	Independent Permit holders
Yes	2	10%
No	13	65%
Not Sure	4	20%
No Answer	1	5%
Total	20	100%

### QUESTION 7D: EFFECT OF CO-OP ON CREW HIRING

7d. I had more trouble finding and keeping crew this year than I would have had if there had not been a Co-op.

#### Responses to Question 7d

Response	Independent permit holders	Independent Permit holders
Yes	8	40%
No	10	50%
Not Sure	1	5%
No Answer	1	5%
Total	17	100%

### QUESTION 7E: BREAKDOWNS

7e. I missed one or more days of fishing this summer due to breakdowns.

#### Responses to Question 7e

Response	Independent permit holders	Independent permit holders
Yes	6	30%
No	13	65%
Not Sure		
No Answer	1	5%
Total	20	100%

### QUESTION 7F: ENJOYMENT OF FISHING

7f. I enjoyed fishing less this year than if there had not been a Co-op.

#### Responses to Question 7f

Response	Independent permit holders	Independent Permit holders
Yes	11	55%
No	8	40%
Not Sure		
No Answer	1	5%
Total	17	100%

## VI. OTHER COMMENTS OF PERMIT HOLDERS

**Other Comments.** Please use the space below or attach additional pages for other comments you have about the change in management of the Chignik salmon fishery in 2002 and the effects of the Co-op. We will provide copies of all comments that we receive to the Board of Fisheries (without your name).

### **Comments of Co-op permit holders who fished:**

My scenario about costs are my main contention. The other things went well. Keeping a crew -that's important, too. Basically, expenses on vessel also includes crew expenses because without a high-quality crew, can't do a good job catching fish for co-op members. Crew issues need to be addressed substantially. They're very important. Crew members are independent contractors, and it is very difficult to include them in the co-op membership. The way the laws are written, we cannot do that. That is why we cannot pay them a percentage of the catch; we pay them a wage.

One of the real heartburners is that there are 17 permit holders who do not even own a boat so they don't have the expenses and still get an equal share and that bothers me. If they went to historical shares, we might be able to make this thing work. My opinion about the way the co-op is set up now: if you go out there and work hard, you're going to wear your gear down, so you'll have that expense, and we're not getting reimbursed. The guys who made 2 or 3 hauls a day were doing real well compared to what I made. Our crews hardly made any \$ either (catcher boat share=40,000; permit share=23,000; total=63,000. Crew share @ 10 percent = 6,300 for fishing 70 plus days. That's less than \$90 a day.

As a catcher for the co-op, I believe that we can increase our efficiency with gear improvements. Namely, longer seines and fixed leads. Fishing with short seines without competition is similar to fishing with your hands tied. It would be a logical step in this "experiment" to see how much more efficient we fishermen can get.

Please remember that 2002 had a very bad return in numbers of fish.

What I am doing now: the competition that was there, I could make a great living just by being competitive, but I was not driving people into bankruptcy. There are people who are not at the very top who will be going bankrupt and losing their homes and fishing businesses because the price of salmon and the way we have fished in the past does not support those families any more. It is a way of life. Because of that, I do not find enthusiasm in that type of competition. I would rather put my competitive energies into improving the market. I choose to refocus my energy. I have complete belief that this co-op will facilitate the improved market for our fish. I can do fine and get by without the co-op. My catch is above average, but with the co-op, I foresee doing better, and I foresee the people who wouldn't do as well as I will still do better in the co-op. We are improving the situation for everyone. My plans are to keep being a catcher boat when there is a need and when there is not, I plan to go to college.

I enjoyed fishing for the co-op more because the stress level was less, and I was able to focus my attention more on handling the fish in a quality-conscious manner. The main reason the co-op came into being was that the economics of salmon in Alaska became real poor, going from \$3/pound to 43 cents/pound. Selling to Japan means it was a luxury that when they lowered the price, they didn't want to shop and they just wanted to lower the fisherman's price, and it went so low we "had our face in the mud" so to speak. This is the stuff revolutions are made

of. We worked with the Board of Fisheries and sort of took the situation into our own hands. The processors and companies didn't try to expand markets. The farmed fish are only a challenge for us. They opened up markets and more people eat fish. Anytime there is change, there is some pain involved and there is no exception here. Some of the independent fishermen have had their fishing notion destroyed by the co-op, and we have to give something to gain.

Highest grade marketable wild salmon, highest prices for those of us in the co-op, more markets to sell to, making markets take notice of high quality that the co-op produces, and lowering operating costs to harvest these wild salmon is the only answer out there. Co-op working together to survive!

Nobody is used to this yet. If my dad were alive, he probably wouldn't have liked it because they fished competitively all their life. No one likes change unless it benefits them. But I think this year was good. I was surprised it was so good, and if they correct a few mistakes, it could be even better. People have been leaving here for years. They didn't leave because of the co-op.

I think if we are going to survive in this fishery, some sort of co-op has to exist because of the quality of the fish the co-op can bring (versus quantity). I am still concerned about the favoritism, and it sours me. I have been given assurances by the Board, but I am just not sure right now. They sold me by pressing for local hire of families for crew, and I was told they would not abandon this idea. My whole crew is my family. Once they think the Board of Fish is so connected to this idea, they could control this and have their own people running the boats and crews and everything. They could handpick everyone, like they handpicked the tenders this year. They want to work with people they like and who agree with them. When someone like me asks questions or doesn't agree with them, all they have to say is "Well, we just won't hire him any more." These guys have called me directly and told me that the only reason I got in was because of their good graces.

Being with the co-op, the money would have been better if the run had been stronger. This was the weakest one in ten years.

Overall, the co-op was a success, but they did not take into account who had more invested in the fishery when they split up the money.

### **Comments of Co-op permit holders who did not fish:**

One thing is that we have to change the way we do business in our salmon fishery. We can't compete with farmed fish the way we've been going. We can't do it in a competitive-style fishery where volume opposes quality. When you fish competitively, the #1 thought in your mind is volume. That's what we have to change, and this co-op is one way to do that. We need to get our own markets and we have to produce what the consumer wants. In the past, we did not do that--consumer got canned and headed/gutted and that was it. That wild boned filet is what consumers want and until fishermen can get rid of their big egos and get together to work on this together and come out with things that will keep our industry alive. Those big egos keep people from working together and the processors don't want to do anything different. As long as they are making money, they don't want to change a thing. We have to get our product out there and our prices up.

It's a great idea whose time had come. The big thing is the personal and political rivalries and the little animosities that continue to go on.

The only thing that didn't make the co-op a better success financially was the poor sockeye return to the Chignik area.

This was the first summer since I was 5 years old on my dad's boat (I'm now 54 years old) that I haven't fished salmon. It was hard to beach my \$1 million operation, but I'm convinced I did better financially. Thus, mixed emotions about missing the season.

As an "outside fisherman" (outside the Lagoon), I need as many fishing days as possible to compete. Unfortunately, the non-co-op fleet doesn't get the usual number of fishing days, so most "outside" fishermen would be at a disadvantage, not joining the co-op.

I would like to comment that the co-op didn't affect the crew member pool of Chignik residents because most of them are so used to being on the government dole. They are not used to working and make very unreliable crew members. If they do want to work, there is more opportunity of a reasonably stable wage with the co-op system.

I'd like to see this co-op continue and others to join the co-op. I think what would make this co-op more efficient is for all permit holders to be in this together. But, of course, some people have been doing this all their lives. They love the competition and that is their choice, but I see the co-op as the only way to survive. I believe this is for the betterment of the fishery because our fish quality is very high. We can correct any mistakes we may have made over the next year or two.

The change in management of the Chignik salmon fishery in 2002 proved that there are other options to the status quo, and that fishermen and the regions they make their living from are capable of exploring those options and enacting them in a sincere effort to adapt to the modern global salmon market.

The Board is aware of how I think on this.

If the Board of Fish and legislators don't let us do something for ourselves, we will forever be a slave to the canneries. Trident is backing the lawsuit to gain control of the fish. They were telling us what they planned to do with us; they were playing the big manager running the cotton fields. It's not right and the little guys are trying to help themselves. It's all about initiative, allocation, historical fishing. It's like going to an IFQ fishery.

My main comment is that if the co-op is just to be for money, then why not use a trap instead of seining? The other thing is for the traditional fishermen, it's difficult to let that go. It's really a shame it has to come to something like this. It doesn't seem quite fair to everyone who has been fishing in this fishery--some for most or all of their lives.

I turned it [fishing] over to my grandson for about 4 or 5 years and then he turned it back to me. I'm getting old now and am going to turn it over to another grandson who will be back in the spring.

I think things went pretty well for the first year, mainly because of the low salmon run. If it had been a big run, we probably would have had overescapement.

I hope as the leading fisheries economist in Alaska that you will focus on the (2) big things the co-op achieved (quality and cost savings) and remind everyone that all evolutions take time to perfect! Thank you for the survey!

I am impressed with their pursuit in marketing the salmon from the Chignik fishery.

It is very hard to hire a local crew with the low prices.

For those of us who make a living off fishing and live in Alaska all year, the co-op is the one thing that can save our fishery. I like fishing as much as anybody and miss it, but with the prices and market conditions, it is a way of life that is dying and taking 5 local communities with it.

If it weren't for this co-op, we would have been working for 40-45 cents/lb. Ray Wadsworth at Wild Salmon paid us \$1/pound and Norquest paid us 73 cents, and we might get more. I'm 100% behind the co-op.

I'm just hoping it will help if this is a better year and we have a bigger run so people can pay off their bills. I just hope it is a good run. If it hadn't been for the co-op, there would have probably been no fishing.

The whole salmon industry needs to be re-worked. There will be some people hurt, but in general, things need to be reworked so that something is put back into the fishery. Instead of letting the whole thing die, I think they should save it. It is a huge mistake to let the canneries turn us into cotton pickers. Some of the cannery people have been turned into billionaires by Ted Stevens, and they have plenty of money now to lobby against us. The canneries don't want to change. They want us to fish for less and they don't want to retool. They've said outright, "It gives the Chignik fishermen too much power." They didn't say they couldn't make money working with us. That was the thing I loved the best. If we can make Trident squirm, I feel good. They don't want to work with us. I hope the state steps up to the table. Give tax breaks to the people who come up with innovative, up-to-date ideas so everyone can make a good living for everyone. I like that Gunnar Knapp--he's right on the money.

I am very happy that the U.A.A. has sent someone to our community here in Chignik to be involved and understand the importance of our dying salmon industry. Realizing that this change of harvest issue is something that creates animosity between two user groups. We have been given a opportunity to make change in our survival as salmon fisherman. Most importantly, 77 out of 99 Chignik permit holders felt it was necessary. None of us want to destroy our way of life but the pace of economic value for salmon has driven us to these extremes. I live here in Chignik, year round. I am a city council member and very concerned about our local economy and work for local people. Many of the city council meetings are about this very issue. Change for this area is crucial to city tax income from fishing. Do we support the Co-op? Very much so. Are we wanting this Co-op to survive? The answer is yes. Why? There seems to be no other realistic answer to address our economy. The bottom line is, this Co-op has marketing and political strength that we never had before. I say, run with it until something better makes sense. I heard all the complaints made by the competitive fleet. I say baa humbug. No one has come up with a better solution that helps all our permit holders survive. It seems the competitive group are only concerned about themselves and not all

Chignik permit holders.

I was hoping that with the change in the political situation and subsequently in the Board of Fisheries, we will be allowed to continue to help ourselves and that the Board won't be too harsh so we can continue to develop this new system, which is still a year or two short of being able to run smoothly. I got into fishery when I was young against the advice of my father, but prices were rising and it looked good. I now feel bad that I encouraged my son to get into it because there is no hope for him without this co-op. [4-page faxed comments attached to hard copy.]

I am scared for my way of life. We've always been able to rely on our hard work for our strength, but in these last years, rising fuel costs, farmed fish, and other things have forced us together to survive. I'm concerned that the new board members may not know the whole picture, and I want to be sure that they do. Just look at what has happened with the allocation of crab and pollock rights in the Bering Sea. In those fisheries, the rights and responsibilities for the resource have been given to major corporations and processors. No longer can a deck hand aspire to be a vessel owner and a participant in those fisheries.

I'm glad they are doing the co-op again, and I hope it continues. I think it's a good thing and I hope it continues. A special thanks to Axel (Kopen) and Jamie (Ross) for all their hard work.

#### **Comments of independent permit holders:**

(1) A co-op should not be designed to allow a N.Y. stock broker to collect a check at home, having never stepped foot in Chignik. (2) The co-op should not be a welfare system. All members need to participate. Interim use permits must be fished. (3) Co-op members should be allowed to say where they want their share of the fish to be sold. Shore plants should not be boycotted. (4) Lower allocation to 0.8% 10-year average for bottom 65 permits is 0.75%. Look at the quartile report. It's simple math. The co-op is supposed to have an economic advantage. Don't force everyone into joining, allowing only 4 days in June or July. (5) Eliminate the allocation mid-August. 100% participation for fall fishing should be disallowed with co-op. (6) Allow central district adequate fishing time to harvest 10-year sockeye average catch of 27% of the Chignik catch.

The structure of the co-op discriminated against people who do well above average, therefore making it financially not viable for people who made above average to join. There were NOT proportional benefits.

Just like to see the people in the fishery get a fair shake in this thing instead of being railroaded for something that has been a tradition for generations.

I spent my whole life in Chignik and have fished since I was old enough. Now I am not going to be able to make a living any more if this allocation stays in. The Board of Fish has taken that away. I see many others who also have fished here and made a good living since childhood being ruined and not able to provide for their families because of this decision the Board has made.

My family and I would have been a lot happier if meddling by people who bought permits at

an unreasonable price. I didn't see any of these people here when I chose to live here in 1972, and now they choose my way of living and lifestyle.

(1) We need the two plants or some guarantee that our outside fleet will be taken care of. (2) The two runs should be allocated separately. After 1st run, the allocation should Q out. Reason is we may get ahead if there is a lot of fish on the 1st run--controlling escapement. If this happens and there are few fish in the 2nd run, we may be on the beach for the rest of the summer. The crews cannot handle this. They will quit. It was very marginal last year.

If it is the state's intention to make all fishermen equal in Chignik, I can tell you for sure that continuing with the co-op is going to drag all of us in Chignik down to financial ruin. If this is the way (co-op fishing) is going to save the industry, let's go all the way. Have it in every fishery, every area! All the co-op did was put some money in only the permit holders' pockets; it didn't help the local community of Chignik that I could see. The argument for better quality was not an issue in 2002, due to the way the fish dribbled in. Let's wait and see what happens on a normal or big year. I can tell you, if the co-op fishes the way they did this year, they can't make it work!

I also think that the Chignik management changed the daily fish count to keep the co-op going so that the numbers would never be on the over-escapement side. I also think that the co-op divided the fishermen families and friends so that they were all against each other. I think that there should be equal fishing time for both co-op and the people who did not join.

We used to fish for three months. Those co-op guys had a hard time finding a crew because they only paid them \$5,000 for the whole summer. Before this, I paid my crew over \$20,000 each season. We worked very hard, but we did above average as fishermen.

A co-op is alright, but this allocation is ridiculous. Out of 100 boats that usually fish there, 65 are not big producers. So now I am competing with all the big guys for a limited allocation and time frame. I feel the Board of Fish made a huge decision without making a good investigation about who this would hurt and checking other methods to handle it. I believe it will eventually hurt the villages more than anything. A lot of jobs will be lost and a lot of the family unity that they have will also be lost. The town will just have bigger problems with alcohol abuse, broken homes, and welfare. I was brought up to believe you work for what you want in this life. You work as hard as you can. Isn't that the American way?

I fish cod, halibut, salmon. That is the way I make it. I see more opportunity in other fisheries if I had the right gear. You should have an impact survey in the villages.

I'm writing this letter so my situation may be known. The Chignik coop has put me out of business and I am now paying their debts. Since I cannot fish in Chignik anymore I am indirectly paying the coop to not allow me to fish. I fished Chignik as a crewmember from 1990 through 1996. Then I started a business to make the capital to buy a Chignik permit. I located a permit, which was nearly impossible, and paid \$250,000 for it. Then we bought a boat for \$475,000. With the net and skiff we had \$765,000 into our business. If I join the coop I legally can't fish in any seine fishery in AK. If I do not join I can't fish in Chignik. If I decide to fish in S.E. Alaska or Prince William Sound I can't join the coop. So now the permit prices will dive and the founders will coop them all up and we will have another abusive corporation. I paid

\$250,000 for a permit when the state value was high on the CFEC web sight. I paid one quarter of a million dollars to fund the self-praise campaign of someone's quest for total control of the fishery and the Chignik community. When I invested in my limited entry permit I understood the word limit. I've been limited out. I paid \$250,000 to let some politicians dressed as a fisherman to tell me I can't fish in Chignik unless I pay other Chignik limited entry permit holders and some other failed over capitalized entrepreneur all my earnings minus a little hush money. Where did the money come from to pay for the pin-bone machine? I think I paid. I chose not to join the coop even though I fished in the lower 48. The deadline to join the coop is unfair. It should be as soon as the predictions for the upcoming season are released. It is too close to the fishing season and makes it difficult to prepare to fish. Funds need to be made available well in advance for fuel insurance. Fishing Boats need to be working year round to make it. In order to keep boats working you need a business plan that looks one year in advance. This coop membership deadline is interfering with everyone's ability to make a business plan. What's happening is that since no one can plan their year, they're reacting like someone on a sinking boat without emergency training. They may jump too soon under the stress. Please consider my situation, as there are many others. Sadly many have felt defeated and have been beaten into submission. This was founded from outsiders who bamboozled a few locals. I would like to get my money back for my permit and the only way for me to do it is fish in the traditional fashion. With one layer of management. ADFG. When I arrived in Chignik as a crew member I worked for an individual who is now in support of this coop. This fellow was part of a group of boat owners who had their crew perform personal construction projects at their homes. In my case we had to build a deck for Grandpa. There was no compensation for this non-fishing related work. It was slave labor. If you didn't perform the slave duties you could be fired and lose half of your fishing earnings. And in those days it was a lot. I refused to remodel my captain's parent's house and was fired and only was paid half of my share. This attitude was rampant among some of the boat owners since they felt the crew owned them. Slave labor in 1990. I later found out in maritime law that if a crew is fired that full share is due. I didn't pursue a law suit because of fear of assault which is rampant among this Klan. Many of the fishermen's contracts stated that any crew that resigns before the season's end will lose half their pay. Then they would drive them to quit with methodical slave labor application and pocket the money. So there is a lot of this "how can I get something I haven't earned" mentality. How can I steal from my crew? This is the same Klan in support of the coop. The coop supports their beliefs. In addition, my boat, like many other Chignik permit holders, is too deep to fish the lagoon. It will never be a harvest boat. The court decision said that the coop affected all Chignik fishermen the same. This is not true.

We're poor spokesmen. We don't talk a lot. We just work hard and don't say a lot and all those decisions get made in favor of the people who do all the talking. I never believed in the welfare program. I came from a poor family, but we worked for what we got. This co-op is something of a welfare program for the people who have a permit but who haven't fished. They get .9% of total run. Most of those are poor fishermen or they don't really fish their permit. Some, of course, do, but not all.