



## ISER RESEARCH SUMMARY

Institute of Social and Economic Research, University of Alaska

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# Natives in Alaska's Commercial Fisheries

How well are Native fishermen faring in Alaska's strongly competitive commercial fisheries? Are they being helped or hindered by government policies? Thomas A. Morehouse, a political scientist with the University's Institute of Social and Economic Research, explored these questions in a recent paper and found that several state and federal policies have generally helped Natives keep their historic place in Alaska fisheries. He also found, however, that Natives and others are worried because in recent years several hundred Native fishermen have sold their permits for Alaska's limited entry fisheries to non-Natives.

### Background

While Natives make up only about 15 percent of Alaska's population, they are a majority in many small coastal and river communities where commercial fishing offers one of the few opportunities to make a living. Commercial fishing also leaves Natives time to pursue subsistence hunting and fishing.

Most Native fishermen live in Western Alaska, although they take part in almost all of the state's commercial fisheries. The western fisheries—primarily salmon and herring—cover a thousand-mile swath from the Aleutian Islands north to Kotzebue Sound. The richest of these are the salmon fisheries at Bristol Bay and southwest of the bay along the Alaska peninsula.

### Institutions and Policies Affecting Natives

**Limited Entry.** In 1973 the Alaska Legislature voted to restrict the number of gear operators in the state's salmon fisheries. Later, most of Alaska's herring fisheries were also put under limited entry. Limited entry permits were awarded to fishermen under a point system that emphasized economic dependence on and past participation in the fisheries. Through 1983, the state had issued 12,500 gear operator permits for the salmon and herring fisheries. Of these, 10,980 are freely transferable; they can be sold, traded, or given away.

Alaska Natives initially received about 4,900, or 45 percent, of the transferable limited entry permits (see Table 1). Other Alaskans received about 33 percent of the permits, with the remaining 22 percent going to nonresidents with histories of fishing in state waters.

The limited entry program guaranteed Natives and others a place in the fisheries and protected them from intense competition in the mid- and late-1970s when increased runs and prices made the salmon fisheries very profitable. Many Native and other fishermen have made good incomes over the past decade, although incomes of Native fishermen—who tend to have smaller boats and less efficient gear—have generally lagged behind those of other fishermen.

However, the program has also hurt the Native community. Permits have become so expensive that most young Natives cannot afford them, and some Native fishermen have sold their valuable permits to non-Natives. As a result, the Native share of permits, initially 45 percent, had declined to 39 percent by 1983 (Table 1). At the same time, non-Native Alaskans had increased their share from 33 to 40 percent, while the nonresident share dropped slightly.

Nearly 40 percent of the roughly 700 Native permits sold (or transferred) to non-Natives through 1983 were for Bristol Bay alone. This amounts to a

Table 1. Limited Entry Permits<sup>a</sup> Held by Alaska Natives and Others, Initial Issuance<sup>b</sup> and 1983

	Initial Issue		1983		Change	
	Nos.	Percent	Nos.	Percent	Nos.	Percent
Alaska Natives	4,928	45%	4,226	39%	-702	-14%
Bristol Bay	1,244	49	980	38	-264	-21
Other Alaskans	3,633	33	4,374	40	+741	+20
Bristol Bay	440	17	636	25	+196	+45
Non-Residents <sup>c</sup>	2,419	22	2,353	21	-66	-3
Bristol Bay	871	34	944	37	+73	+8

<sup>a</sup>Includes only transferable permits; there are also about 1,535 non-transferable permits. Total permits initially issued vary from 1983 figures in some instances because: (1) some permits have been revoked by the Commercial Fisheries Entry Commission; (2) some permits are now held by the Alaska Department of Commerce as a result of loan foreclosures; (3) some additional permits were issued as a result of court decisions.

<sup>b</sup>The first limited entry permits were issued in 1975, with more issued over the years as additional fisheries came under limited entry.

<sup>c</sup>These figures include permits held by Natives living outside Alaska; 133 permits were initially issued to non-resident Natives. By 1983, non-resident Natives held 94 permits.

SOURCE: Commercial Fisheries Entry Commission.

transfer to non-Natives of 21 percent of the Natives' original entry permits for Bristol Bay (Table 1). Bristol Bay permits are among the most valuable in Alaska. Table 2 shows recent increases in permit prices in Bristol Bay and several other Alaska fisheries.

**Table 2. Average Limited Entry Permit Prices, Selected Fisheries, 1978 and 1983**

Fishery	1978	1983
S.E. Hand Troll	*	\$4,948
Kotzebue Gill Net	\$5,814	13,083
Cook Inlet Set Net	9,823	18,340
S.E. Purse Seine	30,929	38,534
Cook Inlet Drift Net	36,825	69,919
Bristol Bay Drift Net	21,638	98,923
PWS Purse Seine	24,272	143,186
Ak. Penin./Aleutian Drift Net	15,000	157,000
Ak. Penin./Aleutian Purse Seine	39,627	195,000

\*The hand troll fishery was not limited in 1978.

SOURCE: Commercial Fisheries Entry Commission.

While all permit prices have increased statewide in the last 5 years, they have multiplied in the most valuable fisheries. For example, purse seine permits for the Alaska Peninsula/Aleutian Salmon fishery increased from an average of \$40,000 in 1978 to \$195,000 in 1983; and drift net permits for Bristol Bay increased from an average of \$21,000 in 1978 to almost \$100,000 in 1983.

The high cost of getting into the fisheries and the erosion in the number of Native-owned permits are particularly threatening to Native communities where nonfishing jobs are scarce.\*

**State and Federal Regulations.** The federal Fishery Conservation and Management Act of 1976, which extended U.S. jurisdiction to 200 miles offshore and restricted foreign catch in U.S. waters, enhanced Native entry into various Bering Sea fisheries. This extended jurisdiction has also been at

\*For further information on Native participation, including loss of entry permits, see Steve J. Langdon, Department of Anthropology, University of Alaska, Anchorage, "Commercial Fisheries in Western Alaska: Implications of and for State Fisheries Policy," paper prepared for Western Regional Science Association Meeting, Monterey, California, February 22-25, 1984.

least partly responsible for the recent surge in Alaska's western herring fisheries. The International Pacific Halibut Commission in 1984 also established a regulation that protected Aleut halibut fishermen on the Pribilof Islands from outside competition. The commission required non-Pribilof fishermen to travel more than 250 miles to Dutch Harbor in the Aleutians to check in their catches after each day's opening; non-local fishermen could not take enough halibut around the Pribilofs in a day to make the long trip back to Dutch Harbor worthwhile.

Several state area and gear regulations also benefit Native and other rural fishermen. Bristol Bay fishing boats can be no longer than 32 feet, a restriction that favors local Native fishermen who generally have small boats. Seiners are prohibited from taking herring north of Cape Newenham (on the western boundary of Bristol Bay), a regulation that favors local fishermen in the northern areas who generally have small skiffs equipped with gill nets. The state Board of Fisheries, at the request of western Native fishermen, also has designated the Cape Romanzof and Norton Sound herring fisheries as "exclusive area" fisheries, which means that anyone who elects to fish in these areas cannot fish in any other herring fishery. Non-local fishermen favor the more profitable Bristol Bay herring fisheries to the south, and in recent years, Cape Romanzof fishermen have garnered essentially 100 percent of the local herring catch.

**Native Corporations and Others.** Some Native regional and village corporations formed under the Alaska Native Claims Settlement Act have involved themselves in buying and marketing catches of rural fishermen. Native fishermen themselves have organized a number of production and marketing organizations. Additional help is available under several state loan and other programs, as well as from the Community Enterprise Development Corporation, a private nonprofit organization.

#### Conclusion

Commercial fishing is one of the very few occupations that has clear potential for successfully integrating cash economy and subsistence culture activities. On balance, traditions, regulations, organizations, and local initiative appear to be working in support of Native participation in Alaska's commercial fisheries, but losses of limited entry permits from Native villages is a continuing cause for concern.

*This Research Summary is based on "Native Participation in Alaska's Commercial Fisheries," 18 pp., by Thomas A. Morehouse, presented at the Conference on Native Self-Reliance, Vancouver, British Columbia, August 20, 1984. Copies of the paper are available for the cost of reproduction, 10 cents per page, from ISER, 707 A St., Suite 206, Anchorage, AK, 278-4621.*

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