



Pacific Fishery Management Council

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TESTIMONY OF PHILIP ANDERSON, CHAIR, PACIFIC FISHERY MANAGEMENT COUNCIL

ON BUILDING A STRONGER AND MORE RESILIENT SEAFOOD SECTOR

BEFORE THE U.S. SENATE COMMITTEE ON COMMERCE, SCIENCE, AND TRANSPORTATION

JULY 29, 2020.

Chairman Wicker, Ranking Member Cantwell, and Members of the Committee: Thank you for the opportunity to testify today. My name is Phil Anderson and I am the Chair of the Pacific Fishery Management Council.

The Pacific Fishery Management Council is one of eight fishery management councils established by the Magnuson-Stevens Fishery Conservation and Management Act (MSA). The Council has jurisdiction over the U.S. West Coast Exclusive Economic Zone (3-200 miles offshore). The Council manages commercial, recreational and tribal fisheries for about 119 species of salmon, groundfish, coastal pelagic species, and highly migratory species in Federal waters. Our fishery management plans are guided by the National Standards of the MSA, which in part state that we should achieve optimum yield from fisheries for the U.S. fishing industry, consider efficiency in utilization of fishery resources, provide for the sustained participation of fishing communities, and promote safety of human life at sea. These standards provide the context for my comments on the effects of the COVID pandemic on the seafood industry today.

The seafood industry has suffered from the COVID pandemic in a number of ways; some quantifiable, others not, both direct and indirect, long-lasting and short, obvious and subtle.

COVID effects on West Coast commercial fisheries:

Overall, West Coast commercial fisheries are experiencing economic hardship value compared with the 2015-2019 average. From March through May 2020 there has been a \$21 million reduction in exvessel revenue relative to the average for the same period in 2015-2019, representing a 40% loss to fishing businesses. Of the 12 fisheries sectors examined, nine are showing decreases.¹ In addition to fewer landing, lower price per pound due to market disruption is also a significant factor affecting exvessel revenue.¹

Income impact estimates are down in all sectors, ranging from -17% to -69% decreases, averaging -41%.¹ In addition to exvessel revenue, income impacts account for earnings by fish processors and those who supply material inputs and services to harvesting vessels and processors, as well as those who earn income when those employed in the fishing industry re-spend their money in the

¹ PacFIN database

regional economy. The effects are far reaching into coastal communities, and the seafood supply across the nation.

Seafood processing plants are part of our nation's critical food infrastructure and have a responsibility to continue operating. Seafood markets and supply chains were disrupted virtually overnight with the shutdown of restaurants, which is where 60%-70% of West Coast processor sales went.² Because of market disruption, there are surpluses of things like Dungeness crab in freezers, which will potentially negatively impact the markets long-term.⁴ Workplace disruptions caused by positive test cases have caused significant market interruptions on both the supply and sales sides, limiting delivery schedules and harming the ability to provide domestic seafood products to American consumers. Recent temporary closures of seafood processing facilities owned by Bornstein Seafoods in Astoria, Oregon and Pacific Seafood in Newport, Oregon have caused economic damages totaling in the tens of millions of dollars.³ In order to reopen, processors have had to implement a suite of health and safety protocols and equipment in plants to address workforce safety. Such measures are not only costly but have slowed production.⁴

These closures also affected fishermen as some were forced to go from weekly deliveries to only being able to deliver once or twice a month.⁴ Outbreaks on whiting vessels have meant boats being tied up for weeks, which will make it harder to harvest the available quota.

Trying to account for what is going to happen with the pandemic conditions, prices and markets, labor supply, and the overall ability of businesses to weather the storm and continue to operate introduce a lot of uncertainty in business planning, and likely will continue well into the future.

COVID effects on current and future management:

The COVID pandemic affects not only fishing industries and communities, but also our ability to manage fisheries effectively and responsibly. Due to use of webinar-based Council meetings, agendas were restricted to only essential items for our April and June meetings, delaying progress on important issues intended to increase the efficiency of management frameworks and fishing related businesses. Examples include⁵:

- Improving whiting mothership utilization of quota
- Approving new gear to safely access underutilized rockfish quota
- Revising groundfish sector allocations so quotas are appropriately sized

NOAA has also cancelled the majority of fisheries-independent surveys to protect the health and wellbeing of NMFS employees, which will impact stock assessment databases and the ability to manage fisheries effectively in the future.

Finally, salmon harvest models are based on CWT sampling data. Insufficient CWT sampling would eliminate the possibility of using brood years of Chinook and coho encountered in 2020 fisheries in future management cycles, increasing uncertainty in the management process. Reduced

² WCSPA OR Senate testimony

³ WCSPA, pers. comm

⁴ MWT setter to Chris Oliver, July 2020

⁵ PFMC Agenda Item C.5 Supplemental Attachment 6 June 2020.

CWT sampling would also inhibit our ability to meet and assess obligations for Chinook under the Pacific Salmon Treaty.⁶

COVID effects on West Coast recreational fisheries:

Economic effects are harder to measure than in commercial fisheries, but effort is clearly down due to ramp closures and other social distancing requirements. As examples, bottom fishing charter angler trips for March-May 2020 were down relative to 2015-2019 averages: statewide in Washington were down 76%, and in Oregon were down 67%.⁷

Conclusions:

The monetary assistance provided in the CARES act specifically for the seafood and fishing industries were much appreciated; although distribution is still pending development and approval of spend plans by the states. Should any COVID related Federal legislation advance, we would appreciate any additional assistance to industry that could be provided, as well as streamlining the distribution process. In addition to immediate relief, there are two issues that will help the long-term recovery from the COVID pandemic that I would like to mention. First, support of West Coast salmon hatchery funding is vital to that fishery sector, as well as supporting ecosystem functions such as prey for endangered Southern Resident Killer Whales. Hatchery funding levels have not kept pace with inflation, reducing production levels and eroding the infrastructure at hatchery and fish passage facilities. Second, the surveys conducted by NOAA and NMFS are the foundation of our science-based management approach. Although we have had some productive discussions with NMFS leadership on this issue, funding has been reduced since Fiscal Year 2018, and West Coast industry contract surveys have been cut in half in some recent years. Furthermore, due to the COVID pandemic NOAA has also cancelled most NOAA Corps surveys on the West Coast this year. It is critical that these surveys are restored or replaced with comparable methods to preserve the integrity of the long-term databases used to assess the status of our managed fish stocks.

Thank you again for the opportunity to testify today, and for your efforts to address these urgent and important issue. I would be pleased to answer any questions you may have.

⁶ PFMC Agenda Item E.4.a Supplemental STT Report 2 April 2020

⁷ RecFIN database