**JUSTIFICATION FOR CHANGE**

**WEST COAST GROUNDFISH TRAWL ECONOMIC DATA COLLECTION**

**OMB CONTROL NO. 0648-0618**

This request is for changes to the economic data collections for: Catcher Vessel, Catcher Processor, Mothership and First Receiver.

One change that we’ve made to all forms is the addition of a question to collect information about the number of individual people that are employed by a particular shorebased processor, first receiver, or vessel. Traditionally we have collected the number of positions required to operate a facility or vessel, which provides the lower bound of the number of individuals employed by the industry. Collection of this new information will provide an upper bound for the number of individuals employed by the industry. Additionally, it will provide important information about turnover within a particular entity and across sectors. We expect that the additional burden for the vessels should be minimal (20 minutes), but on average it should take about 45 minutes for the first receiver and shorebased processor participants, with a maximum of 2 hours. This difference in estimated response is due to greater turnover and more types of employees, for these respondents.

We also added an additional question to the catcher vessel form. This was designed to make it easier to complete the form because participants will no longer be required to go through their receipts to separate gear outlays from equipment outlays, instead they will be able to report them in aggregate by answering “yes” to the new question. In addition to this question, we arranged the expenses and capitalized expenditures questions in attempt to streamline, simplify, and clarify the questions. This set of questions is the most problematic for participants who have difficulties distinguishing between capitalized expenditures and expenses, and gear and equipment. Hopefully all of these changes will result in a burden decrease.

Finally, the mothership and catcher processor “weight of landings” question was adjusted to more accurately ask for landings, accounting for the diversity of operations in which one vessel will operate on the West Coast in the IFQ and tribal fisheries and in Alaska, and will operate as both a catcher processor and a mothership. Without accurate information, we are limited in our abilities to accurately allocate fixed costs to the West Coast and this hinders our ability to calculate net revenue, one of our primary measures of reporting on the catch share program.

**First Receiver and Shorebased Processor Form**

1. **Addition of new question:**
2. On page 5, we added a question which reads:

Provide the total number of **individuals** who worked at this facility during 2013 in production activities and in all other activities. Note that this value should indicate the number of individuals employed at any point during the year rather than the number of positions

* Include full-time and part-time workers, contract workers, temporary workers, and workers on paid leave.

|  |  |
| --- | --- |
| **Labor Category** | **Total Number of Individuals** |
| Production workers (see definition in Question 7) |  \_\_\_\_\_\_\_\_\_\_\_ individuals |
| All other employees (see definition in Question 8) |  \_\_\_\_\_\_\_\_\_\_\_ individuals |

We expect that this question will take approximately 45 minutes to complete, on average (maximum of 2 hours).

1. **Clarifications to instructions and categories:**
2. On page 1, in the Public Reporting Burden Statement, we changed "Public reporting burden for this collection of information is estimated to take 8 hours per response” to "Public reporting burden for this collection of information is estimated to take 20 hours per response.” We modified the instructions to reflect more accurately the time it takes to complete the survey based on feedback from participants. The 20 hours includes 2 hours for the new question, and an adjustment of 10 hours.
3. On page 5, Question 9, we changed “Provide the labor expenses for **production workers** and **all other employees**” to “Provide the total 2013 labor expenses for **production workers** and **all other employees**.” We modified the question because we wanted to emphasize that the time frame has changed from the previous two questions. Here we are asking for the total expenses for the year.
4. On page 7, Question 17, we changed “Insurance payments (property, product, and personal liability)” to “Insurance payments (property, product, personal liability, and fire liability).” We modified this question for clarifications after some participants expressed confusion.
5. On page 7, Question 18, we added “Do not include fish received that you custom processed for others.” We added this clarification after some participants expressed confusion.
6. On page 11, Question 20, we added the following to the instructions: “Frozen includes fish that is frozen in the round or fish that is processed in any form (fillets, H&G, e.g.) and frozen. Unprocessed includes fish sold in the round.” We also rearranged the instructions so that they are easier to read and placed in a more logical order.

**Catcher Vessel Form**

1. **Addition of new question:**
2. On page 5, we added a new question that reads:

Provide the total number of **individuals** who worked as captain or crew for you on this vessel during 2013 while fishing on the West Coast.

* Include the number of individuals who worked at any point during the year, rather than the number of positions.
* Do not include observers.

|  |
| --- |
| \_\_\_\_\_\_ individuals working on this vessel |

The purpose of this question is to identify the number of individual people that are employed by the industry that will provide additional context to the information currently collected which identifies the number of “positions” in the industry. We do not expect the burden for this question to exceed 20 minutes.

1. On Page 7, we added the question:

 Do you track vessel and on-board equipment separately from fishing gear?

|  |
| --- |
| Yes No |

This question should not increase the burden hours. The ability for participants to separate equipment expenses from fishing gear expenses varies greatly across the industry. This mix of abilities results data that are not easily interpreted. Currently, EDC staff contact participants whose responses are not clear. This question should reduce the confusion both for the participants and for data interpretation and analysis and therefore should as a result decrease the burden of this form.

1. **Clarifications to instructions and categories:**
2. The addition on Page 7, as described above, is part of a larger reorganization of the form to attempt to reduce the confusion with distinguishing expenses on fishing gear from expenses on equipment, and distinguishing expenses from capitalized expenditures. The questions have not been changed, and no additional cost categories have been added; the only difference is the way that the questions are arranged on the form.
3. **Addition of new categories to existing questions:**
4. On Page 11, Question 22 we added the category “Insurance payments”. Often, a large investment will be a result of payment from an insurance company. Collecting the revenue earned from insurance payments ensures that we will be able to more accurately report net revenue.

**Catcher-Processor Vessel Form**

1. **Addition of new question:**
2. On page 5, we added Question 14 that reads:

Provide the total number of individuals who worked for you on this vessel during 2013 while processing on the West Coast.

* + **Include** the number of individuals who worked at any point during the year, rather than the number of positions.
	+ **Do not include** observers.

|  |
| --- |
| \_\_\_\_\_\_ individuals on this vessel (**processing**)\_\_\_\_\_\_ individuals on this vessel (**non-processing**) |

We do not expect the burden for this question to exceed 20 minutes.

1. **Addition of new categories to existing questions:**
2. On Page 8, Question 18 we changed the landings question, which formerly only specified one column, to include a column for the vessel to include landings while operating as a mothership. We added this column after hearing from participants that many vessels operate as both catcher-processors and motherships between Alaska and the West Coast.
3. **Clarifications to instructions and categories:**
4. On page 8, Question 18, the wording of the row description was changed from “harvested by this catcher-processor” to “fish harvested by this catcher-processor vessel and purchased while acting as a mothership ". We added this clarification after hearing from participants that many vessels operate as both catcher-processors and motherships between Alaska and the West Coast.

**Mothership Vessel Form**

1. **Addition of new question:**
2. On page 5, we added Question 14 that reads:

Provide the total number of individuals who worked for you on this vessel during 2013 while processing on the West Coast.

* + **Include** the number of individuals who worked at any point during the year, rather than the number of positions.
	+ **Do not include** observers.

|  |
| --- |
| \_\_\_\_\_\_ individuals on this vessel (**processing**)\_\_\_\_\_\_ individuals on this vessel (**non-processing**) |

We do not expect the burden for this question to exceed 20 minutes.

1. **Addition of new categories to existing questions:**
2. On Page 8, Question 18 we changed the landings question, which formerly only specified one column, to include a column for the vessel to include landings while operating as a catcher-processor. We added this column after hearing from participants that many vessels operate as both catcher-processors and motherships between Alaska and the West Coast.
3. **Clarifications to instructions and categories:**
4. On page 8, Question 18, the wording of the row description was changed from “purchased by this mothership” to “fish purchased by this mothership and harvested by this catcher-processor vessel". We added this clarification after hearing from participants that many vessels operate as both catcher-processors and motherships between Alaska and the West Coast.

**Change in Burden:** For the 57 first receivers/shorebased processors, a maximum of two hours’ burden for each will be added as a program change, totaling 114 hours. The adjustment to the individual burden that will bring each total up to 20 hours (adjustment of 10 hours per response) will add 570 hours total. Thus, the total burden change for this group of respondents will be 684.