

D6 Research Priorities Supplement: Catch Sharing Plan Allocation Review

In April 2018, during staff tasking, the Council asked for staff help identifying a research priority to encompass the types of information it may need for a Catch Sharing Plan allocation review, which is scheduled for 2021. The Catch Sharing Plan creates the allocation process for the commercial and charter halibut fisheries in IPHC regulatory Area 2C and 3A. Council staff worked with the Social Science Planning Team and proposed a few concepts that could benefit a future allocation review.

The information requests are based around previous discussions of how to (and how not to) compare commercial and charter sectors activities in Alaska (e.g. work produced by Gunnar Knapp on the Alaska salmon fisheries¹). These papers have stressed having measures that are comparable between sectors. This is a real challenge because the activities, benefits, and participants in commercial and sport fishing vary drastically. However, previous work has highlighted opportunities for misinterpretation in these types of studies, even when the economic analysis is sound.² Asking for a portfolio of different metrics to help evaluate these fisheries (both charter and commercial) could provide the tools for both the allocation review and the stakeholders to speak to the importance of these fisheries and allocations in a common language. Specifically, the types of comparable information that could fuel this discussion include:

- 1) The **marginal value** of halibut in both fisheries would allow a comparison of each additional pound (or fish) in that fishery. If truly in comparable terms, this would be an ideal metric for understanding the economic net value of an allocation between fishery sectors.
- 2) **Economic impacts** are useful in understanding how that sector is interacting with the economy and communities. This is different than marginal or total value; it describes where money is going, and how employment is related to these fisheries.
- 3) **Total value** demonstrates all of the revenue generated by a sector, but not relative to the costs. This measure could be useful because (at least for the commercial sector), it may be relatively easy to calculate, and when presented alongside measures of marginal value, it can highlight the difference. Estimates of total value are not as useful for understanding marginal changes in policy, such as an allocation decision.
- 4) **Ethnographic research** may compliment any type of economic impact work done. There are spatial characteristics of these fisheries that are unique to communities and specific operations. The diversity within both sectors means that just demonstrating the multiplier effect of charter fishing in a community for example, may not tell the whole story of the sector's interactions with

¹ Knapp, G. 2001. Five principles for economic comparisons of commercial and sport fisheries. Summary from Basic Issues in Economic Comparisons of Commercial and Sport Fisheries: A Study of Allocation Alternatives for Alaska's Kenai River Sockeye Salmon Fisheries. Proceedings of the First North American Fisheries Economics Forum, New Orleans, Louisiana, April 2001.

Knapp, G. 2008. The most important things for Alaska Board of Fisheries members to know about economics. Presentation for the Alaska Board of Fisheries, Fairbanks, Alaska, October 9, 2008.

Knapp, G, M. Guettabi, and S. Goldsmith. 2013. The economic importance of the Bristol Bay salmon industry. Prepared for the Bristol Bay Regional Seafood Development Association. April 2013. Anchorage, AK.

² Knapp, G. 2009. Comparison of recent sport and commercial fisheries economic studies. A presentation to the Alaska Legislature's Cook Inlet Salmon Task Force, January 29, 2009. Anchorage, AK.

the community. The community impacts of halibut are immense, not just in terms of quantitative value for participants but there is a culture around halibut fishing and even a spiritual component for some participants. Qualitative methods may add to the discussion of these types of non-market values.

- 5) Additional information could contribute to understanding of **indirect effects** of these fisheries.

Proposed Research Priority Titles:

Develop comparable measures of net value, total value, and economic impacts for the Area 2C and 3A charter and commercial halibut fisheries.

Conduct ethnographic research and collect information on the indirect effects of the Area 2C and 3A charter and commercial halibut fishing.