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North Pacific Fishery Management Council
605 West 4th Avenue, Ste. 306
Anchorage, AK 99501

September 22, 2008

Dear Members of the Council,

On behalf of the Alaska Longline Fishermen's Association (ALFA) I would like to submit the following comments on **Agenda Item C-1: Halibut Catch Sharing Plan**.

ALFA joins with the Halibut Coalition in urging the Council to commit to a proactive management strategy for the charter sector that prevent allocation overages and to a timely catch accounting system that allows real-time reporting. We urge the Council to clarify this intent on the record, and to direct the staff to revise the analysis to reflect this intent. Effective management depends on managing sectors to stay below annual catch limits and on having data to inform such management decisions; given the North Pacific Council's reputation for effective management, the Council's intent relative to management of this fishery could be no different. Likewise, resource conservation and the access of all halibut fishermen depends on managing sectors to annual allocations, a fact that is misstated in the analysis, and we urge the Council to make that clarification.

ALFA urges the Council to remain focused on the problem statement that fostered this catch sharing plan. The problem statement clearly identifies that conflicts, tensions and instability will not be resolved until the Council establishes a mechanism for transfer between sectors. ALFA supports the limited leasing provision because it is the only option that removes this battle from the Council halls and because attaching costs to charter growth appear to be the only way to apply brakes to what has become a runaway industry determined to overharvest the resource at the expense of both the resource and all who depend on it for "food, sport or livelihood." (Council problem statement, CSP analysis).

Specific to the elements and options before you, ALFA again supports the recommendations of the Halibut Coalition, and offers the following detailed analysis of the Element 1 options:

Establish clear sector allocations based on a **fixed percentage** with sector accountability Specifically, ALFA supports **Element 1, option 1. a or c: GHl translated to a fixed percentage or current GHl as a percentage of 2004 harvest**. A fixed percentage option reflects the historic distribution between the two sectors and is consistent with how the other sport/commercial allocations are managed in

Alaska. It is the simplest and fairest allocation across a broad range of abundance levels and avoids the problems discussed below with respect to the 50/50 and the fixed poundage options.

Problems with 50/50% Options:

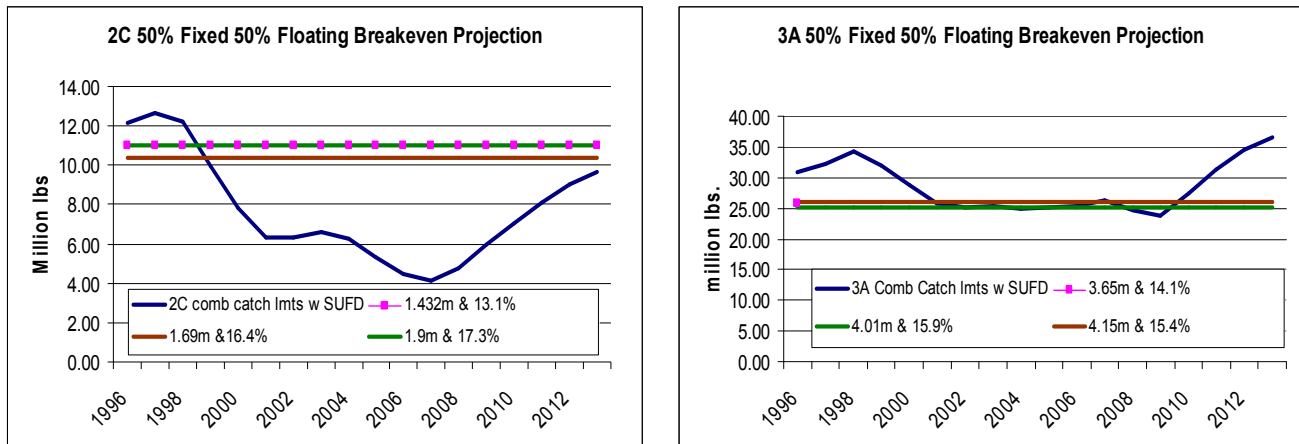
The 50/50 options were developed to provide an increased catch rate and measure of stability to the charter sector during low abundance years, while allowing the commercial fleet greater access during years of high abundance. To be fair, over time the positive and negative impacts on a sector should even out. The breakeven point in a system like this is where 50% of the allocation percentage applied to the combined catch limit is equal to 50% fixed amount. When combined catch levels are below the breakeven point, the charter sector benefits from the fixed portion. When combined catch limits are above the breakeven point, the commercial sector benefits.

The table below identifies the breakeven combined catch limit in each area.

Area 2C		Area 3A	
50/50 option	Breakeven catch Limit	50/50 option	Breakeven catch Limit
1.432 mlbs. & 13.1%	11.0 mlbs.	3.65 mlbs. & 14.1%	25.7 mlbs.
1.69 mlbs. & 16.4%	10.4 mlbs.	4.01 mlbs. & 15.9%	25.1 mlbs.
1.9 mlbs. & 17.3%	11.0 mlbs.	4.15 mlbs. & 15.4%	26.1 mlbs.

The figures¹ below illustrate how combined catch limits compare to these breakeven points over time. They are based on the IPHC’s new coast-wide model with survey based apportionment. Figure 1 clearly shows that in Area 2C, under any of the 50/50 options, the charter sector receives significant positive benefits in 15 of the 18 years projected, or 83% of the time, while the commercial fleet benefits only marginally in 3 of the 18 years (17%). Thus the current 50/50 options do not meet the “fairness” standard in 2C upon which these options were premised. In 3A, the commercial fleet benefits in 9 of 18 years, (50% of the time) and it is about a break even the rest of the time.

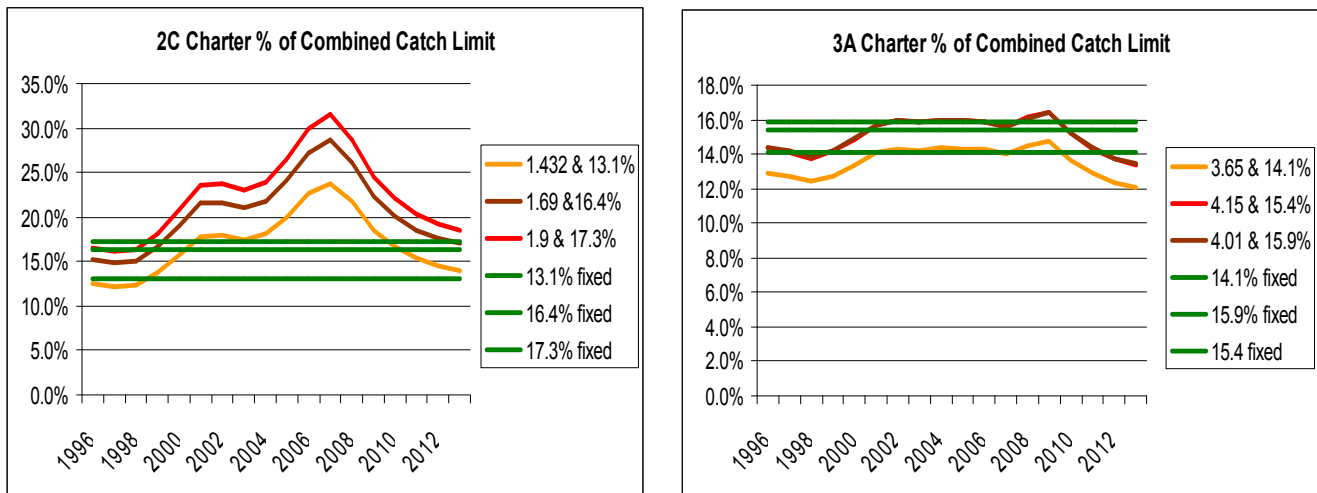
Figure 1:



¹ The 17 year time horizon is intended to illustrate the performance of these options over a likely cycle of abundance in each area. Combined catch limits were calculated using the average 1997-2007 survey proportions for apportionment, a 23% harvest rate by area from which the 2007 non-guided sport and other removals was subtracted and the “slow-up/fast-down” (SUFD) adjustment was applied.

The actual result of the 50/50 options is to award the charter sector a much higher allocation percentage than any of the fixed percentage options which were generally derived from historic shares of the catch limit. Figure 2 shows the percent of the combined catch limit that the charter sector would realize under the 50/50 options. In 2C the charter sector receives 22% to 32% of the combined catch limit in most years. This is a much high percentage than the 13% to 17% range defined in Element 1 and represents a significant reallocation. Again, the 50/50 options fail the fairness test upon which they were premised. In area 3A, the percentage the charter sector receives is much closer to the range identified in Element 1 and the intent of this type of option.

Figure 2.



Finally, all of the 50/50 and stair step options are very susceptible to changes in the IPHC models in terms of who wins and who loses. A straight percentage based allocation is both fairer and more robust to future adjustments to IPHC assessment or apportionment strategies.

In closing, ALFA has participated in the Council process since 1978. We have worked with the Council in this issue since 1993, dedicating significant time and resources to participating constructively in crafting solutions. We worked with charter operators in 2000 to help craft the charter IFQ plan that would have resolve this issue if implemented. We proposed separate accountability as a means of reducing conflicts while the charter sector found common ground within their own industry on an effective management plan. We proposed the crossover plan as a response to the continued request by some charter operators for a mechanism that allowed them options for growth while respecting other users. We stood before you with the charter industry in support of the Catch Sharing Plan currently before you. As our investment of time and energy in the Council process indicates, we believe in resolving management issues through an open and public process, and share your frustration with the stalled implementation of your recommendations.

At this point the confidence of our Association, as well as that of halibut fishermen throughout Alaska, in the Council process is eroding. We urge, in the strongest possible terms, the Council to take definitive action at this meeting to address the problems driven by unchecked growth of halibut charter harvest in 2C and 3A. We urge you to establish a hard allocation for the charter sector that is based on historic catch limits and tied to abundance, to commit to proactive and timely management that

prevents overages of annual catch limits, and to establish a mechanism for limited transfer of quota between sectors.

Thank you for the opportunity to comment.

Sincerely,

A handwritten signature in black ink, appearing to read "Linda Behnken". The signature is fluid and cursive, with a long horizontal stroke at the end.

Linda Behnken, Director ALFA