

INTERNATIONAL PACIFIC



HALIBUT COMMISSION

**Pacific halibut  
multiregional economic  
impact assessment:  
summary of progress**

Agenda Item 12

IPHC-2021-AM097-14

INTERNATIONAL PACIFIC



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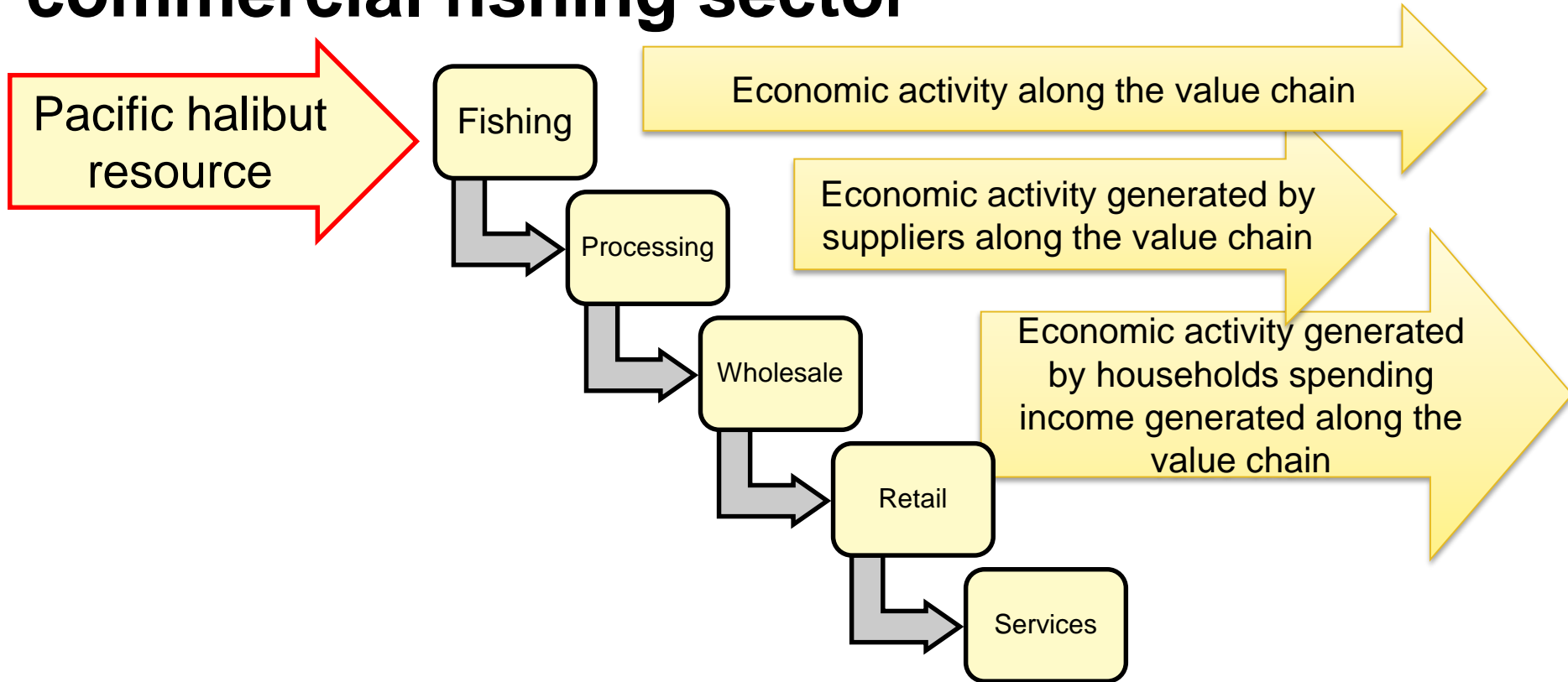
**RESEARCH**

# Outline

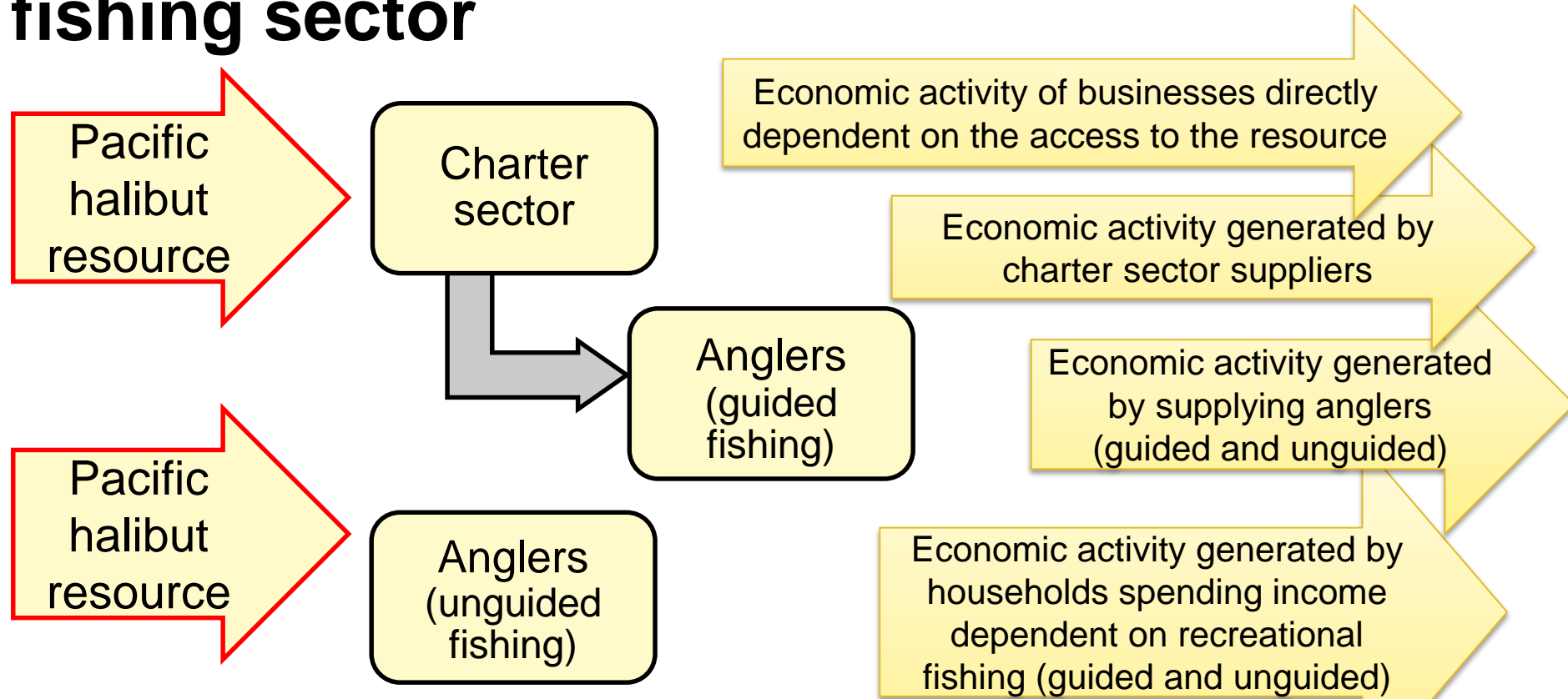
- Economic impacts
  - Commercial fishing
  - Recreational fishing
  - Cross-regional effects
- Model setup
- IPHC data collection
- Preliminary results
- Conclusions



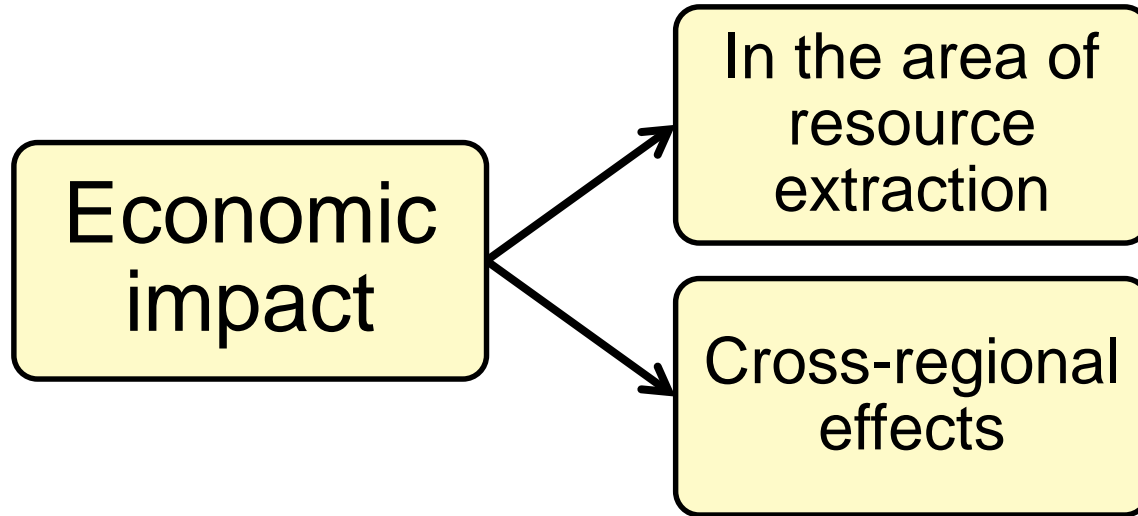
# Economic impact of Pacific halibut commercial fishing sector



# Economic impact of Pacific halibut sport fishing sector



# Multiregional effects



➤ Monetary flows related to inputs to production

➤ Monetary flows related to final consumption

➤ Wages earned by residents vs. non-residents

➤ Profit from quota owned by residents vs. non-residents



# Economic impact (EI) metrics

- **Direct EIs**
- **Indirect EIs**
- **Induced EIs**

Method: social accounting matrix-based model



# Regions

- Alaska (AK)
- West Coast (WC –WA, OR and CA)
- British Columbia (BC)
- Rest of the US (RUS)
- Rest of Canada (ROC)
- Rest of the world (ROW)\*

\* Assumed exogenous



# Primary data collection

## Secondary data use vs. collecting primary data

### The surveys :

- [Commercial Vessel Expenditures Survey](#) (revised)
- [Processing Plant Expenditures Survey](#) (revised, simplified)  
(for land-based processing plants)
- [Charter Sector Expenditures Survey](#) (new!)





# Covid-19 impact on primary data collection

## Benefits of filling for:

**2019** – pre-COVID-19, baseline year, suitable to draw conclusions under normal circumstances

**2020** – abnormal year, assessment of incurred losses and sectors' resilience

**2021** – post-crisis, path to recovery



# Results for the commercial sector (1/2)

Value of landings

USD 129 mil. / CAD 168 mil.

**Economic impact - output**

**USD 666 mil. / CAD 863 mil**

Economic impact – contribution to the GDP

USD 281 mil. / CAD 364 mil.

Economic impact – wages

USD 176 mil. / CAD 228 mil.

Economic impact - employment

4,453 jobs

Household income

USD 179 mil / CAD 232 mil.



# Results for the commercial sector (2/2)

Effect of incorporating Pacific halibut specific outflows - impact on households per 1 USD of Pacific halibut output in Alaska

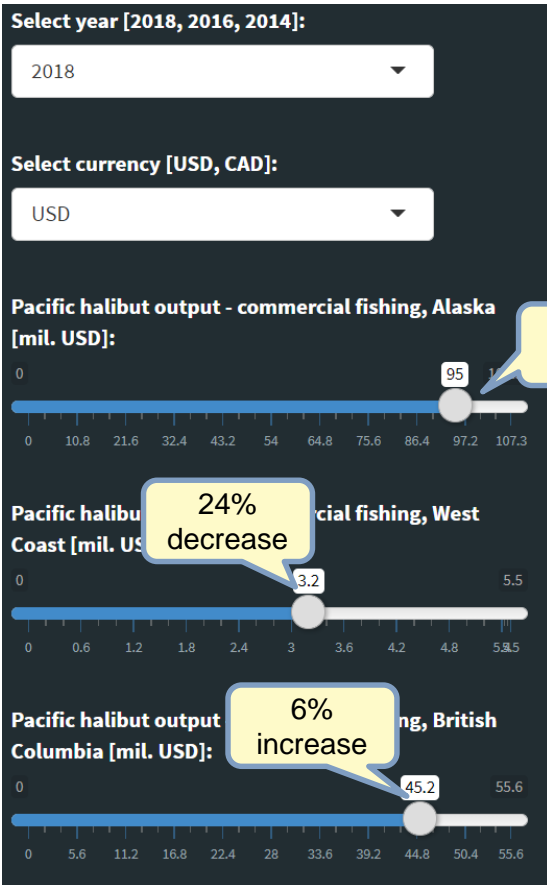
	<b>Model with no Pacific halibut specific outflows</b>	<b>Model with Pacific halibut specific outflows</b>
Households in Alaska	0.54	0.39
WC households	0.09	0.16
RUS households	0.31	0.38



# Map of the economic impact

[web-based tool](#)

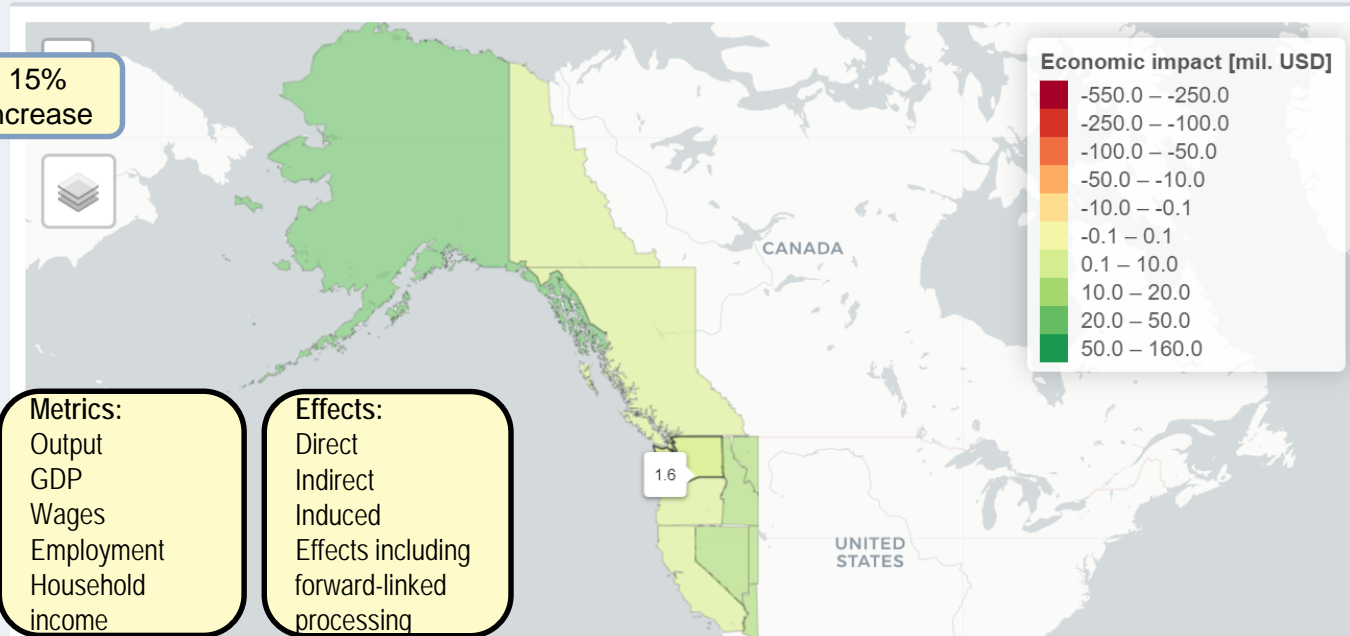
Last updated: 12/23/2020



Type of impact to display:

Output

- Direct effects (Pacific halibut fishery)
- Indirect effects
- Induced effects
- Include forward linkages (FLs) for Pacific halibut processing



# Conclusions

- Comprehensive understanding of the impact of the Pacific halibut resource
- The results suggest that the revenue generated by Pacific halibut at the harvest stage accounts for only a fraction of economic activity that would be forgone if the resource was not available to fishers

## Way forward:

- Inclusion of the recreational sector
- Incorporation of IPHC-collected data (waiting for sufficient number of responses to the surveys)
- Increasing resolution of the assessment
- Impact of COVID-19 on the assessed values
- Analysis of subsistence fishing



# Benefits of in-house economic expertise

- economist perspective on regulatory proposals
- input to requested analysis (e.g. size limits analysis - IPHC-2020-IM096-09)
- input to the MSE work



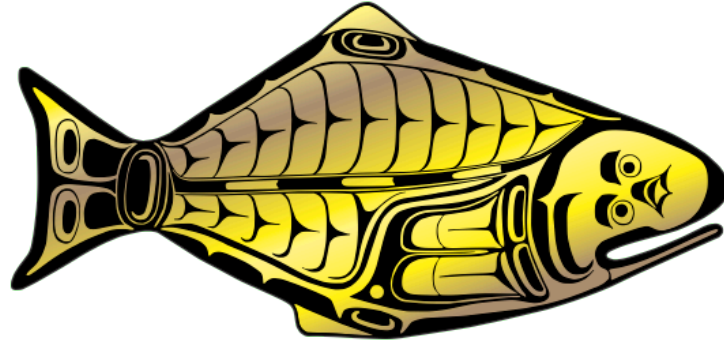
# Recommendations

That the Commission:

- **NOTE** paper IPHC-2021-AM097-14 which provides the Commission with an update on the IPHC economic study, including progress on the development of the economic impact assessment model, state of the collection of primary economic data from Pacific halibut dependent sectors and plan for the year ahead;
- **NOTE** that the accuracy of economic impact assessment of the Pacific halibut resource depends on broader stakeholders' active participation in developing the necessary data for analysis;
- **NOTE** that the accuracy of the assessment of community impacts depends on cooperation between Contracting Parties and the IPHC on economic data exchange.



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