

NOAA Economic report shows Commercial Fishery Values dwarf that of recreational sector

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NOAA has released 'Fisheries Economics of the US' covering the year 2012, and it should be required reading for all in Congress involved in reauthorization of the Magnuson Stevens Act.

The report shows once and for all that in terms of economic value, employment, sales and income, there is simply no comparison between the recreational and commercial sectors.

This fact is particularly important as lobbyists for the recreational sector call for reallocation of US fisheries resources, which would mean taking a broad economically productive asset and putting it in fewer and more private hands.

There is a wealth of specific information in the economic report, but we want to highlight a few facts to put to rest the myth about the value of recreational fisheries.

In terms of sales, the Commercial sector in 2012 represented \$140 billion, the recreational sector \$58 billion. In terms of value added to the national economy, the commercial sector added nearly \$60 billion, vs. about 30 billion for the recreational sector.

In terms of jobs, the commercial industry (producers, processors, distributors, wholesalers and seafood retailers) employed 1.27 million people, while the recreational sector employed 380,000.

But the most striking difference is in where these people are employed. For the recreational fishing impacts, it was building boats and engines that drove the value. This kind of durable equipment represented 82% of employment impacts, 82% of total sales and impacts, and 81% of value added impacts.

This economic power is represented in the funding of the commercial lobby as well. They are primarily funded from engine makers like Evinrude and Yamaha, and from recreational boat manufacturers like Grady White, Mako and others.

To put this another way, the value of the power boat yacht industry is the primary "value" of recreational fishing. It takes just a simple statement on a form to say a \$300,000 power boat - used for cruising, parties, and fishing is part of the recreational fishing industry.'

According to NOAA, less than 20% of the jobs in the industry come from guides, boat operators, tackle shops, motel owners etc.

The picture NOAA paints of the commercial sector is totally different. Here, Seafood Retailers generated the largest number of job and value impacts, accounting for 610,000 jobs, and \$32 billion in sales. They were followed by the import sector (207,000 jobs), and wholesalers and distributors (57,000 jobs). The remaining jobs were in harvesting and processing.

In short, the economic benefits of the commercial seafood sector penetrate all parts of the US, throughout the entire economy. It is true that a fisherman in Alaska is in fact supporting the jobs of dozens of people throughout the rest of the country.

The other striking thing about recreational employment was how much of it was concentrated in Florida. For example, out of 380,000 jobs in 2012, fully 30% of them are in Florida alone.

If you add the rest of the Gulf States and North Carolina, the proportion of recreational jobs is around 45%, or nearly half the national total.

This report negates the argument that the recreational fishery has a greater or more direct economic impact than the commercial fishery.

The recreational fishery's value is primarily concentrated in boat manufacturers and equipment makers and it is highly regionally concentrated.

For the commercial industry, the value and jobs created spread throughout the entire country, while for the recreational sector, the jobs and value are concentrated in a few states and industries. Florida is the only state in the country with more jobs attributable to recreational fishing than commercial. In the rest of the 49 states, the commercial industry provides more jobs and value by a wide margin.

This analysis fully supports the purposes of the Magnuson Stevens Act, which is that if the marine resources of the US are to be used to benefit the entire country, then the commercial seafood industry is by far the most effective and democratic way to accomplish that goal.

Notes for Chart: The Value and Sales figures are in 100,000's, ie. the sales is \$1.4 billion, while the jobs figures are in thousands; i.e. 1.4 million. Source NOAA Fisheries Economics of the US.

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