ECONOMIC STUDY OF THE PACIFIC HALIBUT FISHERY

Project background

Established by a Convention between Canada and the United States of America, the International Pacific Halibut Commission (IPHC) has a long tradition of successful fishery management. Since 1924, the IPHC has conducted research, assessed the Pacific halibut stock of the northern Pacific Ocean and Bering Sea, and regulated the commercial fisheries.

Previous studies have examined aspects of the economic impact of the Pacific halibut fishery[1], and there is regular reporting of fishery-related economic data by agencies of both Canada and the USA[2], however, the total picture of the economic impact of the Pacific halibut fishery is incomplete. Not all sectors of the fishery have been examined together in a comprehensive way and most of the direct economic data do not reach beyond the ex-vessel or wholesale price level. In addition, the value of the community, social, and cultural impacts of the fishery have generally not been assessed. As a result, the Commission and other policy makers are unable to meaningfully compare the economic and social impact of the different sectors of the Pacific halibut fishery to

[1] An example from as far back as 1962 is *The Economics of Marine Resources and Conservation Policy: The Pacific Halibut Case Study with Commentary*, edited by Crutchfield and Zellner, reprinted with a new introduction and additional papers by other scholars in 2003.
More recent examples that analyze elements of the halibut fishery include:

- Hackett, 1998, *Environmental and Natural Resources Economics: Theory, Policy, and the Sustainable Society*;
- Herrmann, Lee, Hamel, Criddle, Geier, Greenberg, and Lewis, 2001: *An Economic Assessment of the Sport Fisheries for Halibut, and Chinook and Coho Salmon in Lower and Central Cook Inlet*;
- Criddle and Herrmann, 2004, *An Economic Analysis of the Pacific Halibut Commercial Fishery*;
- Daly and Farley, 2011, *Ecological Economics, Second Edition: Principles and Applications;* and
- Lew, Sampson, Himes-Cornell, Lee, and Garber-Yonts, 2015: *Costs, earnings, and employment in the Alaska saltwater sport fishing charter sector, 2011-2013*.

[2] An example of regular economic reporting is the Alaska Fisheries Science Center's annual *Economic Status of the Groundfish Fisheries off Alaska* (http://www.afsc.noaa.gov/REFM/Socioeconomics/Default.php). Periodic reports include *Fishing Fleet Profiles* issued by the North Pacific Fishery Management Council, which describe the structure and operation of the fishing fleet, including limited economic data.

each other, to other fisheries, to other communities, or to other industries. Additionally, achievement of optimum yield has not been quantified or assessed.

The IPHC desires more comprehensive economic information to support the overall management of the Pacific halibut resource in fulfillment of its mandate.

Project objectives

This project has five integrated objectives:

Survey previous studies and existing information. This survey should evaluate relevant work in this field as well as ongoing regular data collection programs, noting differences in methodology or emphasis, complementary or conflicting data and conclusions, and gaps in available information.

1. Develop a comprehensive qualitative structural description of the current economics of the Pacific halibut resource. This description should encompass all Pacific halibut fishery sectors in Canada and the USA, including commercial, recreational, subsistence, ceremonial, bycatch and research. It may extend or incorporate relevant information identified under the first objective, and it should identify developments or trends which have led to the current state or may influence future changes.
2. Develop a quantitative analysis of the economic value and impact of all sectors of the Pacific halibut resource, from the hook-to-plate, including recreational and subsistence use. This analysis should include the operation of the fishery itself as well as the products it generates. It should detail the geography of the fishery's economic impact and its effect on local, regional, and national economies, as well as the basis and rationale for any economic effect multipliers used in the analysis.
3. Analyze the community impacts of the Pacific halibut fishery throughout its range. This analysis should include all user groups, and should be expressed as quantitatively as possible.

4. Summarize the methodology and results of this study in comparison to other economic data and reports for the Pacific halibut fishery, other regional fisheries, and comparable seafood industry sectors.

Project requirements

Deliverables

This project includes three deliverables:

1. Interim report. The interim report will describe the work to date and review the status of the project, including task completion, progress toward achieving objectives, timeline, and costs.
2. Final report. The final report will present detailed findings that meet the project objectives. Supporting data, data collection methodologies, and analyses must accompany the final report, and may be provided in separate documents.
3. Fact sheets, summaries, and presentations for stakeholder and public engagement. These materials will present various elements of information from the final report in formats that can be readily reproduced and shared with stakeholders and the public in meetings and through various communications media.