

The Economic Value of

Alaska's Seafood

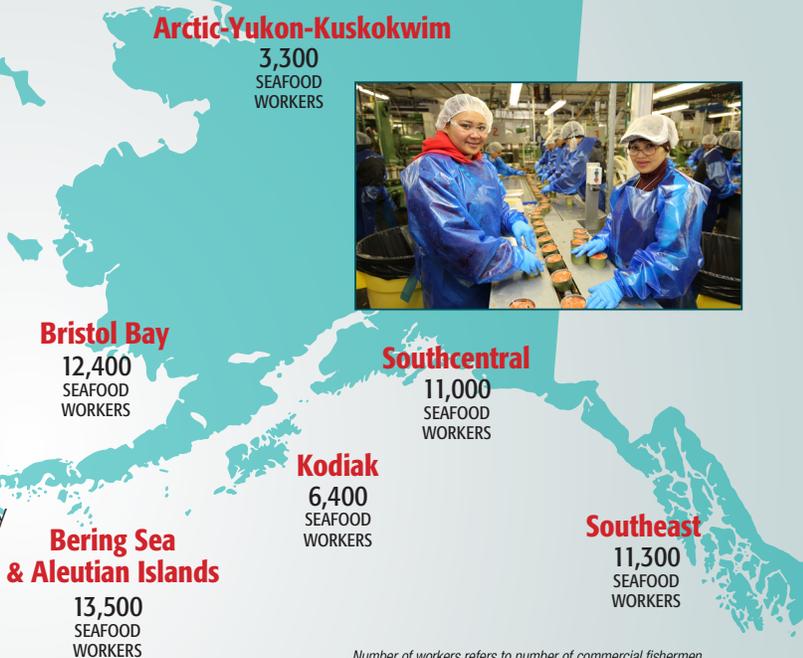
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The seafood industry is one of the largest employment drivers in Alaska, directly employing 56,800 people and creating an additional 10,000 secondary jobs.

The seafood industry directly employs more workers than any other private sector industry in Alaska, with rural areas the most economically dependent. Harvesting 5 to 6 billion pounds of seafood each year produces significant economic benefits for dozens of Alaska communities, hundreds of support businesses, and thousands of Alaskans.

Alaska's commercial fisheries employed 27,738 fishermen in 2016, including 15,592 Alaska residents. Ex-vessel revenues amounted to \$1.7 billion in 2016. Processing companies employed nearly 25,000 workers in 2015, including approximately 7,400 Alaska residents. Seafood processing is the largest manufacturing sector in Alaska, accounting for 72% of Alaska's manufacturing employment. Processors produced seafood products worth \$4.2 billion in first wholesale value during 2016.

Regional Employment Impacts



Number of workers refers to number of commercial fishermen, processing employees, and others directly employed in the seafood industry. Does not include secondary jobs created by the industry.

Economic Benefits of Alaska's Seafood Industry

\$146 million

Total annual state, municipal, and federal taxes, fees, and self-assessments paid by commercial fishermen and seafood processors to operate in Alaska.

\$5.2 billion

Total annual economic activity created by the seafood industry in Alaska (2015-2016 average).

\$2 billion

Annual labor income generated by the seafood industry in Alaska (2015-2016 average).

56,800

Number of workers directly employed in Alaska's seafood industry (2015-2016 average).



Basis of Value: Species

These species create value and activity for Alaska's seafood industry, and the communities that rely on it.

Percent of Ex-Vessel Value & Harvest Volume, 2015-16 Average

Species	Value	Volume
Pollock	27%	57%
Salmon	25%	14%
Crab	15%	1%
Cod	11%	12%
Halibut & Black Cod	12%	1%
Flatfish/Rockfish*	8%	13%
Other Species	2%	2%

*Also includes Atka Mackerel.

Basis of Value: Markets

The U.S. is Alaska's largest single market, but export markets typically buy 60-70% of Alaska's seafood products.

Processors and distributors export Alaska seafood products directly to more than 100 countries each year. That's on the order of 1 million metric tons and over \$3 billion in sales. Many export products have unique markets and would be extremely difficult to sell in the U.S. market. As such, foreign market development and fair/open trade policies are critical to the success of Alaska's seafood industry.

Value Trends

The ex-vessel value of Alaska seafood declined 17% from 2011-2015.

First wholesale value has fallen by a similar amount. Much of the decline is due to a 27% increase in the value of the U.S. dollar (making Alaska products more expensive in export markets, and foreign products less expensive in the U.S.).

Ex-Vessel Value of Alaska Seafood, 2011-16
In billions of dollars



Factors Affecting Value

The value of Alaska's seafood production is a function of many factors.

- Wild fish stock fluctuations and ecosystem health
- Exchange rates and strength of the U.S. dollar
- Alaska harvest volumes and competing global supply (Alaska produces less than 2% of global seafood supply)
- Trade policies (e.g. market access and tariffs)
- Marketing (creating demand for Alaska products)
- Input costs
- Production innovation and efficiency

Impacts & Investment

The economic impact of the seafood industry is a function of resource value.

Increasing value spurs the investment by fishermen and processors necessary to sustain the industry, remain competitive globally, and preserve the thousands of Alaska jobs, hundreds of local businesses, and millions in tax revenue that are tied to the seafood industry. Some forces affecting the value of Alaska's seafood resource are outside of state and industry control. On-going investment in marketing and resource management and sound fisheries policy are critical factors within Alaska's control. Continued investment by industry and government are essential in growing the value of Alaska seafood.

Generating Long-term Value

Alaska's commercial fisheries have produced over 169 billion pounds since statehood.

This is worth an estimated \$170 billion in today's dollars, and is a testament to Alaska's sustainable approach to fisheries management. Managing sustainable fisheries in-season to optimize harvest requires a commitment to data collection and analysis, which comes at a cost. With less data and analytical resources, agencies are compelled to manage more conservatively, potentially leaving valuable resources unharvested and foregoing fisheries income and tax revenue for the State. Consider that even a 5% decline in commercial seafood resource value is worth \$258 million of in-state economic activity.



Alaska General Seafoods, Alyeska Seafoods, Golden Alaska Seafoods, North Pacific Seafoods, Peter Pan Seafoods, Phoenix Processor Limited Partnership, Trident Seafoods, UniSea, Westward Seafoods

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