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## Pacific Halibut Multiregional Economic Impact Assessment: Note for the IFQ Committee meeting

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Under the [Convention](#), the IPHC's mandate is optimum management of the Pacific halibut resource, which necessarily includes an economic dimension. However, until now, the focus has been rather on the sustainable harvest from the ecological perspective. The goal of the IPHC economic study is to provide stakeholders with an accurate and all-sectors-encompassing assessment of the economic impact of the Pacific halibut resource in Canada and the United States of America.

The economic effects of changes to harvest levels can be far-reaching. Fisheries management policies that alter catch limits have a direct impact on commercial harvesters, but at the same time, there is a ripple effect through the economy. Industries that supply commercial fishing vessels with inputs, rely on this demand when making decisions related to their production levels and expenditure patterns. Changes in the domestic fisheries output, unless fully substituted by imports, are also associated with production adjustments by industries relying on the supply of fish, such as seafood processors. Similar effects are attributed to the recreational fishing sector. By running their businesses, charter operators generate demand for fuel, bait fish, boat equipment, and fishing trip provisions. They also create employment opportunities and provide incomes that can be spent locally, supporting various local businesses.

Besides shaping a complex combination of local effects, the industries' interlinked nature is generating cross-regional impacts. Economic benefits from the primary area of the resource extraction are leaked when inputs are imported or when wages earned by non-residents are spent outside the place of employment. At the same time, the inflow of economic benefits to the local economies from outside is occurring when products are exported or local businesses are attracting tourists to the region.

Pacific halibut multiregional economic impact assessment (PHMEIA) model is a multiregional social accounting matrix (SAM)-based model describing economic interdependencies between sectors and regions developed to bring a better understanding of the role and importance of the Pacific halibut resource in the economy of Alaska, British Columbia, and the US West Coast. Moreover, the model simultaneously assesses indirect impacts on the rest of the United States and Canada to determine the resource's full economic impact on IPHC Contracting Parties. The economic metrics derived from the PHMEIA model range from total economic impact on output along the value chain to impacts on employment and incomes, as well as contribution to the GDP and households' prosperity.

**In order to accurately capture the economic impacts of the Pacific halibut, the IPHC has designed a series of surveys to gather information from the sectors relying on this resource. Further development of the PHMEIA model requires active participation of IPHC stakeholders who we ask for necessary data for analysis. Web-based survey forms are available:**

- [For Pacific halibut commercial harvesters](#)
- [For Pacific halibut processors](#)
- [For Pacific halibut charter business owners](#)

Participants to the Pacific halibut sectors can fill the form for 2020, but also retrospectively submit information for 2019. Data for 2019, covering pre-covid-19 operations, will be considered a baseline suitable for drawing conclusions under normal circumstances and using for predictions. Data for 2020, covering an abnormal year of operations, will be used to assess losses incurred by the Pacific halibut sectors, but also sectors' resilience to unfavorable exogenous circumstances. The most up-to-date economic impact results can be viewed using [Pacific halibut economic impact visualization tool](#).