

Seafood Harvesting Jobs



Slight job loss in 2015, mainly in groundfish after prior year's spike

By **JOSHUA WARREN**

Jobs in Alaska's commercial fishing industry fell by 2.1 percent in 2015, or about 178 jobs, primarily because groundfish¹ returned to its historically typical levels after a spike the year before. Most of the 2014 job increase was in the Aleutians, which had most of the corresponding dip in 2015.

Although this is the first decrease in estimated harvesting employment since 2009 (see Exhibit 1), statewide seafood harvesting jobs are still at a historically high level.

(See the sidebar on page 11 for more on how we define and estimate harvesting jobs.)

Salmon, crab fisheries added jobs

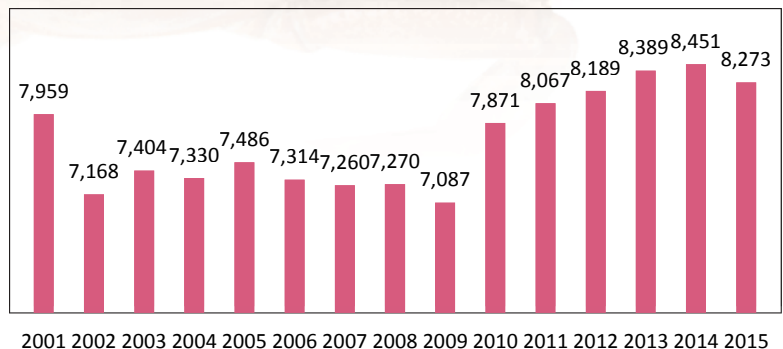
After strong growth in 2013, the increase in salmon fishery jobs has steadied. The increase was a modest

¹"Groundfish" refers primarily to walleye pollock and Pacific cod. Although sablefish (or black cod) is considered groundfish, it is categorized separately in this article.

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Average Monthly Jobs Went Down

ALASKA SEAFOOD HARVESTING, 2001 TO 2015



Source: Alaska Department of Labor and Workforce Development, Research and Analysis Section

1.4 percent in 2015, which brought the fishery to another record year² for employment. (See Exhibit 3.)

Crab was the only other fishery to gain a significant number of net jobs in 2015. While salmon fisheries have had relatively stable employment from year to year, crab is harder to predict and often has large swings from one year to the next.

In 2015, the crab fishery gained 68 average jobs, which

²Records have been kept since 2000.

equated to a 13.5 percent increase for a fishery that small. In 2014, crab harvesting employment grew by 2.5 percent.

Sablefish and shellfish jobs were stable

Other fisheries either treaded water or lost jobs in 2015. Sablefish and shellfish harvesters remained at about the same level as 2014 after losing jobs for several years prior.

These two fisheries combined represented about 614 yearly jobs in 2015 (436 for sablefish and 178 for shellfish). While the net employment levels were steady, there was a considerable amount of fluctuation from month to month, with some months showing growth and others registering declines from the same month in the previous year.

Large percent losses for herring

Although herring fisheries are especially small, they were hit hardest in percent terms in 2015, with employment falling by 40 percent. The annual average went from 135 jobs in 2014 to 81 jobs in 2015, but the losses were entirely in April and May, with March even showing an increase that was quickly offset. This is because herring fisheries depend on spawning times, which came earlier in 2015.

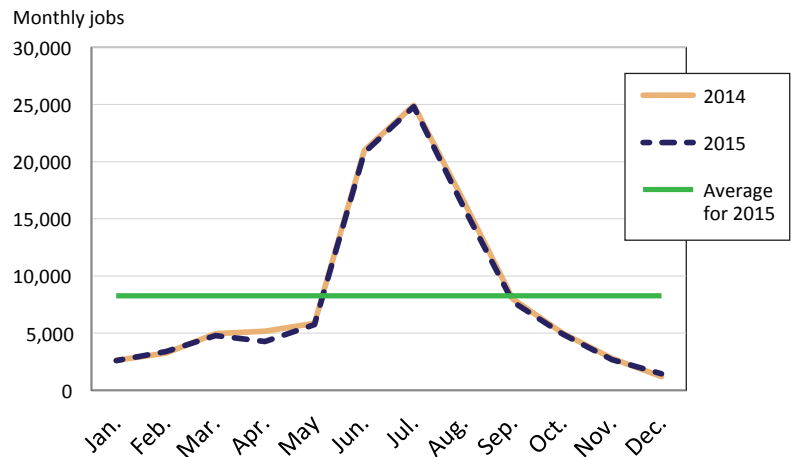
Groundfish dominates poundage

According to the most recent report from the National Oceanic and Atmospheric Administration, Alaska fisheries still account for over half of total U.S. fish harvest volume and almost a third of the value of U.S. harvests, largely due to massive Alaska groundfish harvests.

Groundfish poundage continues to dominate in Alaska, accounting for 78.5 percent of Alaska's seafood catch. In terms of value, groundfish was No. 1 in Alaska in 2014 but fell to second place in 2015 behind salmon, where it's typically been historically. (See Exhibit 4.)

2 Most Months Similar to Year Before

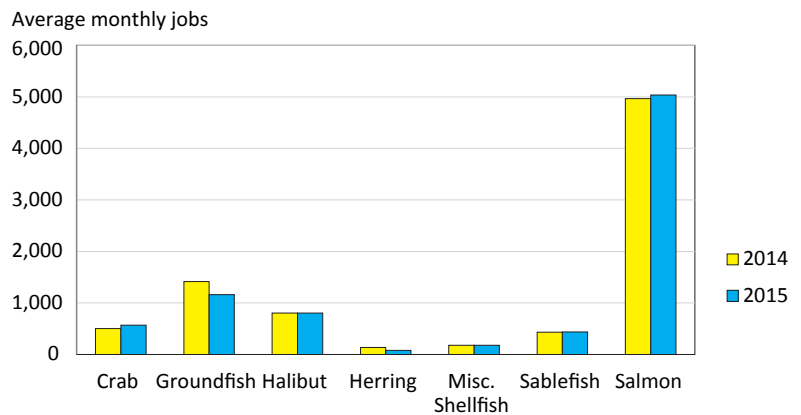
ALASKA SEAFOOD HARVESTING, 2014 AND 2015



Source: Alaska Department of Labor and Workforce Development, Research and Analysis Section

3 Groundfish Jobs Down, Salmon Up

ALASKA HARVESTED SPECIES, 2015 vs. 2014



Source: Alaska Department of Labor and Workforce Development, Research and Analysis Section

Although value and poundage shift from year to year, salmon will always be the largest seafood harvesting employer because of the labor required to catch salmon. Salmon fishermen have limits on the size and type of equipment that can be used as well as the number of fishing days allowed, so salmon harvests require more crew and effort to harvest the same value and volume as some other species. The larger ships that fish the Bering Sea for pollock, for example, can do so with fewer crew members and may fetch higher total value than salmon because of the sheer mass of their catch.

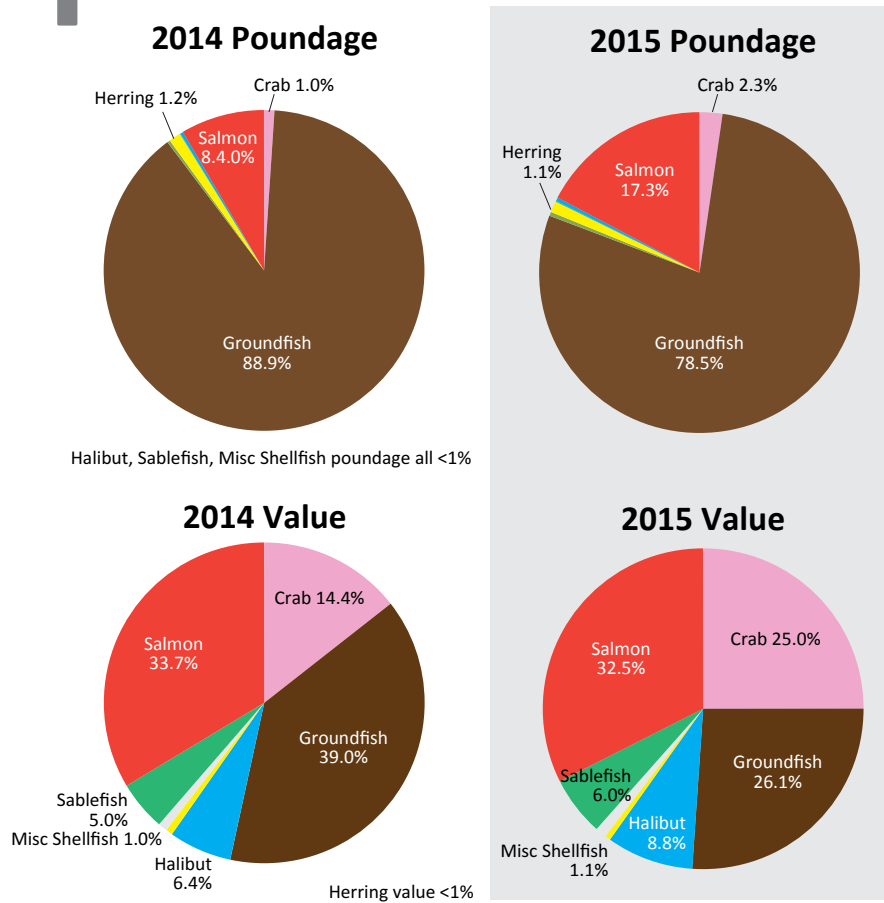
Regional overview

Only two regions gained yearly jobs in 2015: Kodiak

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Some Value and Poundage Shifted

ALASKA SEAFOOD HARVESTS, 2015 VS. 2014



Source: Alaska Department of Labor and Workforce Development, Research and Analysis Section

and Southcentral. However, the gains in those regions weren't large enough to offset the losses elsewhere.

Southeast holds the highest percentage of statewide harvesting jobs (see Exhibit 5), but its share continued to decline in 2015 due to a small job loss.

Southcentral, which includes the Prince William Sound and Cook Inlet salmon fisheries and a halibut fleet, had the second-highest employment.

The Aleutians and Pribilof Islands fell to third place in 2015 because of the decrease in groundfish employment, but they still had a diverse harvest, with triple-digit average annual employment in salmon, halibut, groundfish, and crab harvesting.

Kodiak jobs up 2 percent

Kodiak fisheries employment grew by 2 percent in 2015, a step toward regaining its 2012 employment level after losing groundfish employment in 2013 and nearly 200 winter crab jobs in 2014. Kodiak's crab fish-

ery was closed in 2014 and 2015.

While statewide groundfish employment declined, it grew by 8.7 percent in Kodiak, or 25 jobs.

Bristol Bay subject to seasonal shift

Bristol Bay's job loss followed the statewide trend in 2015. The region's employment is almost entirely in salmon harvesting, which is mainly where it lost jobs in 2015, but this was more about season length than an actual reduction in the number of people fishing.

Bristol Bay fisheries occasionally continue further into August, boosting the annual numbers. That's what happened in 2014, but not in 2015, meaning 2015 had a shorter season.

Small loss for Northern Region

The Northern Region has just a few harvesting jobs, so small losses can produce large percent decreases. The

loss of just three net jobs in 2015 translated to a 1.9 percent average monthly decrease for the year. This figure was made up of six lost jobs in crab harvesting, partially offset by a small amount of growth when a herring fishery briefly reopened in May.

Aleutians grew in only two months

Harvesting in the Aleutians and Pribilof Islands was down more than 180 net jobs in 2015. June and December had the only increases, and the first few months of the year had the largest losses.

Groundfish was responsible for the area's employment gains in 2014, and with the fishery returning to normal levels statewide, it was the main source of losses in 2015. Salmon and crab fisheries gained jobs, which was the reason June and December's levels were up.

All Southeast fisheries stable

Southeast fisheries remained relatively flat in 2015 after losing 164 jobs in 2014. The region lost just 18 jobs on average during 2015 for a 0.8 percent decline.

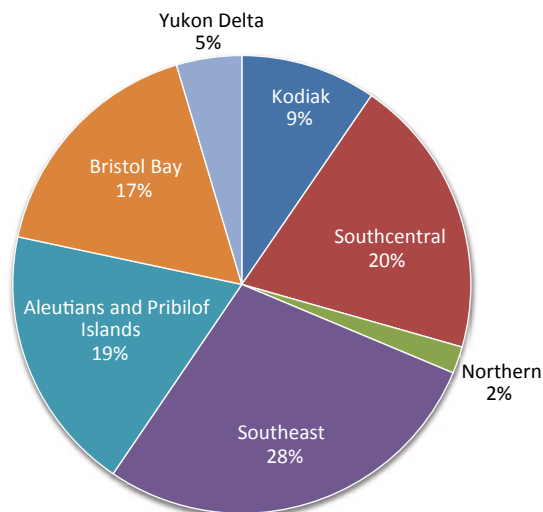
Southeast's stability spanned most of its fisheries rather than comprising a mix of ups and downs like other regions. The exception was the herring fishery, which lost 42 jobs from the prior year for 43.0 percent loss. This was due to reduced activity in April and no employment in May because of earlier spawning.

Southcentral hits record job level

Seventy-seven percent of Southcentral's harvesting

5 Southeast Has Largest Share

SEAFOOD HARVESTING JOBS, 2015



Source: Alaska Department of Labor and Workforce Development, Research and Analysis Section

jobs were in salmon fisheries in 2015, and that employment grew steadily over the year to help the region hit a record 1,638 average annual jobs.

The gains in salmon employment, combined with minor growth in the region's other fisheries, netted a 5.5 percent employment increase, or 85 additional jobs. All of Southcentral's fisheries except shellfish gained jobs — even groundfish, which declined statewide.

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How we estimate jobs

Unlike the "nonfarm payroll employment" numbers published every month by state and federal statistical agencies, fish harvesting employment estimates can't be generated simply by asking employers how many people they had on their payroll in a certain month. Instead, employment of a certain number of people has to be inferred from the fish or other seafood "landings" — the initial sale of the catch.

Because of the way the fisheries are managed — by permits that are generally associated with a specific type of gear, including boat size — a landing under a certain permit requires about the same number of people to be involved in the catch. Those numbers are called "crew factors."

For example, a certain permit to fish for king crab in Bristol Bay with pot gear on a vessel more than 60 feet long requires about six people to be involved in the crab harvest according to the survey responses of people who own those permits. So when a crab harvest is landed under that permit

in a calendar month, we assume the permit generated six jobs in that month.

The jobs are assigned to a location based on harvest areas rather than by place of residence of the permit holder. That approach approximates what's done with payroll employment numbers, which are categorized by place of work rather than by the place of the workers' residence. Most permits have a geographic designation for where the specific species can be harvested. Employment generated under permits that allow fishing anywhere in the state is assigned to a region by a different method (a special harvest area code).

The numbers are presented here as annual averages because that comes closest to the way payroll employment numbers are published and analyzed. Like construction and tourism jobs, seafood harvesting employment has much higher employment in the summer than in the winter. Averaging the seafood harvesting employment numbers across all 12 months allows for more meaningful comparisons between job counts in different industries.