

COMMERCIAL FISHING



Port of Seattle plays a critical role in supporting the regional fishing industry. This section outlines the impacts of the at least 300 fishing vessels utilizing Port of Seattle facilities and the associated business operations that offer services critical to the industry.

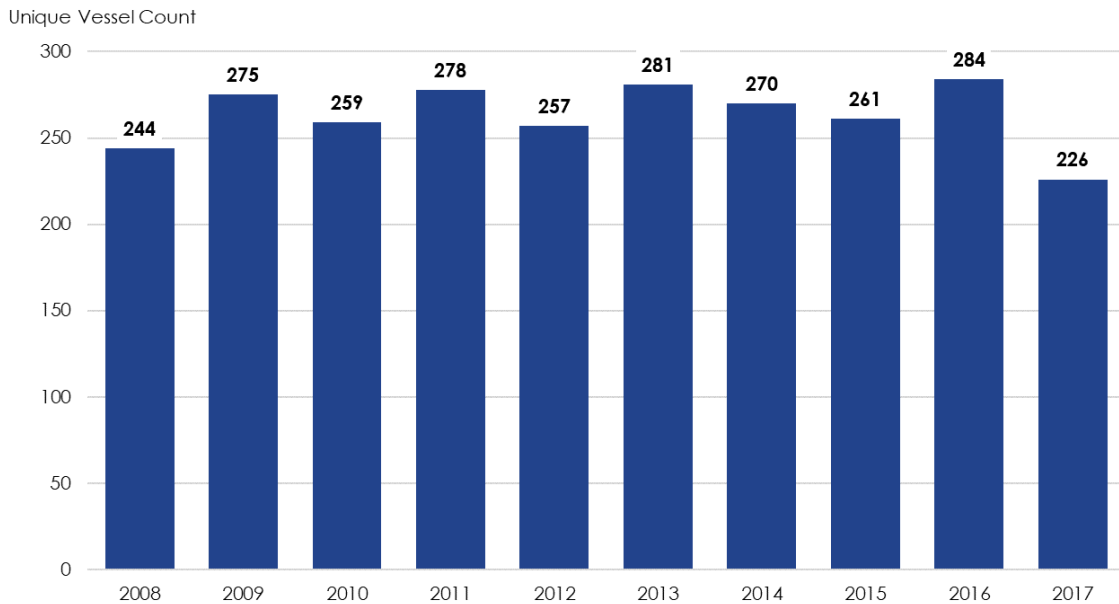


The Port of Seattle owns and operates three facilities that serve as core assets for the regional fishing industry: 1) Fishermen’s Terminal; 2) the nearby Maritime Industrial Center, or “MIC”; and 3) Terminal 91, which in addition to serving cruise ships provides loading and offloading for some of the region’s largest fishing vessels.

The Port of Seattle is heavily utilized by a large segment of the North Pacific Fisheries Fleet, including vessels engaged in the harvest of pollock, Alaskan king crab, groundfish, and salmon, among many other high value species. A smaller cohort of moored fishing vessels at Fishermen’s Terminal operate in non-Alaskan fishing grounds, including in Puget Sound and off the West Coast of the Olympic Peninsula.

In 2017, more than 300 fishing vessels utilized Port of Seattle facilities. Of these, 226 were identified as actively fishing in Alaskan fisheries, based on the Alaska Commercial Fishing Entry Commission licensing data (**Exhibit 29**). In some cases, while a vessel may moor more frequently in other locations (such as in Alaska or in Lake Union in Seattle), these vessels still depend on Port of Seattle infrastructure for loading and offloading, on-dock repairs and periodic maintenance, and provisioning.

Exhibit 29. Unique Alaskan Fisheries Licensed Vessels Utilizing Port of Seattle Facilities, 2008-2017



Note: Some vessels utilize more than one facility throughout the course of a year. Estimates thus report unique vessels and correct for some double-counting.

Sources: Port of Seattle, 2018; Alaska Commercial Fishing Entry Commission, 2018; Community Attributes Inc., 2019.

There are also various supporting and associated businesses and operations located at Port of Seattle facilities in close proximity to the fishing fleet, such as equipment wholesalers, associations, nearby by on-dock mechanics and maintenance workers, maritime law firms and insurance companies, and other services critical to the industry.

In 2017, fishing vessels that moored at Port of Seattle facilities operating in the Alaskan fisheries generated gross earnings of more \$455.0 million. An additional \$26.6 million in revenues were earned in waters outside of Alaska, such as in Puget Sound and Washington's west coast, based on ex-vessel wholesale value. Additional revenues were generated among various support services and on-shore Port of Seattle tenants, including seafood processing and cold storage facilities, services businesses at Fishermen's Terminal and the economic output equivalent of Port of Seattle staff dedicated to serving the industry. In total, these activities directly supported an additional \$189.7 million in business output.

Factoring in all segments of commercial fishing at the Port of Seattle, these activities generated more than \$671.2 million in business output in 2017.

In 2017, an estimated 7,200 jobs were directly associated with commercial fishing at the Port of Seattle. These included 5,100 jobs on fishing vessels, the majority of which (4,900) operated in fisheries in Alaska. The number of jobs across fishing vessel customers at the Port of Seattle vary widely by vessel size and type, such as between from large, 150 crew catcher-processors to much smaller seiners and trawlers. In some cases, notably the largest fish processors that use Terminal 91, may primarily moor at locations outside Port of Seattle properties, but due to the size of vessel require use of the Port's facilities for loading and offloading.

These jobs supported labor compensation of \$313.4 million in 2017. Of this, \$150.3 million were earned from fishing employment, with another \$163.1 million from onshore terminal-based jobs, Port of Seattle on-site processing and cold storage, and Port of Seattle staff positions. These estimates represent annual averages, thus accounting for the seasonality of many (but not all) types of fishing employment, such as work that lasts 3-6 months. Overall, direct commercial fishing jobs supported by the Port of Seattle have an annual average wage, including benefits, of more than \$43,500 in 2017, in part reflecting the seasonal nature of many commercial fishing jobs.

Factoring in indirect and induced impacts, the total statewide economic impact of commercial fishing operations summed to 11,300 jobs, \$543.0 million in labor income, and more than \$1.4 billion in business output in 2017 (**Exhibit 30**).

Exhibit 30. Economic Impacts of Commercial Fishing Operations Based at the Port of Seattle, Washington, 2017

	Direct	Indirect	Induced	Total
Jobs	7,200	900	3,200	11,300
Total Compensation (mils 2017 \$)	\$313.4	\$61.5	\$168.0	\$543.0
Business Output (mils 2017 \$)	\$671.3	\$270.7	\$495.9	\$1,438.0

Sources: Washington State Office of Financial Management, 2018; Community Attributes Inc., 2019.

In 2017, the direct and secondary activities supported by commercial fishing operations based at the Port of Seattle generated a total of \$8.1 million in state sales and use taxes, \$3.8 million business and operations taxes, and \$1.3 million in other state taxes. In total, commercial fishing operations at the Port of Seattle supported \$13.2 million in statewide fiscal impacts. (**Exhibit 31**)

Exhibit 31. Total Statewide Fiscal Impacts of Commercial Fishing Operations Based at the Port of Seattle, Washington, Mils 2017\$, 2017

	Direct	Secondary	Total
B&O	\$0.7	\$3.1	\$3.8
Sales & Use Taxes	\$0.6	\$7.5	\$8.1
Other	\$0.1	\$1.2	\$1.3
Total	\$1.4	\$11.8	\$13.2

Sources: Washington State Department of Revenue, 2018; Washington State Employment Security Department, 2018; Community Attributes Inc., 2019.

North Pacific and U.S. Fisheries

In 2017, 226 fishing vessels operating in the North Pacific Fisheries utilized Port of Seattle facilities throughout the year, such as for periodic maintenance and repair or loading and offloading. In 2017, gross earnings in Alaska's fisheries totaled more than \$1.0 billion. The revenues generated in 2017 by Port of Seattle vessels from fishing in Alaska—\$455.0 million—represented 44% of all gross earnings from the North Pacific Fisheries. Port of Seattle fishing vessel operator customers harvested catch (Alaska and non-Alaska) are equal to an estimated 13% by value of total U.S. commercial fisheries in 2017 by dollar value.⁶

Between 2011 and 2017, Port of Seattle customers harvested between 800,000 and 1.3 million metric tons of seafood from the North Pacific Fisheries (**Exhibit 32**), or equivalent gross earnings of between \$259.1 million and \$455.0, adjusted for inflation (**Exhibit 33**). Harvested tonnage increased by more than 500% over this period, or approximately 23% per year, based on a compound annual growth rate.

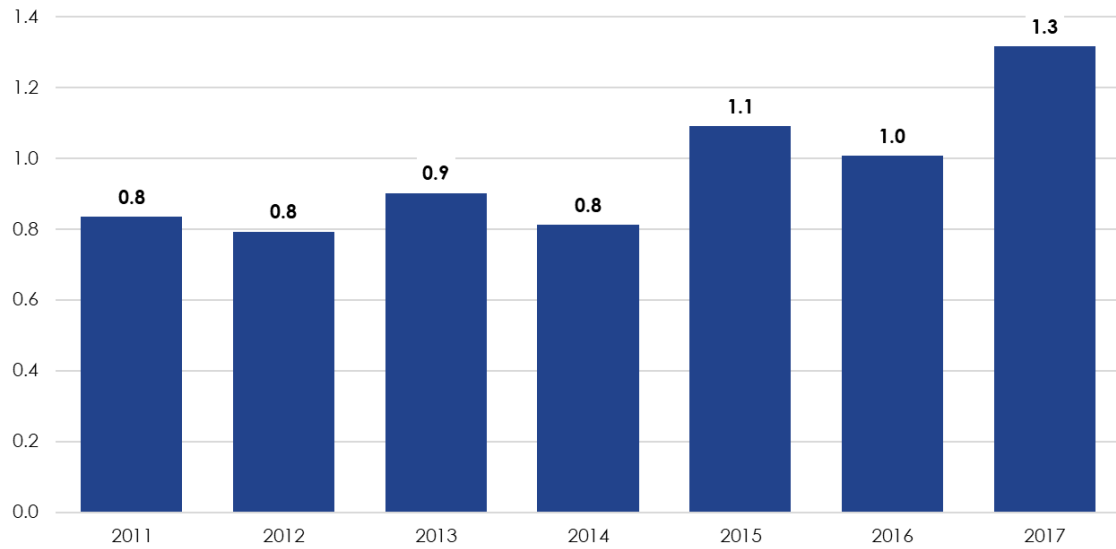
An estimated 72% of all commercially caught seafood biomass from the U.S. North Pacific Fisheries by tonnage and value was exported.⁷ A large share of pollock, salmon and other harvested biomass undergoes preliminary processing in Alaska (removal of head and tail). It is then packed in ice and shipped to locations in East Asia, such as several facilities in China, for deboning, filleting, and additional value-added food processing before reshipment back to the U.S. and other markets for final consumption.

⁶ Sources: State of Alaska Department of Fish & Game, 2018; National Oceanic and Atmospheric Administration (NOAA), 2018; Community Attributes Inc., 2019.

⁷ This estimate is based on the weighted multi-year average, inflation-adjusted, of estimated export value to "first wholesale value" for Alaska commercial seafood for the years 2011 to 2015. Data come from the Alaska Seafood Marketing Institute, "Alaska Seafood Export Market Analysis," 2016; with inflation adjustments performed by Community Attributes Inc. using GDP implicit price deflators published by the U.S. Bureau of Economic Analysis, 2019.

Exhibit 32. Tonnage Harvested by Port of Seattle Customers in North Pacific Fisheries, 2011-2017

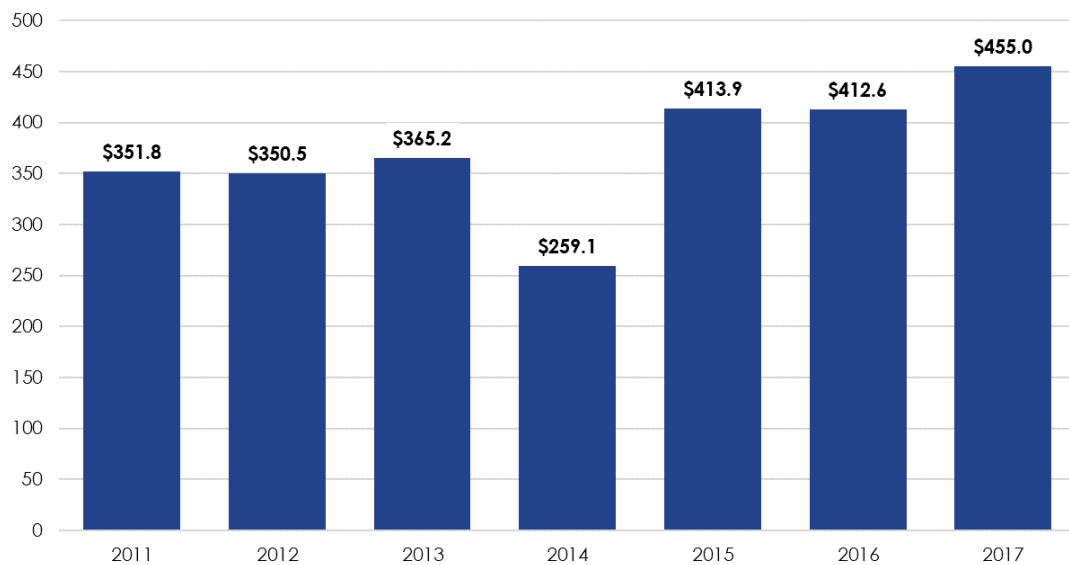
Millions of Metric Tons



Sources: Alaska Commercial Fishing Entry Commission, 2018; Community Attributes Inc., 2019.

Exhibit 33. Gross Earnings by Port of Seattle Customers in North Pacific Fisheries, 2011-2017

Mils 2017 \$



Sources: Alaska Commercial Fishing Entry Commission, 2018; Community Attributes Inc., 2019.