

# The Charter Effect: Economic Contributions of a Hawai‘i Fishery

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The contributions of charter fishing in Hawai‘i go beyond just the fishing industry. Our researchers found that the effects extend all the way to the U.S. mainland.

Feature Story |  
Pacific Islands

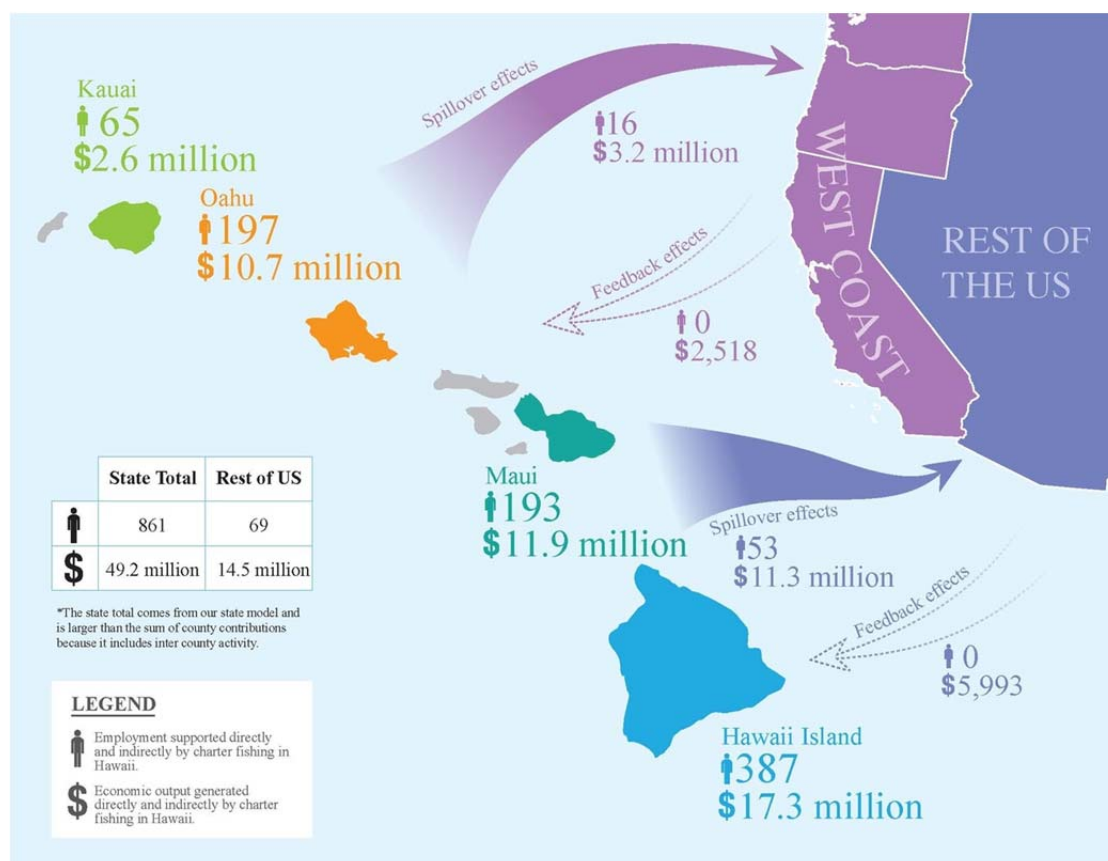


*Charter fishing boats moored at Honokōhau harbor. (Photo: NOAA Fisheries/Emily Rollins)*

The Hawai‘i charter fishing industry provides more than just unique fishing experiences and lifelong memories. A [recent economic study](#) found that this fishery generated close to \$50 million in gross sales and supported nearly 900 jobs statewide in 2011.

Compared to the rest of Hawai'i, charter fishing on the big island generated the highest contributions in terms of employment (387 jobs), labor income (\$7.4 million), and gross sales (\$17.4 million).

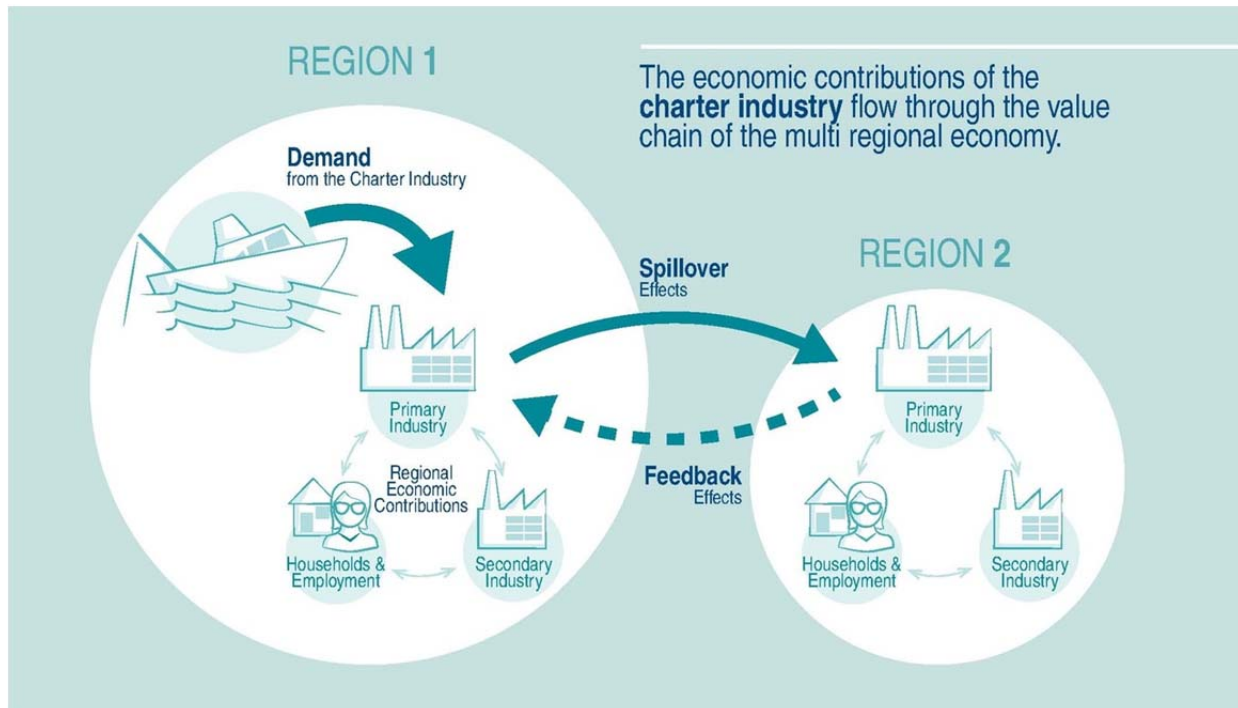
Our researchers expected that the recreational fishing industry in Hawai'i would have cascading local economic effects. However, when they detailed the flow of economic contribution from charter fishing in Hawai'i, they found that it extended to the U.S. west coast as well as the rest of the mainland. Hawai'i is heavily dependent on outside markets to supply most of its industry's raw materials. They found the Hawai'i charter fishing industry supported the equivalent of 16 full-time jobs and generated \$3.2 million in gross sales on the U.S. west coast. In comparison, this amount was higher than the gross sales generated on Kaua'i (\$2.6 million), demonstrating the importance of considering impacts outside the state. Contributions to the entire U.S. mainland amounted to 69 full-time jobs, and around \$14.5 million in gross sales—comparable to the sales generated on Maui (\$11.9 million).



*This figure shows the flow of economic contributions generated in 2011 from charter fishing in Hawai'i to the west coast and the rest of the U.S. mainland.*

Economic contributions are the industry's current spending that supports jobs and generates income and gross sales. Our researchers used data from a survey of the Hawai'i charter fishing fleet in 2012 to model the multi-area economic contributions and estimate the state- and county-wide economic contributions of charter fishing in Hawai'i. They extended the model to assess contributions, or "spillover" effects, to the west

coast (Washington, Oregon, and California) and the rest of the U.S. mainland, and the “feedback” effects back to Hawai‘i. Without a multi-region model, these additional contributions would be lost and not captured in the analysis.



*This figure shows the flow of economic activity between industries in separate regions as a result of an initial demand from the charter industry. The direct spending by the charter industry circulates through the economy to secondary industries (like petroleum refineries), generating gross sales, income, and supporting employment. Spillover effects occur in the mainland in response to demand in Hawai‘i. Feedback effects occur in Hawai‘i due to the purchase of goods and services by the mainland.*

Why does this information matter? Understanding how an industry contributes to a region’s economy can help policymakers determine how a regulatory change or natural disaster might affect the economy. While fisheries may be considered a smaller part of the broader economy, economic contribution analyses such as this one provide vital information for considering the fishing industry’s economic contributions to local and regional economies.

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