

Economic Contribution of Charter Boats For-Hire in Coastal Mississippi

In this issue, Dr. Posadas describes the economic contribution of the charter boats for-hire in Coastal Mississippi. The charter boats for-hire are included in the NAICS code 487210 or “Scenic and Sightseeing Transportation, Water” in the North American Industrial Classification System (NAICS, 2019). This industry comprises establishments primarily engaged in providing scenic and sightseeing transportation on water. The services provided are usually local and involve same-day return to place of origin. Illustrative examples are airboat (i.e., swamp buggy) operation, excursion boat operation, charter fishing boat services, harbor sightseeing tours, and dinner cruises. The Coastal Mississippi Region consists of three counties, namely: Hancock, Harrison, and Jackson Counties. The economic contribution of this industry shows its importance to the regional economy of Coastal Mississippi. The industry was threatened by the lingering impacts of the man-made disaster associated with the prolonged and twice opening of the Bonnet Carre spillway from February to April and May to July 2019. The extent of the economic impacts of the man-made disaster to Coastal Mississippi will take some time to assess. Instead, some benchmark data about the charter boats for-hire during the past five years are presented.

Employment and Wages, Salaries, and Earnings

The industry ([NAICS](#) sector 487210) directly provided 65 jobs per year in three Coastal Mississippi Counties since 2014 (Fig. 1). In 2018, the industry provided 69 jobs in the three coastal counties.

The combined wages, salaries, and proprietor earnings of all the QCEW employees, non-QCEW employees, self-employed, and extended proprietors in the three Coastal Mississippi Counties are shown in Fig. 2. Workers and owners received more than \$31,000 average earnings in 2018.

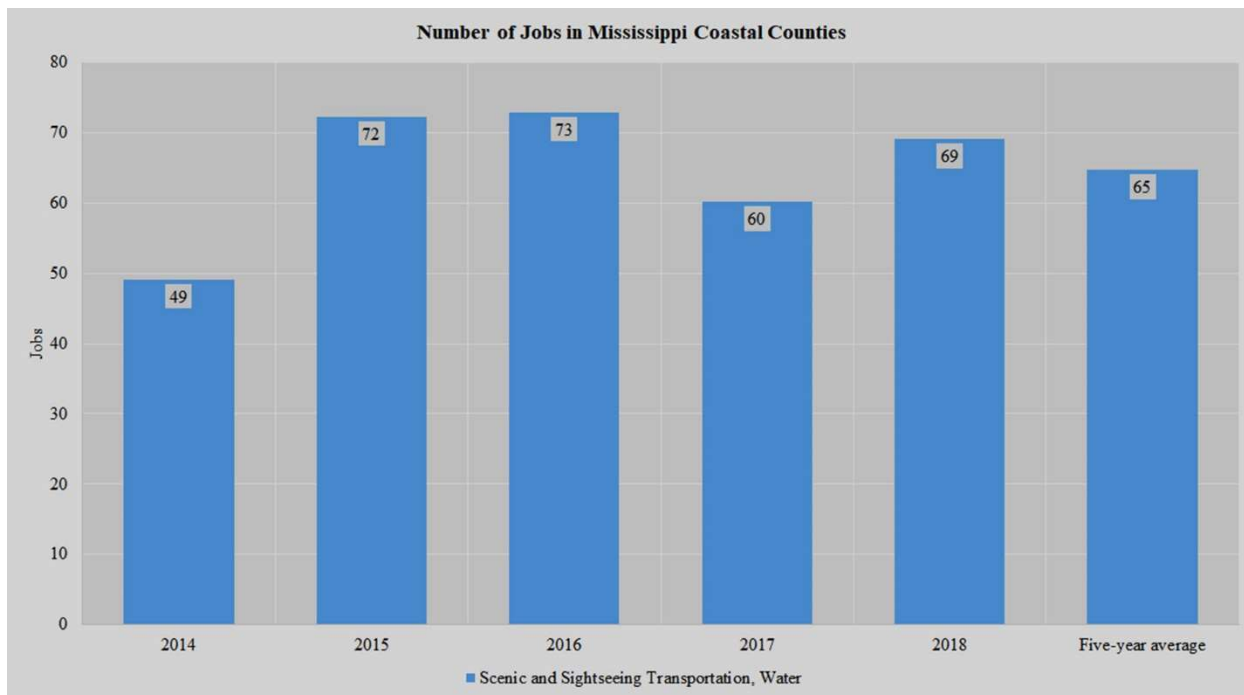


Figure 1. Annual Employment of QCEW Employees, Non-QCEW Employees, Self-Employed, and Extended Proprietors. U.S. Bureau of Labor Statistics, Quarterly Census of Employment and Wages ([EMSI](#), 2019).



Figure 2. Wages, Salaries, and Proprietor Earnings of QCEW Employees, Non-QCEW Employees, Self-Employed, and Extended Proprietors. U.S. Bureau of Labor Statistics, Quarterly Census of Employment and Wages ([EMSI](#), 2019).

Distribution of Workers by Gender

The 2018 industrial overview released by [EMSI](#) (2019) showed that among workers and owners in the three Coastal Mississippi Counties, 70 percent were male (Fig. 3). About 30 percent of the workers and owners were female.

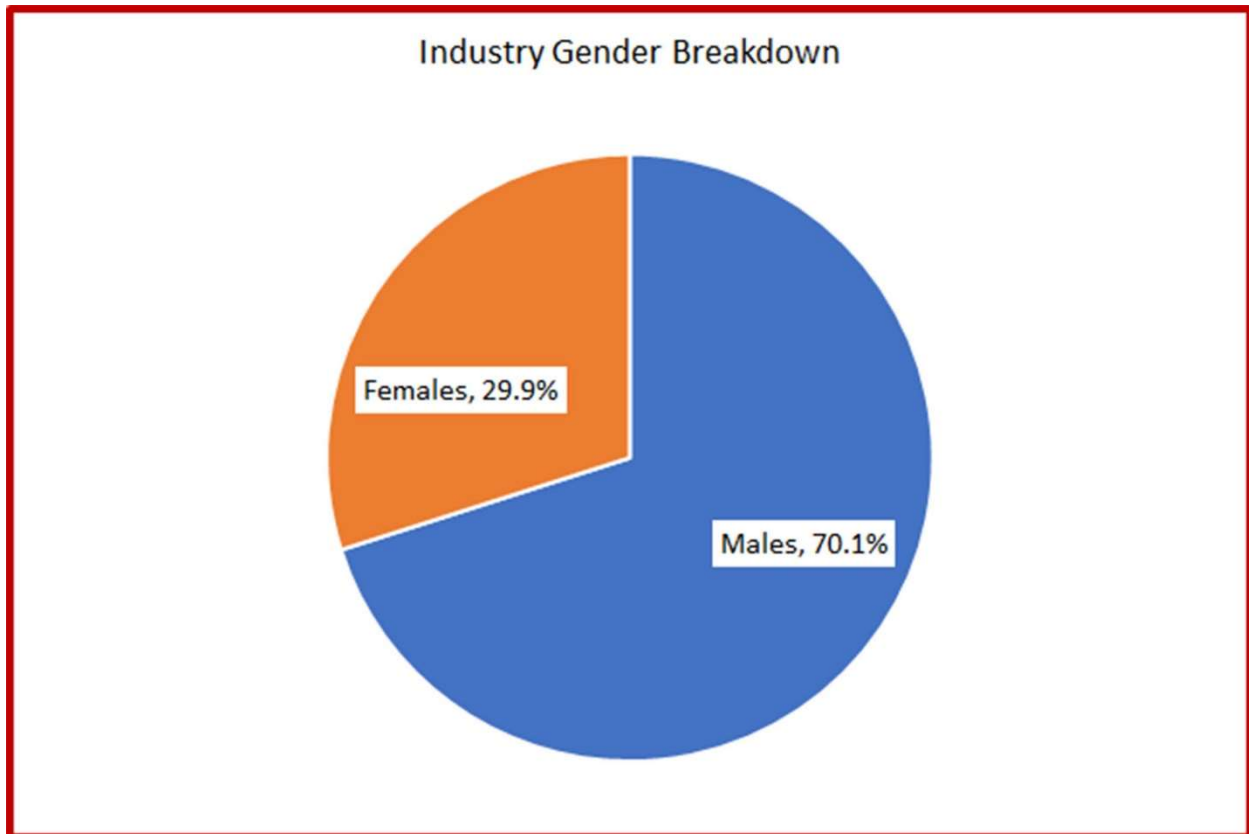


Figure 3. Distribution of QCEW Employees, Non-QCEW Employees, Self-Employed, and Extended Proprietors by Gender. U.S. Bureau of Labor Statistics, Quarterly Census of Employment and Wages ([EMSI](#), 2019).

Distribution of Workers by Age

The 2018 industrial overview released by [EMSI](#) (2019) showed that among workers and owners in the three Coastal Mississippi Counties are relatively older, with more than six out of ten are 55 years old and above (Fig. 4). About 10 percent of the workers and owners are 45-54 years old. About seven percent belonged to the 35-44 years old age group. More than one out of five of the workers and owners are below 35 years old.

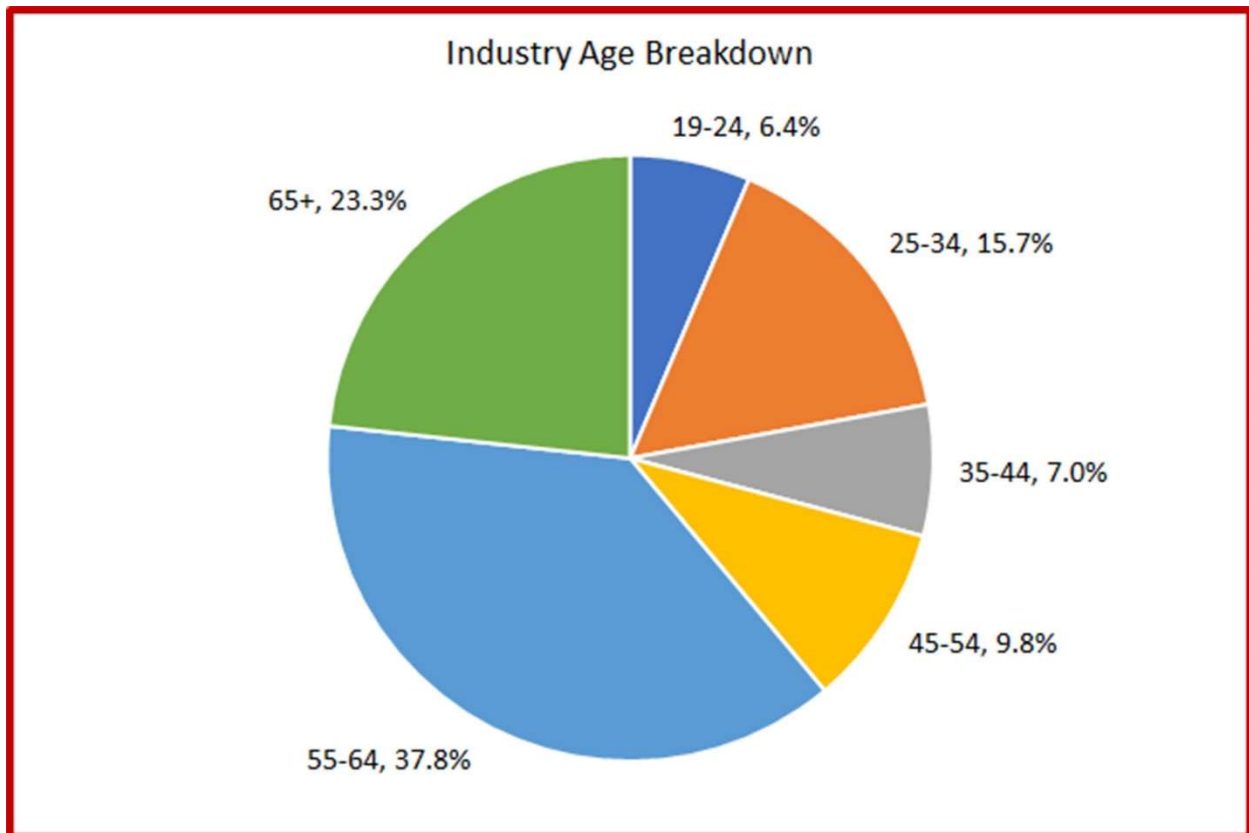


Figure 4. Distribution of QCEW Employees, Non-QCEW Employees, Self-Employed, and Extended Proprietors by Age Group. U.S. Bureau of Labor Statistics, Quarterly Census of Employment and Wages ([EMSI](#), 2019).

Distribution of Workers by Race or Ethnicity

The newly released industrial overview ([EMSI](#), 2019) also sorted workers and owners by race or ethnicity (Fig. 5). The majority of the workers are White (86.9%), followed Asian (5.6%), and Hispanic or Latino (5.6%). The remaining workers and owners reported two or more races (1.8%).

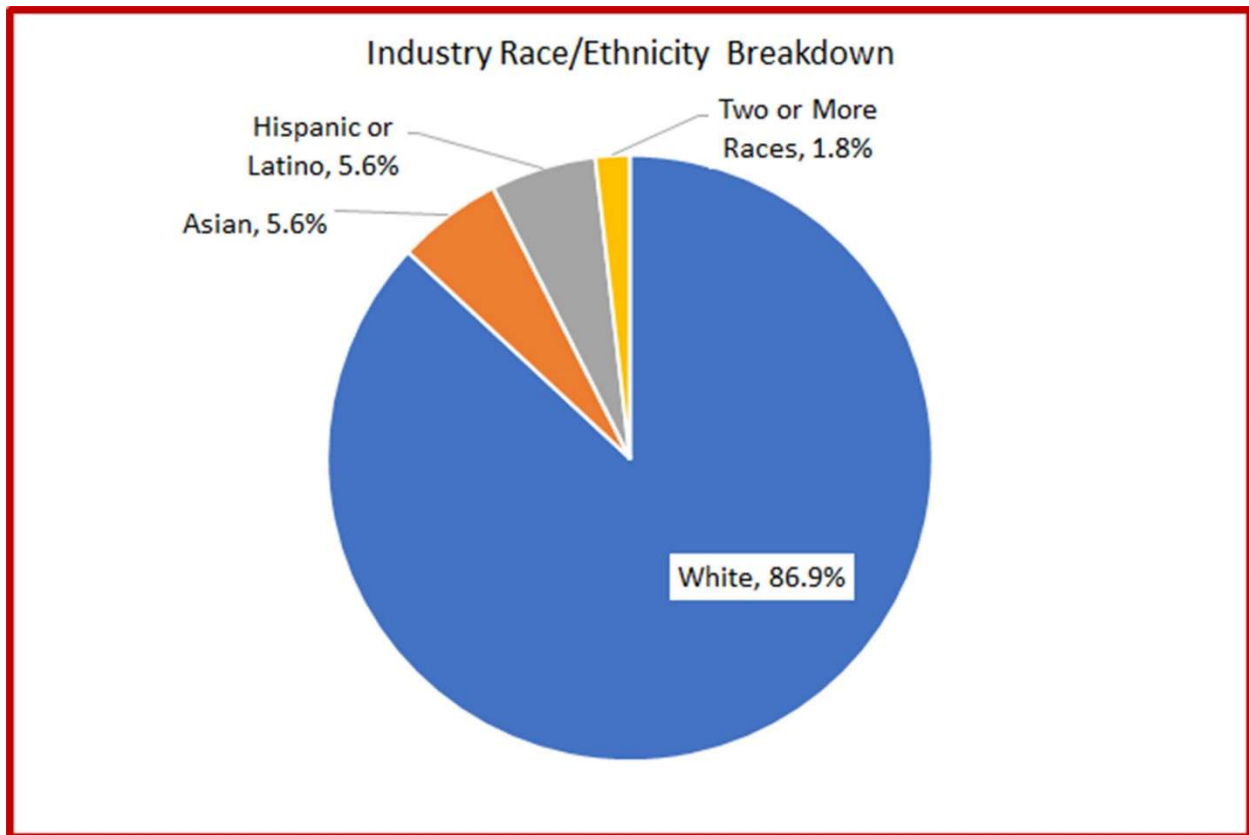


Figure 5. Distribution of QCEW Employees, Non-QCEW Employees, Self-Employed, and Extended Proprietors by Race or Ethnicity. U.S. Bureau of Labor Statistics, Quarterly Census of Employment and Wages ([EMSI](#), 2019).

Charter Boats For-Hire Registered in MarketMaker

If you need an online database of local charter boats for-hire, you may use the search tool in [Mississippi MarketMaker](#) or other state [MarketMaker](#) programs. More than 900 charter boats for-hire in the Gulf of Mexico States registered their business profiles in MarketMaker (Fig. 6). You can sort the results alphabetically, by relevance, or by the distance to your current location.

By searching for charter boats for-hire in the three Coastal Mississippi Counties, a total of 22 businesses are found registered in Mississippi MarketMaker.

Search Markets

powered by MARKET MAKER™

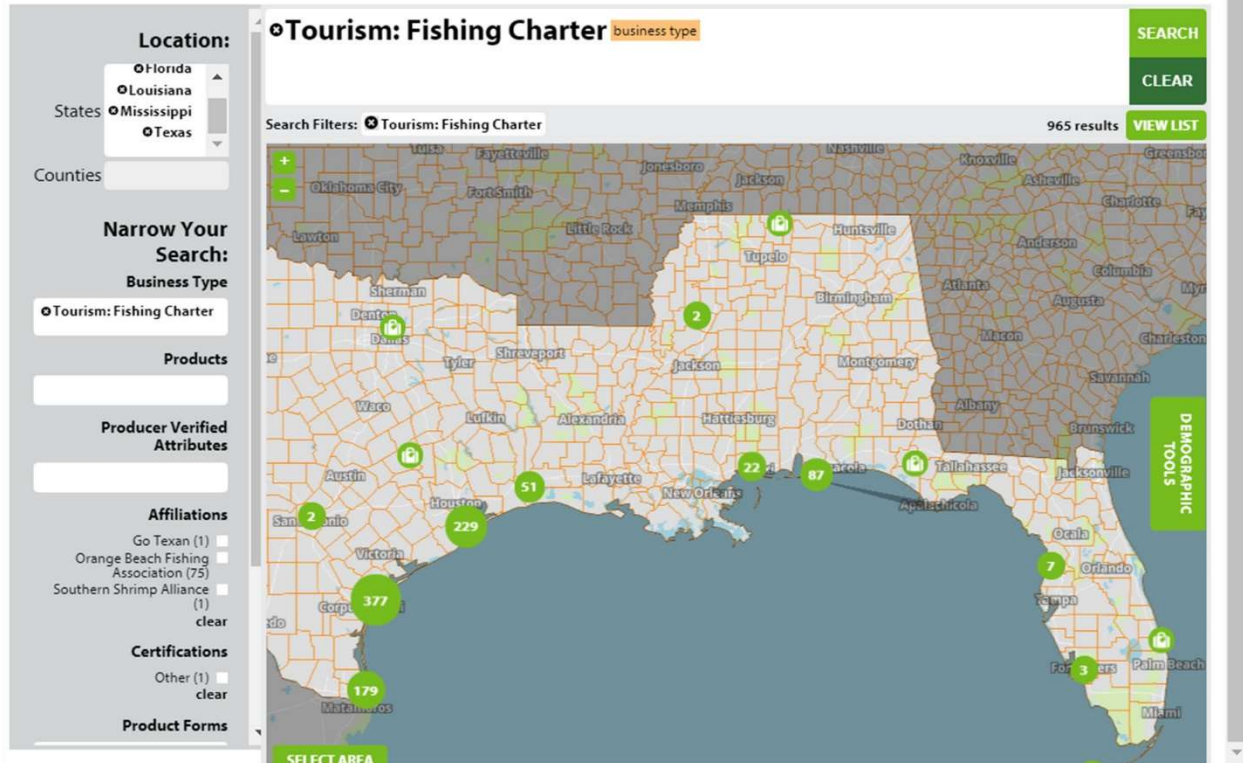


Figure 6. Map of the locations of charter boats for-hire in the Gulf of Mexico States ([Mississippi MarketMaker](#), 2019).

Gross Regional Product

The [Bureau of Economic Analysis](#) (2019) defines the gross domestic product (GDP) as the value of the goods and services produced in the United States. The gross regional product (GRP) is simply the GDP for the region of study. [EMSI](#) (2019) measures the GRP as the sum of total industry earnings, taxes on production and imports, and profits, less subsidies.

The gross regional product (GRP) in the three coastal counties generated by the industry was estimated at 2.67 million dollars in 2018 ([EMSI](#), 2019). The GRP of the industry represents about 0.006 percent of the total GRP in Coastal Mississippi.

Disaster Implications

To save lives, properties and the way of life in New Orleans and surrounding communities, the Bonnet Carre spillway was opened to release floodwater into Lake Pontchartrain and eventually into the Mississippi Sound. The livelihoods and way of life of the charter boats for-hire and surrounding communities dependent on coastal tourism and the seafood industry are threatened by lingering effects of the man-made disaster associated with the prolonged and twice opening of the Bonnet Carre spillway since February to April and May to July 2019.

The massive volumes of freshwater which were dumped into the fertile fishery grounds of the Mississippi Sound brought with them harmful freshwater algae that bloomed all over the coast. Beaches were closed, and advisories were in place during the entire summer and beyond. Massive losses in vital marine resources in Coastal Mississippi disrupted commercial and recreational fishing activities.

This man-made disaster is an externality that causes consumer and producer losses. Market forces cannot create a system of payments for the offended parties. The government needs to intervene and compensate for the losses suffered by consumers and producers. The effects of the disaster confronting the Mississippi Sound will linger for some time, and the economic hardships will further erode the quality of life of coastal households, businesses, and communities.

Suggested Citation:

Posadas, Benedict C. Economic Contribution of Charter Boats For-Hire in Mississippi. Mississippi MarketMaker Newsletter, Vol. 9, No. 10. October 23, 2019. <http://extension.msstate.edu/newsletters/mississippi-marketmaker>.