

Economic Contribution of Commercial Fishing in Mississippi and Alabama Gulf Coasts

Abstract

In this issue, Dr. Posadas describes the economic contribution of commercial fishing in Coastal Mississippi and Alabama counties. Coastal Mississippi consists of three counties, namely: Hancock, Harrison, and Jackson Counties, while Coastal Alabama includes Baldwin and Mobile Counties. The commercial fishing businesses contributed \$79.3 million and \$39.0 million to the gross regional products of Coastal Mississippi and Alabama regions, respectively. Businesses were adversely affected 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 long-term economic impacts of the man-made disaster to these fishing businesses will take some time to assess. Instead, some benchmark data about these businesses during the past five years are presented.

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Employment and Wages, Salaries, and Earnings

Commercial fishing is represented by NAICS Code 11411 (Fishing). This industry “comprises establishments primarily engaged in the commercial catching or taking of finfish, shellfish, or miscellaneous marine products from a natural habitat, such as the catching of bluefish, eels, salmon, tuna, clams, crabs, lobsters, mussels, oysters, shrimp, frogs, sea urchins, and turtles” ([NAICS](#), 2020).

The industry employed an average 958 fishermen and owners of commercial fishing units in the three Coastal Mississippi Counties from 2014 to 2018. However, the number of jobs created by the industry increased to 1,068 jobs in 2019 (Fig. 1). In Coastal Alabama Counties, the number of jobs in the industry averaged 849 persons from 2014 to 2018 as compared to the 846 jobs in 2019.

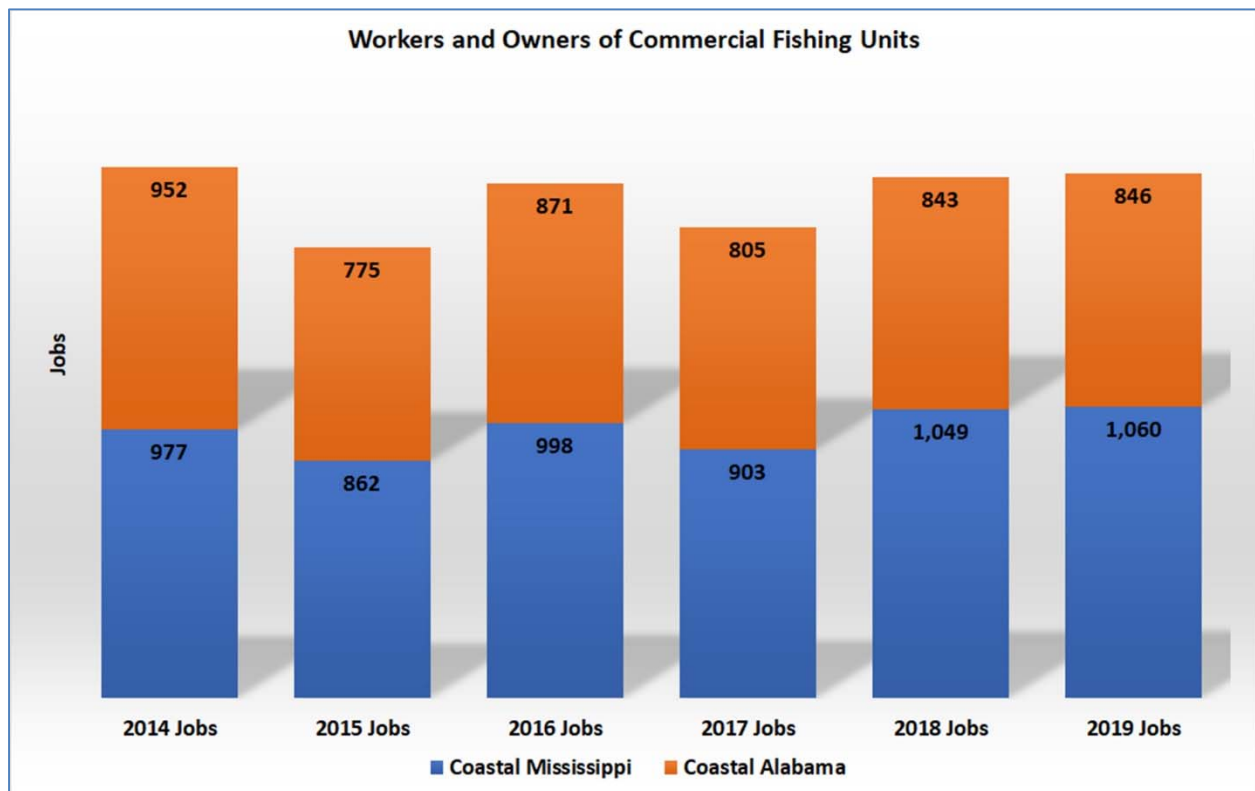


Figure 1. Annual employment of QCEW employees, non-QCEW employees, self-employed, and extended proprietors. U.S. Bureau of Labor Statistics, Quarterly Census of Employment and Wages ([EMSI](#), 2020).

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 increased from \$31,610 in 2014 to \$48,859 in 2018 (Fig. 2). Higher combined wages, salaries, and proprietor earnings were observed in Coastal Mississippi, averaging \$38,412 per year during the past five years as compared to Coastal Alabama.

In Coastal Alabama, the combined wages, salaries, and proprietor earnings of all the QCEW employees, non-QCEW employees, self-employed, and extended proprietors in the two coastal counties increased from \$21,568 in 2014 to \$31,976 in 2018. On average, the five-year combined earnings in the industry averaged \$29,182 per person.

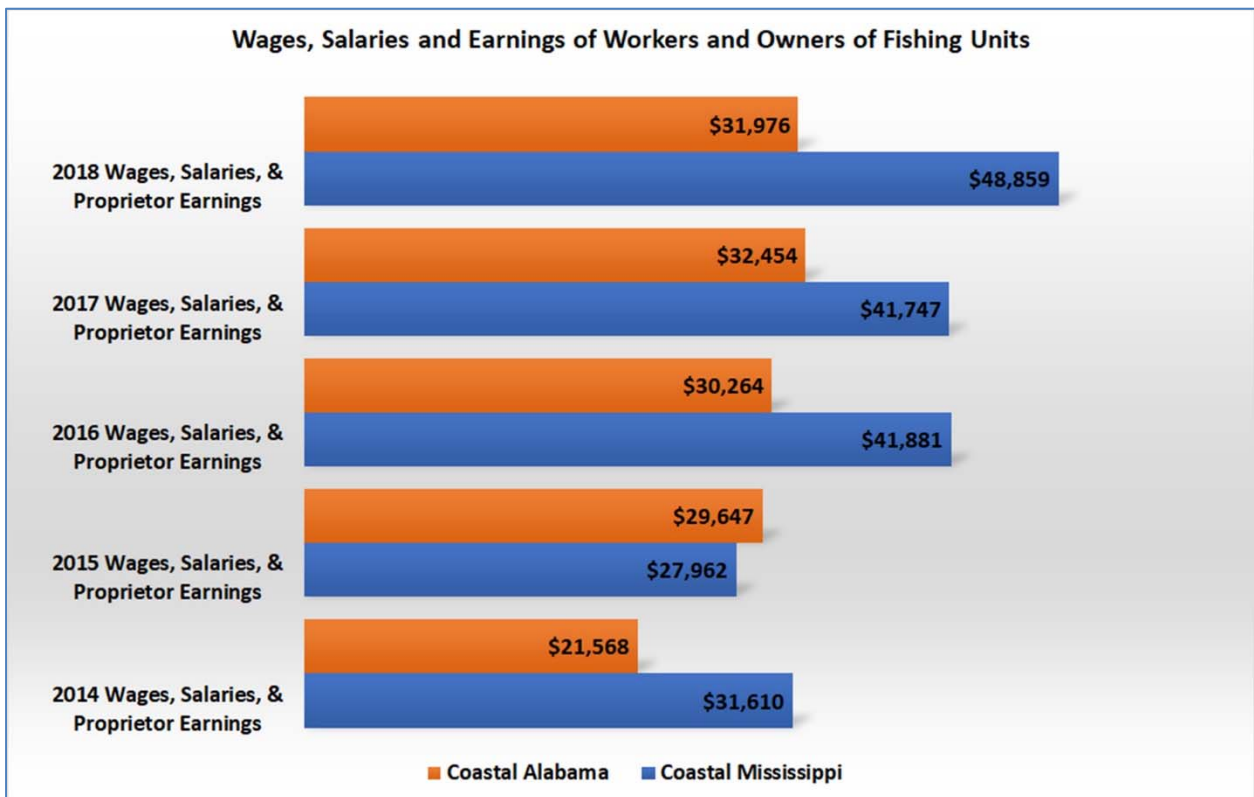


Figure 2. Average earnings of QCEW Employees, non-QCEW employees, self-employed, and extended proprietors. U.S. Bureau of Labor Statistics, Quarterly Census of Employment and Wages ([EMSI](#), 2020).

Distribution of Workers by Gender

The 2020 industrial overview released by [EMSI](#) (2020) showed that among workers and owners in the three Coastal Mississippi Counties, 91.3 percent were male. About 8.7 percent of the workers and owners were female. In Coastal Alabama, a similar distribution of workers and owners by gender was reported, 91.4 percent were males and 8.6 percent were females. (Fig. 3).

Socio-Demographic Characteristics of Fishers and Owners of Commercial Fishing Units				
Industry Gender Breakdown	Coastal Mississippi		Coastal Alabama	
Gender	2019 Jobs	2019 Percent	2019 Jobs	2019 Percent
Males	968	91.3%	774	91.4%
Females	92	8.7%	72	8.6%
Total	1,060	100.0%	846	100.0%

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](#), 2020).

Distribution of Workers by Age

The recently industrial overview released by [EMSI](#) (2020) showed that workers and owners in the three Coastal Mississippi Counties averaged 48 years old (Fig. 4). Almost 14 percent of the workers and owners are 65 years old and above. The 55-64 years old consist of 29.2 percent. The 45-54 years old workers and owners added 21.6 percent of the total. Over 12 percent belonged to the 35-44 years old age group. More than 23 percent of the workers and owners are below 35 years old.

In Coastal Alabama, the workers and owners were slightly older averaging 49 years old. More than 14 percent of the workers and owners are 65 years old and above. About 33 percent belonged to the 55-64 years old age group. The 45-54 age group comprised of over 18 percent. The 35-44 age group added almost 11 percent. The younger age group below 35 years old comprised almost 23 percent.

Socio-Demographic Characteristics of Fishers and Owners of Commercial Fishing Units				
Industry Age Breakdown	Coastal Mississippi		Coastal Alabama	
Age	2019 Jobs	2019 Percent	2019 Jobs	2019 Percent
14-18	20	1.9%	16	1.9%
19-24	89	8.4%	65	7.7%
25-34	139	13.1%	112	13.2%
35-44	131	12.4%	93	11.0%
45-54	229	21.6%	159	18.8%
55-64	309	29.2%	280	33.0%
65+	143	13.5%	121	14.3%
Total	1,060	100%	846	100%
Average Age (yr)	48		49	

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](#), 2020).

Distribution of Workers by Race or Ethnicity

The newly released industrial overview ([EMSI](#), 2020) also categorized workers and owners by race or ethnicity (Fig. 5). More than 71 percent of the workers and owners in Coastal Mississippi are White, followed by American Indian or Alaska Native (8.5%), and Asians (7.7%). The remaining workers and owners are Black or African American (6.6%), Hispanic or Latino (3.5%), two or more races (1.9%), and Native Hawaiian or Other Pacific Islander (0.1%).

In Coastal Alabama, almost 75 percent of the workers and owners are White. American Indian or Alaska added nine percent to those who commercially fish. Asians consisted of almost seven percent who commercially fished. The rest of the commercial fishermen consisted of Hispanic or Latino (4.8%), Black or African American (2.8%), two or more races (1.8%), and Native Hawaiian or Other Pacific Islander (0.2%).

Socio-Demographic Characteristics of Fishers and Owners of Commercial Fishing Units				
Industry Race Breakdown	Coastal Mississippi		Coastal Alabama	
Race/Ethnicity	2019 Jobs	2019 Percent	2019 Jobs	2019 Percent
White	760	71.7%	631	74.6%
American Indian or Alaska Native	91	8.5%	76	9.0%
Asian	81	7.7%	58	6.9%
Hispanic or Latino	37	3.5%	41	4.8%
Black or African American	70	6.6%	24	2.8%
Two or More Races	20	1.9%	15	1.8%
Native Hawaiian or Other Pacific Islander	1	0.1%	1	0.2%
Total	1,060	100.0%	846	100.0%

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](#), 2020).

Seafood Businesses Registered in MarketMaker

If you need an online database of local commercial and recreational fishing and fishfarming business, you may use the search tool in [Mississippi MarketMaker](#) or other state [MarketMaker](#) programs. Also, in [MarketMaker](#) you can see active listings of of buy and sell forums for buyers, sellers, products and more.

There are 476 “fishery: fish/shellfish/seafood” businesses in the United States which registered their business profiles in MarketMaker. The Mississippi Department of Marine Resources website lists the different saltwater fishing licenses issued to recreational and commercial fishermen in Mississippi ([MDMR](#), 2020). A similar list is found at the Alabama Department of Conservation and Natural Resources website ([ADCNR](#), 2020).

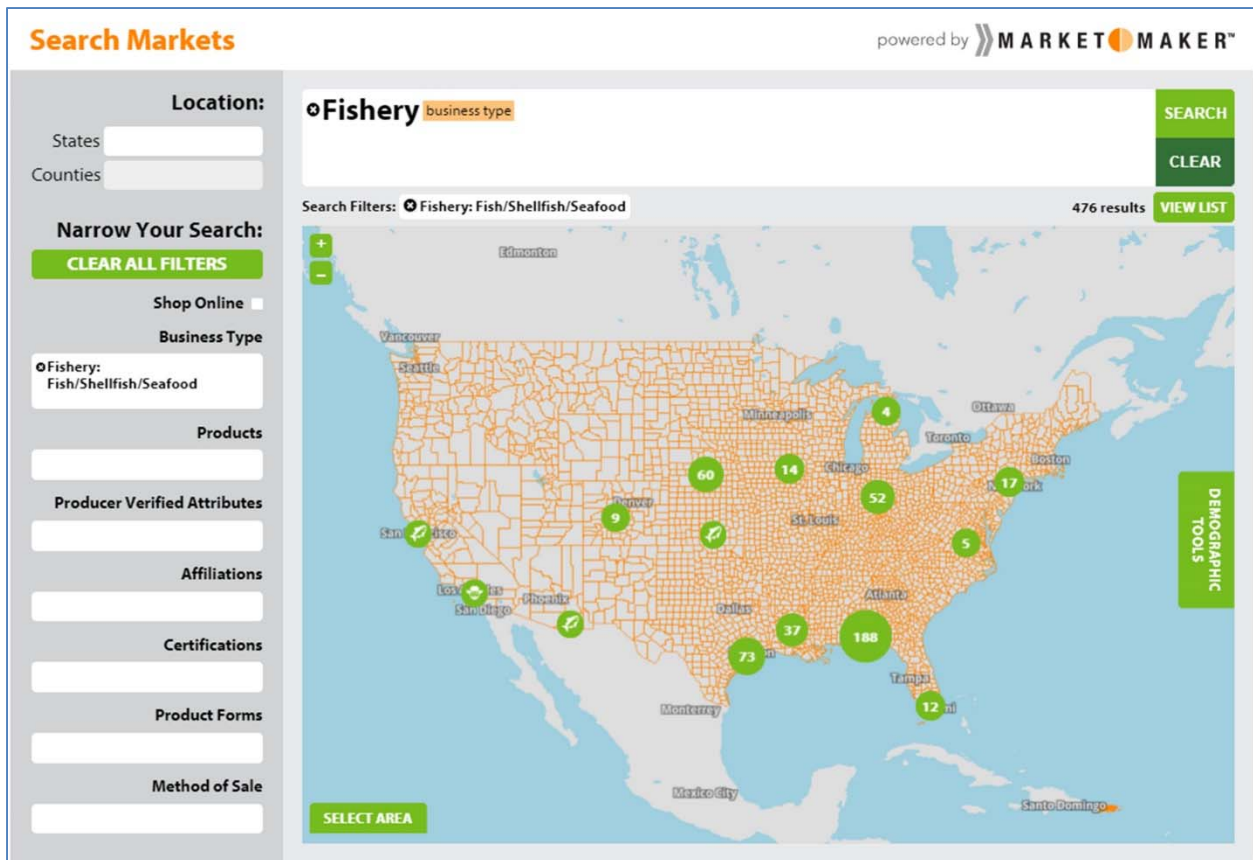


Figure 6. Map of the locations of fish and commercial fishing units and fishfarming operations in the United States. ([Mississippi MarketMaker](#), 2020).

Gross Regional Product

The estimated total sales of commercial fishing businesses in the coastal counties in Mississippi and Alabama reached \$196.4 million in 2019. Data retrieved from [EMSI](#) (2020) indicated that the industry sold \$131.7 million in the three Coastal Mississippi counties in 2019. In the two coastal counties in Alabama, the commercial fishing industry report total sales amounting to \$64.7 million in 2019.

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](#) (2020) 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 Mississippi counties generated by commercial fishing was estimated at \$79.3 million in 2019 ([EMSI](#), 2020). The bulk of the GRP consisted of earnings (64.9%), followed by property income (13.5%), and taxes (17%).

The GRP in the two coastal Alabama counties produced by commercial fishing was calculated at \$39 million in 2019 ([EMSI](#), 2020). Most of the GRP consisted of earnings (70.4%), followed by property income (15.7%), and taxes (13.9%).

The combined gross regional products (GRP) in the five coastal Mississippi and Alabama counties reached \$118.3 million in 2019. The combined GRP represents about 60.3 percent of the combined total sales of the commercial fishing businesses in the coastal regions in Mississippi and Alabama.

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 commercial fishing and seafood-related businesses and surrounding communities dependent on coastal tourism and the local 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 until Labor Day weekend. Massive losses in vital marine resources in Coastal Mississippi disrupted commercial and recreational fishing activities. The disruption of the local supply chains of seafood products adversely affected local seafood processing, wholesaling, retailing, and restaurant activities.

This man-made disaster is a negative 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.