

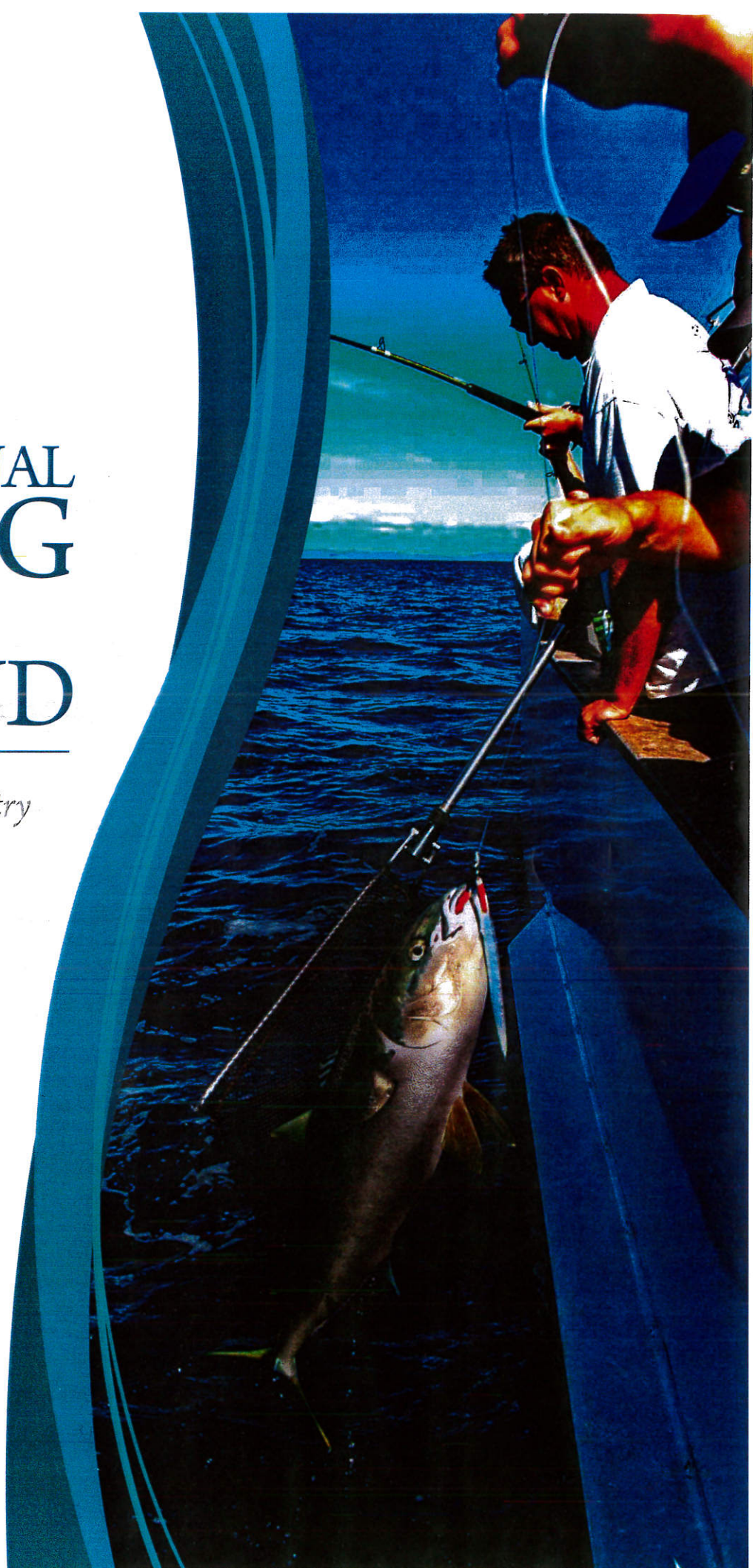


RECREATIONAL FISHING *in* NEW ZEALAND

A Billion Dollar Industry



MARCH 2016



Positives of recreational fishing in New Zealand



Saltwater fishing is a popular activity for hundreds of thousands of New Zealanders.

People participate in recreational fishing for a variety of reasons—as an escape from life’s daily stresses, timeout with work colleagues where competition is rife, or simply teaching the kids how to catch their own healthy food. The positives of recreational fishing reach far beyond the waters edge and into the lives of all New Zealanders due to the substantial contribution the industry makes to the economy.

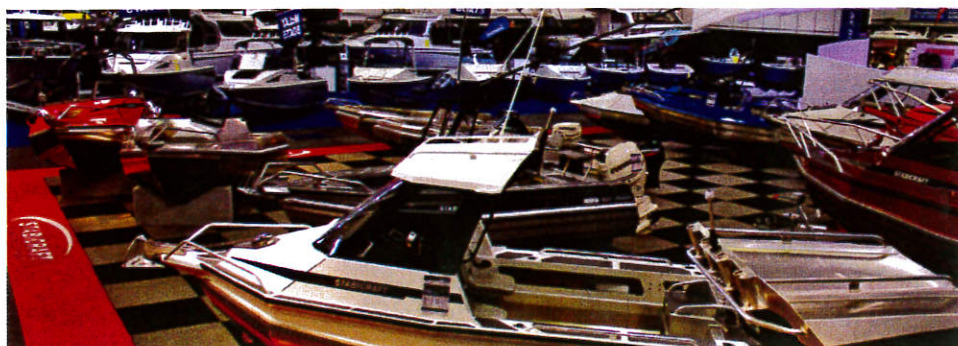
It all begins with fishers’ spending, which totals about \$946 million each year. This is a lot of money, but it is not the whole equation. These dollars then circulate through the national economy supporting 8,100 jobs and stimulating \$1.7 billion in total economic activity. And there is growth potential too. Participation in both fresh and saltwater fishing increased by 10 percent between 2008 and 2014, and if fisheries are kept strong and resilient, can grow even more.

In economic terms alone, recreational fishing is a substantial and critical industry in New Zealand. Like other industries, its lifeblood is the revenues received from its customers who, in this case, are fishers. The many firms who support fishers include retailers, boat builders, tackle manufacturers, suppliers, marinas, motels, restaurants, charters, media and more. They employ thousands of people who work hard to ensure fishermen can enjoy their day out on the water.

In the absence of economic data on the recreational fishing industry the government tends to favour commercial interests who can easily quantify their activity through landings and sales data. But New Zealand has too often overlooked the significant contributions generated by marine recreational fishers.

In 2014 the New Zealand Marine Research Foundation decided it was time we all had a better understanding of the economic contribution that fishing-related recreation makes at a national and regional level. A project was initiated and experienced international researchers Southwick Associates were engaged. The technical report, *Estimating Marine Recreational Fishing’s Economic Contributions in New Zealand - Technical Steps*, includes the methodology used and describes the results in full, and will be available after the peer review process.

This document summarises the technical report. It delivers some hard hitting, simple and persuasive facts that can be used to improve fisheries management and stewardship through greater public awareness of what recreational fishing brings to our fine nation.



The New Zealand Marine Research Foundation is a registered Charitable Trust. It was established in 1996 to do research on aquatic plants and animals, and study the interactions between people and marine ecosystems, to the benefit of all New Zealanders.

The Foundation specialises in research that:

- Is conservation focused.
- Is not likely to be funded by government.
- Is important to New Zealanders, their culture and heritage.
- Supports the needs and aspirations of people involved in ocean recreation.

700,000 people fish in the sea every year.

They spend **946** million dollars.

And generate **1.7** billion dollars in economic activity.

2.65 million fishing days each year.

Recreational fishing is the

5th most popular recreational activity for adult New Zealanders.

8,100 full-time jobs supported by recreational fishing.

TOP 40

If the recreational fishing industry was listed on the New Zealand Stock Exchange the direct spending by anglers would put this industry among the top 40 companies.

A valuable project

As recreational anglers we have always known that our fishing generates an industry of activity and value to the New Zealand economy, but there was no easy way to describe it or put a dollar value on the collective spending.

The riddle has been solved.

After two years work the New Zealand Marine Research Foundation has successfully delivered a report defining the significant contribution that recreational fishing makes to the New Zealand economy.

Now the results need to be shared with decision makers, resource managers, the general public, and especially those generous people who have funded this valuable project.

The Foundation realises not everyone has an interest in recreational fishing, but most Kiwis aspire to having clean, healthy seas with an abundance of marine life.

This report offers substantial evidence to support a change of management focus, from the current state of sustained depletion, to a state of restored abundance. But a shift in management will only happen if there is sufficient political motivation to change.

Over the next two years the Foundation needs your help to promote these results to politicians, the Minister and Ministry for Primary Industries, other industry and interest groups.

By working together we can generate the necessary policy changes to ensure fisheries are more productive and provide for future generation's needs.

What better way to do that than having abundant fisheries and a thriving recreational fishing industry supporting job growth and regional development.



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Recreational fishing generates value

Until now recreational fishers' contributions to the national coffers have not been calculated. However, given the growing interest in fishing and the marine environment it is critical that conservative resource management decisions are made, because having abundant fisheries and a vibrant recreational fishing industry is important to all New Zealanders.



TOTAL ANNUAL DIRECT SPENDING BY RESIDENT MARINE FISHERS IN 2014/15 (INCLUDES GST)

	Trip-related spending	Fishing equipment spending	Big equipment spending*	Total spending**
NZ resident marine fishers	\$263,721,679	\$274,007,145	\$319,489,269	\$857,218,094

*Fishing related spending on boats and larger items used for other activities, including vehicles and holiday homes.

**Totals are rounded to the nearest whole number.

New insights provided by the economic study shows New Zealand receives around \$136 million in GST revenues and \$52 million in personal income tax annually from the recreational fishing industry. Through these mechanisms recreational fishers are 'paying their way'; contributing not only to the cost of fisheries management but also to the greater, common good.



1400 dollars per annum is the average spend on fishing by Kiwi residents.

710 dollars spent per year by shore based fishers.

1800 dollars spent per year by boat fishers.

Recreational fishing generates

136 million dollars in GST revenues every year and

52 million dollars of personal income tax each year.

100,000

international tourists fish in the sea every year when visiting New Zealand.

39,000

 tourists hire a charter boat for their fishing.

2,800

 dollars per trip spent by visiting fishers.

89

 million dollars spent by tourists on marine fishing activities each year adding

68

 million dollars to the GDP.

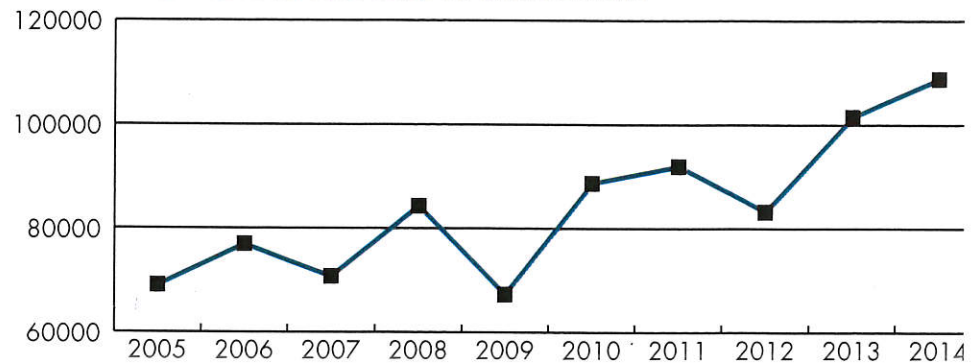
1,100

 full-time jobs supported by tourist spending.

Tourist spending and growth potential

Considering the total annual visitors to New Zealand and the rich resources our nation is blessed with, there is significant potential growth in recreational and sport fishing-related tourism.

INTERNATIONAL VISITORS SALT-WATER FISHING



Source: International Visitor Survey, Statistics New Zealand. Note: there was a change of survey form and delivery in July 2011.

In 2014 almost 109,000 international visitors sought a fishing experience while they were in New Zealand.

With information provided by charter boat operators, we estimate 26% of these visitors came to New Zealand with the primary purpose of going saltwater fishing.

An estimated 39,000, or 35% of all international visitors who go marine fishing hire a charter boat service. This includes the 28,000 people who visited New Zealand for purposes other than fishing who also hired a charter boat for a day, or longer, on the water.

The balance of visitors, 71,000, are assumed to engage in marine fishing using alternative means such as land-based fishing or boating with family or friends.



With careful management of our marine resources there is potential to increase these visitor numbers.

A prime example is our world-class kingfish fishery.

Prudent management of our kingfish stocks has enabled a rebuild, to a stage where they are an annual draw card for many offshore anglers seeking an unforgettable and potentially world-beating fishing experience.

Spending by these visitors adds valuable overseas income to businesses in Northland, Coromandel, the East Coast and top of the South Island.

Thirty two of the 34 of the recognised men's and women's world record yellowtail kingfish have been caught in New Zealand.

Just imagine the increased benefits if we gained a reputation for having other well managed and abundant fisheries.

New Zealand could become a fishing mecca!

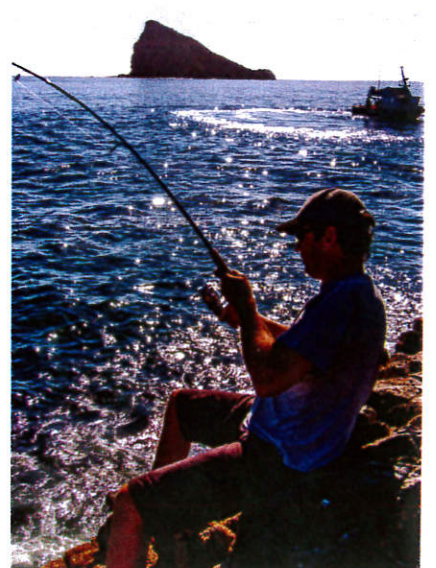
Spending profiles

In this study, spending by international visiting marine fishers takes into account the trip's purpose. For visitors travelling specifically to go marine fishing, trip-related spending is based on reports of spending by all international visitors.

Among visitors who enjoyed some marine fishing while in New Zealand for other reasons, spending is based on only the items they purchased to go fishing, such as charter boat fees, ice and other fishing-specific items.

Spending can vary widely, from the thousands spent on travelling to and from a 10-day stint aboard a long-range gamefish charter in the north, to the half-day charter focused on catch and release sport fishing further south.

Estimates are deliberately conservative to ensure no over-representation of expenditure is captured in the report.



FISHING and our reputation for quality outdoor activities are a major draw card for tourists and Kiwis returning home to settle down and raise a family.

Results by region and species

This document summarises the full report, *Estimating Marine Recreational Fishing's Economic Contributions in New Zealand - Technical Steps*. The technical report provides details of the contribution that fishers make at a regional (Upper North Island, Lower North Island, and South Island) and national level.

Each region possesses unique natural amenities and recreational fishing opportunities for marine fishers. A weighting adjustment was made to our respondent sample based on avidity, gender, age and region of home residence.

National economic contributions in most cases are greater than the sum of regional contributions because of regional leakages captured within the national economic model. Regional breakouts are based on where the fishing occurred.

TOTAL DIRECT SPENDING ON MARINE FISHING BY RESIDENT AND VISITING FISHERS, BY REGION

	Trip-related spending	Fishing equipment spending	Big equipment spending*	Total spending**
Upper North Island	\$225,152,493	\$197,661,531	\$240,466,126	\$663,280,150
Lower North Island	\$53,223,894	\$29,740,433	\$27,225,321	\$110,189,648
South Island	\$74,067,174	\$46,605,181	\$51,797,821	\$172,470,176
National	\$352,443,561	\$274,007,144	\$319,489,269	\$945,939,974

*Fishing related spending on boats and larger items used for other activities, including vehicles and holiday homes

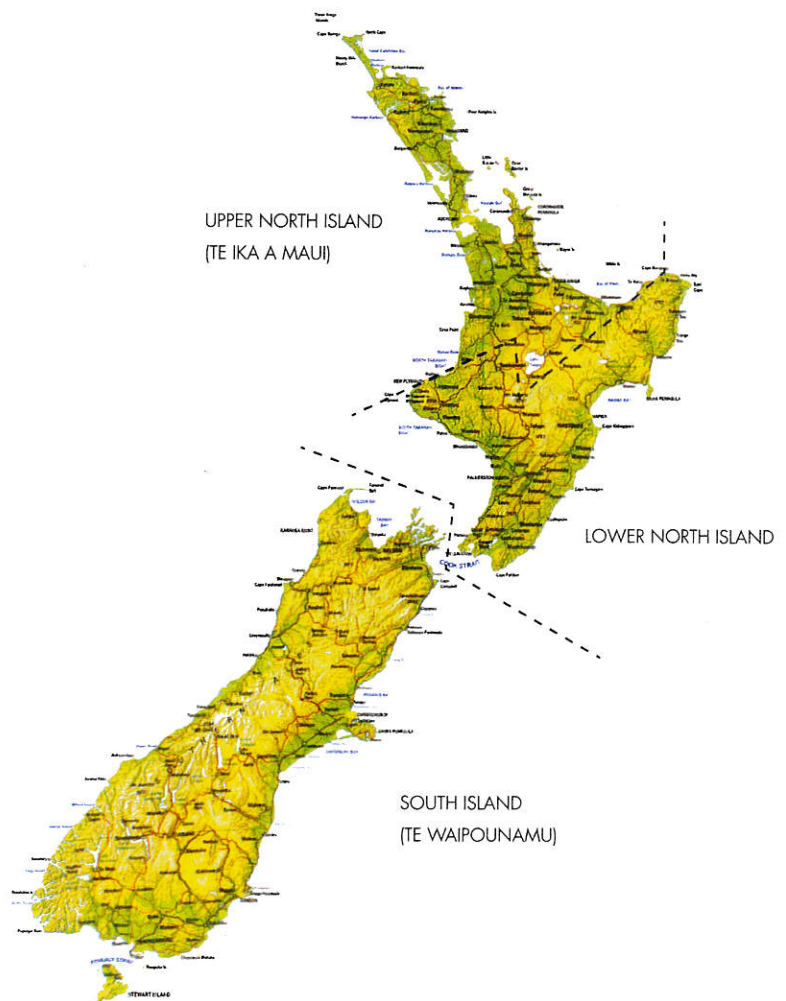
**Totals are rounded to the nearest whole number.

65% of all anglers fish from a boat.

35% of anglers fish from land or a land-based structure.

More than **90%** of all landed catch is taken by commercial fishers.

Around **6%** of all landed catch is taken by recreational fishers.



Breakdowns are also offered on the contributions of various species, nationally and for the three regions. These categories were selected on the basis of having sufficient survey data available to conduct a robust, statistical analysis.

TOTAL DIRECT SPENDING BY NEW ZEALAND RESIDENTS, PER SPECIES (INCLUDES GST)

Species	Trip-related spending	Fishing equipment spending	Big equipment spending*	Total spending**
Snapper	\$133,655,064	\$138,092,839	\$130,993,853	\$402,741,756
Kahawai	\$74,336,099	\$95,060,626	\$84,412,633	\$253,809,358
Gamefish	\$29,920,384	\$102,040,156	\$93,391,881	\$225,352,421
Blue Cod	\$23,943,669	\$44,936,033	\$49,854,523	\$118,734,225
Kingfish	\$9,035,383	\$37,508,933	\$32,788,344	\$79,332,660
Trevally	\$15,893,542	\$25,894,755	\$29,136,395	\$70,924,692
Hapuku/Bass	\$3,366,576	\$4,764,237	\$4,432,622	\$12,563,435

*Fishing related spending on boats and larger items used for other activities, including vehicles and holiday homes.
 **Totals are rounded to the nearest whole number.

This is spending by New Zealand residents only.

It is no surprise that the spending associated with snapper fishing, at \$403 million, is the highest amongst the seven categories.

Spending on other popular species such as tarakihi and gurnard probably fall in the range between kingfish and hapuku (groper) and bass, but there was insufficient survey data on fisher spending to enable reliable estimates to be calculated.

Spending estimates by species are not mutually exclusive given the tendency for fishers to pursue a variety of species during any one outing, and for some fishers who fish multiple regions to pursue the same species.

Therefore, some expenditures may be counted twice across the species.




LegaSea spearheaded the fundraising effort for this report, publicising the research and generating broad public support through the What's Fishing Worth? campaign.

Hundreds of donations were made online between August and December 2015 at www.whatsfishingworth.co.nz.

Further support was generated through grant applications and soliciting industry donations.



342 million dollars in salaries, wages and small business profits are generated each year due to recreational fishers' spending.

The value chain of recreational fishing

The full technical report for this survey details that on an annual basis more than 700,000 people, residents and international visitors, fish in the sea.

When these people spend money, their expenditures change hands as businesses re-spend the dollars on employees, supplies and operating expenses, creating ripple effects through the economy.

This activity generates \$638 million in Gross Domestic Product (GDP) and \$342 million in salaries, wages and small business profits per annum.

It also adds a conservative \$188 million in tax revenues to help keep New Zealand functioning.

In comparison, arts-related industries generate around \$410 million of value added value or GDP per annum.

All of these economic impacts, including the \$1.7 billion in total spending or

TOTAL ECONOMIC CONTRIBUTIONS OF MARINE FISHING BY RESIDENTS AND VISITORS (Net GST and import adjustments)

	Total contributions
Total contributions by residents	
Total Economic Activity	\$1,508,441,221
Contribution to GDP	\$570,432,114
Employment	7,048
Income	\$307,140,161
Total contributions by visitors	
Total Economic Activity	\$177,402,225
Contribution to GDP	\$67,955,971
Employment	1,076
Income	\$34,681,487
TOTAL CONTRIBUTIONS BY ALL FISHERS	
Total Economic Activity	\$1,685,843,446
Contribution to GDP	\$638,388,085
Employment	8,124
Income	\$341,821,648



DEFINITIONS

Four economic contribution measures are used in this table.

Total Economic Activity / Output:

Represents the value of annual industry production for all of the industries affected by the purchases made by marine fishers.

Gross Domestic Product (GDP):

Another term for GDP is value-added. It represents the difference between the industries or the establishments total output and the cost of its intermediate inputs.

Employment:

Reflects marine fishing's contributions to full-time employment.

Income:

Represents the contribution to New Zealand's household income.

economic activity, are created by recreational fishers taking just 6% of the national catch and sharing that with family and friends.

International visitors who fish in New Zealand spend \$89 million per year and contribute \$68 million in GDP to the local economy, while taking few fish in comparison to local fishers. Their activity provides another boost by supporting over 1,000 Kiwis in full-time work.

Wise use of our marine resources and instituting policies to achieve conservation and abundance means we could significantly increase the economic activity associated with recreational fishing without threatening to overwhelm New Zealand's valuable inshore fish stocks.

The national economy would benefit from a growing recreational fishing industry and people would enjoy a better fishing experience.

The insights in this economic report have been provided so that managers have the information they require to make more pragmatic and effective management decisions, to both rebuild New Zealand's fisheries to abundant levels and consider the future use and conservation of marine resources.

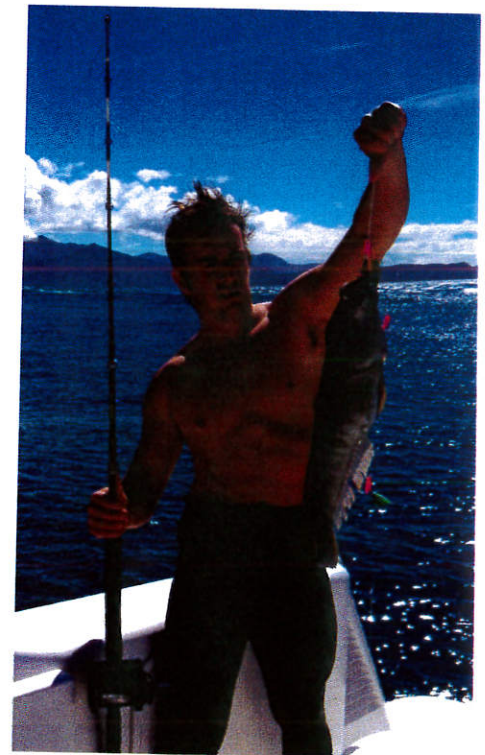


SNAPPER

	National
Total economic activity	\$706M
Contribution to GDP	\$266M
Employment	3,400
Income	\$144M

BLUE COD

	National	Lower North Island	South Island
Total economic activity	\$207M	\$39M	\$89M
Contribution to GDP	\$79M	\$18M	\$42M
Employment	970	230	570
Income	\$43M	\$9M	\$22M



NATIONAL

	Gamefishing	Kingfish	Kahawai	Trevally	Hapuku/Groper/Bass
Total economic activity	\$381M	\$134M	\$446M	\$121M	\$23M
Contribution to GDP	\$145M	\$51M	\$169M	\$46M	\$9M
Employment	1,800	630	2200	570	100
Income	\$80M	\$28M	\$92M	\$25M	\$4M