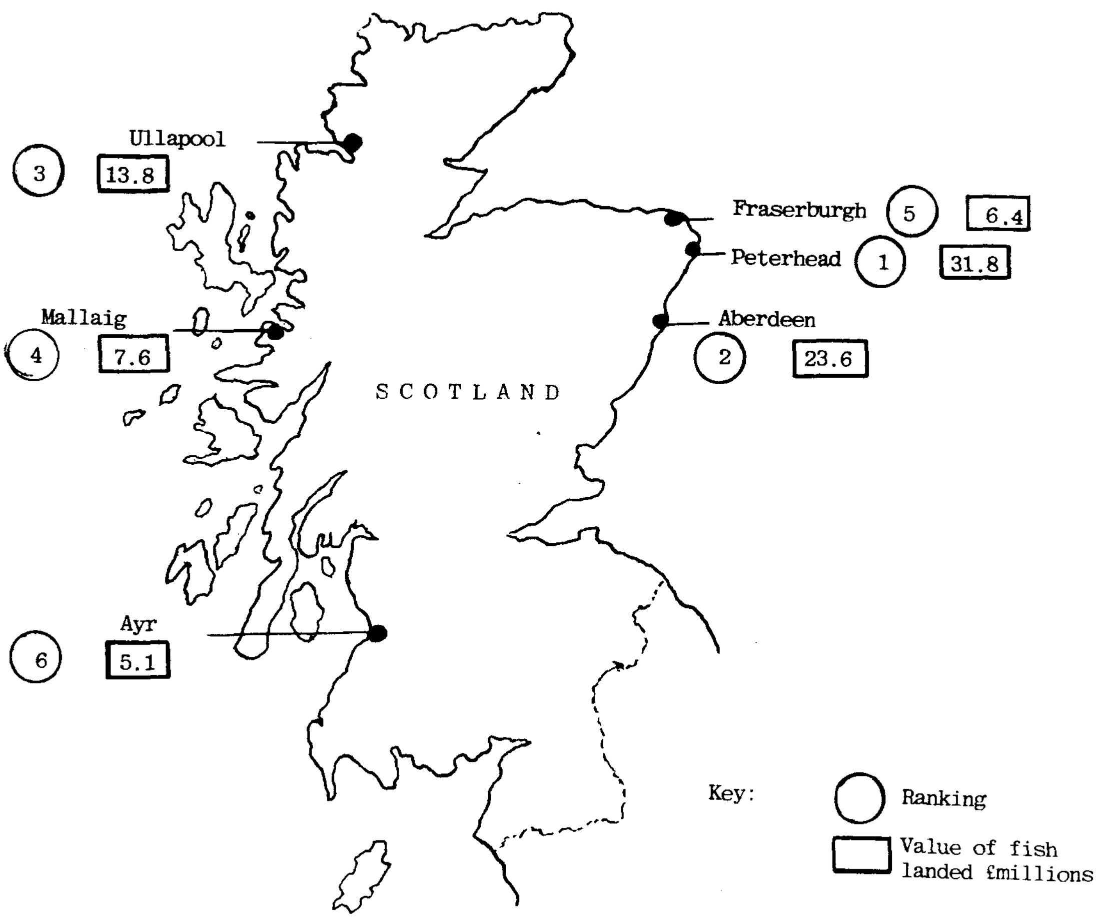
STUDENTS BRIEF

The Scottish Fishing Industry: A Survey of the Catching Sector

The Scottish Fishing Industry is divided into two main sectors: catching and processing. The catching sector covers the activities of fishermen as primary producers in extracting fish and shellfish from the marine environment up to the point of first hand sale.

THE TOP SIX SCOTTISH PORTS DURING 1979



Ports

The map shows the six major fishing ports in Scotland, ranked in terms of value of fish landed by UK vessels in Scotland in 1979. Together they accounted for approximately 72% of the total value of fish landed in Scotland. Of these ports, the development of Peterhead has been the most remarkable. Its percentage share of total value of landings has increased from 3% in 1970 to over 25% in 1979. A major factor has been its ability to attract landings from neighbouring ports by allowing inshore vessels to unload their own catch whereas at Aberdeen, unloading is confined to staff of the Dock Labour Board. The Scottish deep sea fleet was traditionally based at Aberdeen and Granton. The loss of distant water fishing grounds to the deep sea fleet through the creation of 200 miles fishery regimes has resulted in a deep sea landings at Aberdeen and a total cessation of deep sea fishing activities at Granton. Aberdeen however has remained a major centre for fish processing. An almost total ban on herring in the mid-70's severely affected many ports but some have been compensated by the increasing exploitation of mackerel. Ullapool on the west coast remains the main mackerel transhipment point.

Structure of the Fleet

The catching side of the fishing industry is divided into two main categories: deep sea-boats 80ft and over, and inshore boats under 80ft. The deep sea fleet is further subdivided into near water vessels (80-109.9ft), middle water vessels (110-139.9 ft) and distant water vessels (over 140 ft). Recent developments such as the loss of access to distant water grounds and the introduction of advanced technology have somewhat blurred this distinction between inshore and deepsea vessels. Nevertheless there is a difference between the ownership of the deep sea fleet, which is almost completely company owned, and inshore vessels, particularly in Scotland, where the skipper and other members of the crew usually have a share.

The Scottish fishing fleet has normally concentrated on inshore waters, although a middle water fleet exploiting waters off Rockall, Faroes and Norway has been based in Aberdeen. As can be seen from Table 1 the number of deep sea vessels, over 110 ft, have considerably declined in recent years. This is mainly due to the introduction of the 200 mile limit and a consequent lack of fishing opportunity in traditional grounds. However, it must be noted that as the Scottish fleet has traditionally been an inshore fleet it has not suffered as much as the rest of the UK.

The rest of the UK has is the main suffered because of the exclusion of its purpose built long distance deep sea fleet from its traditionally most prolific waters around Iceland. In England & Wales, the middle and distant water fleet declined from 276 vessels in 1975 to 162 vessels in 1979.

TABLE 1 FISHING VESSELS REGISTERED IN SCOTTISH FISHING DISTRICTS BY LENGTH GROUP, 1970-1979

Year	Type of Vessel Size (ft) Inshore (30-79.9)	Deep Sea Near Water (80-109.7)	Deep Sea Middle Water (110-139.9)	Deep Sea Distant Water (> 140)	Total
1970	2,482	55	68	2	2,617
1971	2,496	53	66	3	2,620
1972	2,586	56	66	4	2,712
1973	2,565	56	64	4	2,689
1974	2,639	54	57	4	2,754
1975	2,592	54	48	4	2,678
1976	2,623	47	43	3	2,616
1977	2,496	45	36	3	2,580
1978	2,525	55	35	1	2,616
1979	2,429	57	31	-	2,517

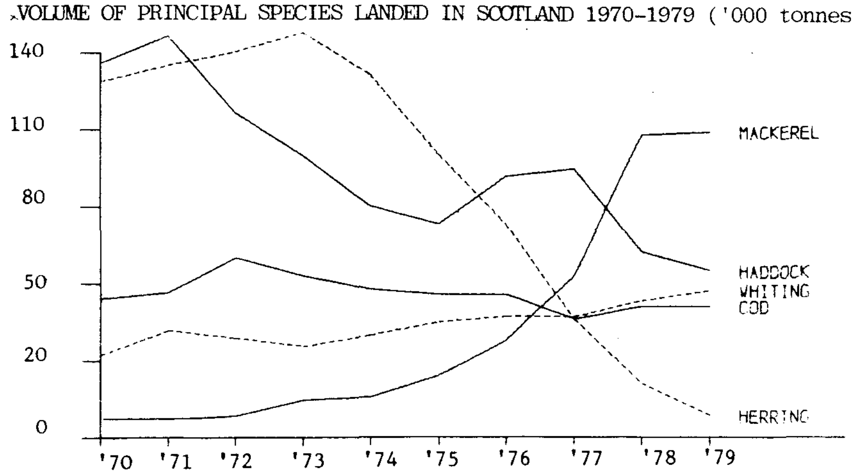
Source: Scottish Sea Fisheries Statistical Tables, Department of Agriculture and Fisheries for Scotland

Landings

Available statistics on landings refer to the volume of fish landed at Scottish ports by UK vessels. However, these statistics do not tell the full story as, in recent years, an increasing volume of landings in the south west of England have been made by Scottish vessels.

The volume of total landings has declined steadily over the decade from a peak of 500.9 thousand metric tonnes in 1973 to 355.2 thousand metric tonnes in 1979. The principal cause being that improved technology has increased the catching power of the fleet leading to overfishing which has had a domino effect on the depletion of fish stocks. The move toward a 200 mile limit has also had an adverse effect on the volume of landings in Scotland.

VOLUME OF PRINCIPAL SPECIES LANDED IN SCOTLAND 1970-1979 ('000 tonnes)



The principal species traditionally landed in Scotland are Cod, Haddock, Whiting, Herring, Sprats, Mackerel and Norway Lobster. The graph shows how the composition of the Scottish catch has changed over the decade. Whilst cod landings have remained reasonably steady and whiting landings have increased, haddock landings have fallen sharply since the beginning of the decade. The drastic fall in landings of herring reflects the depletion of stocks and the ban on herring fishing in the North Sea which was imposed in 1977. The decline in herring catches has been compensated by increased fishing for mackerel which presents itself as a close substitute for herring.

Values

The average value of the principal species landed in Scotland has risen substantially over the decade. However, over a period of continuing inflation it would be mistaken to draw significant conclusions from the statistics as they stand. Demand and supply factors have changed greatly over the period. Whilst the changing fisheries regime has had an overall effect on the supply and price of fish, changed conditions of access have led to a variation in the grade and quality of certain landings. Deep sea cod of 1970 is not exactly the same product as inshore cod of 1979. With products such as herring or mackerel, permitted catches, methods of capture and handling on board, volume landed and type of outlet for the product have altered completely. In recent years the UK market structure, the position of competitors and the terms of trade have all altered to make conditions very different from those prevailing in 1970.

An examination of change in the average value of major species between 1977 and 1979 shows considerable variation depending on the international supply and demand conditions for the various products. Table 2 below compares changes in the average value of the main species with the rise in the retail price index in the same period.

TABLE 2 CHANGE IN AVERAGE VALUE (£ PER TONNE) 1979 OVER 1977 COMPARED WITH CHANGE IN RPI

Species	Change in Value 1979/1977	Change in RPI 1979/1977	Variation in RPI
Cod	14.1	22.8	- 8.7
Haddock	28.7	22.8	+ 5.9
Whiting	15.2	22.8	- 7.6
Herring	94.7	22.8	+71.9
Mackerel	17.9	22.8	- 4.9
Sprats	39.7	22.8	+16.9
Norway Lobster	53.5	22.8	+30.7

Source: Scottish Sea Fisheries Statistical Tables, DAFS.
Department of Employment

From the above figures one can see that the value of cod, whiting and mackerel landings have failed to keep pace with the cost of living in a period when catching costs have risen considerably.

Since the beginning of 1980 there has been a real decline in the value of most fish varieties brought about by a number of factors, including changes in catching opportunity, the value of imported fish and the strengthening of sterling compared both with the local currency in export markets and the US dollar in which much international trade in fish, including mackerel, is conducted.

Economic Significance

The fishing sector in terms of income and employment is not a major part of Scotland's overall economy. The total value of fish landings represents only a small proportion of GDP and the number of people directly involved is relatively small. On a micro level, however, the fishing industry is very important to some small communities and indeed regions, both directly through catching and indirectly through income and employment generated in ancillary industries such as processing, retailing, boat-building and so on. New backward linkages have resulted from the increasing demand by modern fishing fleets for high technology products such as sonar equipment, electronic fish finding aids, hydraulic systems etc.

Table 3 below shows the number of people in primary employment in the catching sector and in secondary employment in other sectors of the fishing industry. For the Scottish economy as a whole, the proportion of fishermen to ancillary workers has varied from 1.74 in 1964, 2.17 in 1970 and 1.94 in 1979.

TABLE 3 PERSONS EMPLOYED IN THE SCOTTISH FISHING INDUSTRY, 1970-1979

	Fishermen Employed Regularly & Partially	Persons Employed in the Fishing Industry (excluding fishermen)
1970	9,097	19,756
1971	9,332	21,252
1972	9,570	22,100
1973	9,647	21,571
1974	9,571	20,397
1975	8,848	18,776
1976	8,866	18,716
1977	8,985	18,622
1978	9,241	17,848
1979	8,824	17,109

Source: Scottish Sea Fisheries Statistical Tables, Department of Agriculture and Fisheries for Scotland.

Because fishing tends to be a highly specific way of life, occupational movement out of fishing is especially difficult, particularly if industrial alternatives to fishing and its ancillary industries are limited. For this reason, crises which severely depress earnings in the fishing sector will also tend to create local and regional problems with economic, social and political implications.

Fishery Policy

The 70's decade has been notable for the many changes in directions of fishing policy, both national and international. The first major change for Scottish fishermen dates back to the period of negotiations concerning Britain's applications to join the Common Market.

The main component of the common fisheries policy finalised by the original six members of the EEC prior to Britain's entry was the principle of equality of access for all EEC member states to waters lying within their fishery limits. If rigidly applied, this policy implies freedom of access of one EEC member state up to the baselines of another. In addition, the Community reserved the right to negotiate reciprocal agreements with third countries and to determine measures with regard to conservation control and enforcement.

On entry to the EEC, the UK achieved a derogation from the principle of equality of access until 3 December 1981. Instead, all waters from the baseline to 6 miles and some of those from 6 miles to 12 miles were reserved for UK fishermen exclusively. For the purposes of international agreements, the baseline for UK territorial and fishing limits are those described in the Fishery Limit Act of 1964.

From 1 January 1977 member states of the EEC followed the example set by Iceland and claimed jurisdication of waters up to 200 miles from their shores, which together made up the EEC's European Economic Zone (EEZ). British fishery limits were extended to 200 miles by the Fishery Limits Act of 1977.

Governmments have become increasingly aware of the problems arising from the decline in fish stocks in recent years. Certain licensing and quota arrangements recommended by International Commissions such as the North East Atlantic Fisheries Commission (NEAFC) have been adopted by the UK to regulate catches. This has affected the quantity and mix of species available to fishermen. In addition the UK has taken national measures for conservation of stocks within the 200 mile limit. Conservation remains however an international problem.

The UK has also engaged in a protracted series of negotiations to determine a new Common Fisheries Policy (CFP). Decisions taken collectively at European level rather than unilaterally by separate governments will have their consequences, good or bad, on individual communities and regions. The future of Scotland's fishing industry will be increasingly shaped by such decisions.

Official Bodies

DAFS — The Department of Agriculture and Fisheries for Scotland is the government department responsible for regulating the Scottish fisheries. The principal functions of the DAFS are, the prevention of foreign vessels fishing illegally in the UK waters, the enforcement of national and international fishery regulations and the prevention of illegal fishing. The application of legislation onshore is a duty of the DAFS Sea Fisheries Inspectorate. Their function covers the inspection of fishing nets of vessels in port and of fish landed to ensure that they comply with regulations.

WFA — The White Fish Authority is a statutory body set up to reorganise, develop and regulate the white fish industry and to generally keep under review matters relating to the UK industry. The principal functions of the Authority are to administer grants and loans, carry out research and development, provide training schemes and consultancy services and to undertake a publicity, promotion and information programme. The Authorities duties and responsibilities are carried out on behalf of the entire industry from catcher to the retail market, with an overall responsibility for maintaining an adequate supply of marine fish, of reasonable quality and at a reasonable price for the British consumer.

HIB — The Herring Industry Board is a statutory body with similar functions to the WFA but with special reference to herring. A Bill at present being read in Parliament proposes to amalgamate the WFA and HIB into the one body called the Sea Fisheries Authority.

SFF — The Scottish Fishermen's Federation, which is composed of various associations, was set up to represent the interests of fishermen with respect to both national and local policy.

PO's — Producers Organisations were set up by the EEC (EEC Reg.100-76 on common organisation of the market in fishery products) to administer the first hand sale of fish. The EEC sets the minimum price levels below which the auction price of fish cannot fall. If the price falls below the set levels the fish is withdrawn from sale and fishermen are compensated from EEC funds through the PO's.

Statistics

The main source of statistical material available on Scottish Fisheries is the 'Scottish Sea Fisheries Statistical Tables' published and compiled annually by the Department of Agriculture and Fisheries for Scotland.

The Scottish Abstract of Statistics published annually by the Scottish Office summaries some of the important statistics on fisheries provided by DAFS.

References

A number of occasional papers have been published by the Fishery Economic Research Unit at the WFA. These include:

The Fisheries in the Highland Region. A Study in Conservation and Development. M & D Report No 450.

The Catching Sector of the Fishing Industry. A Case for Aid. [n.d]

The Importance of the Fishery Resources of the North Sea. Occasional Paper Series No 2, 1979.

More general references on fishing include:

Russell W, In Great Waters, HIDB Special Report, 1972.

Scottish Inshore Fisheries Committee: Regulation of Scottish Inshore Fisheries. DAFS, HMSO 1970.

WFA, Annual Reports.

Fifth Report from the Expenditure Committee: The Fishing Industry, HMSO, 1980.

For current developments in the Fishing Industry see the Industrial Performance Section of this Quarterly Economic Commentary.