

THE SCOTTISH FISHING INDUSTRY IN 1982

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Introduction

The science of economics has become an increasingly important influence on daily life. Families, religious leaders, politicians and many others have been forced to become familiar with concepts such as inflation, the retail price index, capital investment, value added and output. Industries, and those who work in them, are now often judged by their economic importance and contribution to gross domestic product. In Scotland, only a few decades ago, the coal, steel and building industries were paramount; if you worked in these industries you enjoyed esteem in your local community.

In the Scotland of 1982 that is not generally the case. It is the bankers, the solicitors, the electronics engineers and economists who lay claim to pre-eminence. Their industries do not necessarily contribute substantially to Scotland's economic output but they seem to highlight the decline in many of our traditional industries.

There can be little doubt that the fishing industry, one of the country's first 'traditional' industries and with a commercial history of many centuries, has suffered substantial decline in recent years but, unlike coal, steel and shipbuilding, it has managed to retain its high political profile and in many coastal communities fishing is still admired and fisher folk occupy important social positions. In other words, there is something about the industry and the fisheries which transcends the narrow disciplines of finance and economics.

This chapter attempts an appraisal of the Scottish fishing industry in the early 1980's, from both economic and political perspectives. What has gone wrong? Why? What can be done over the next few years and how likely is the industry to achieve its demands?

section provides a brief description of the industry in 1982. This is followed by sections on recent history and the reasons for the marked decline. There are then sections on EEC policy and the administration of the Scottish fisheries, followed by conclusions. The intention is neither to provide a detailed history nor economic investigation, both of which are available elsewhere, but an objective assessment of the industry's current state.

The Industry in Scotland

A brief description may be helpful. The industry is not homogeneous and there are important structural and regional differences. A common distinction is made by size or length of vessel, with four distinct groups being identified: distant water, middle or near water, inshore and shell fishing. This ignores much of the static gear industry (e.g. the salmon fisheries at the mouths of rivers) and river and sport fishing. As a rough rule of thumb the vessels engaged in the distant water fisheries are usually trawlers in excess of 110 feet in length, with crews of around 20, and are away from port for around three weeks per trip. The middle or near water vessels are generally seine netters of between 40 and 110 feet, with crews of up to 10 and are away from port for a few days at most and usually just overnight or for a single day's fishing. Thirdly there are the smaller vessels which do not venture far from shore and finally the shell fishing part of the industry.

The trawlers and seine netters have traditionally been catchers of white fish, with cod, haddock, whiting, lemon sole and such like being the main species. By geographical definition, the distant water grounds have been foreign, such as offshore Iceland, the Faroes and Norway. In contrast the seine netters' area has generally been within UK waters, particularly since the advent of the 200 mile limit. A separate group of vessels, normally over 40 feet in length, have concerned themselves with the pelagic fisheries (herring, mackerel, etc.) which are much more mobile than the demersal fisheries, although in recent years there has been an increasing tendency to switch from one type of fishing to another. Similarly, the shell fisheries can generally be regarded as a distinct group within the industry, as can be salmon fishermen and the new generation of fish farmers.

Table 1 shows the number of vessels registered in Scotland

since 1976. Figures for 1981 and 1982 are not available yet. The table shows that about 55% of all vessels are under 40 feet in length but they account for a small proportion of total catches (less than 10%) and the main commercial fisheries involve the larger boats of over 60 feet.

TABLE 1
FISHING VESSELS 1976 to 1982

Year	Total all Vessels	140 ft. and over	110 ft. - 139.9 ft.	80 ft. - 109.9 ft.	60 ft. - 79.9 ft.	40 ft.- 59.9 ft.	Under 40 ft.
1976	2,616	3	43	47	446	587	1,490
1977	2,580	3	36	45	452	564	1,480
1978	2,616	1	35	55	462	553	1,510
1979	2,517	-	31	57	476	541	1,412
1980*	2,514	-	25	57	479	536	1,417

* of the 82 vessels 80 feet and over in 1980: 34 were trawlers, 4 were seiners, 39 were purse seiners and 1 scallop dredger

The regional distribution of the industry in Scotland is important and there are various ways of considering this - for example by the home ports of the fishermen/vessels or the port of landings. There are significant differences but Table 2 gives the distribution of landings (by volume and value) in 1980, which is the latest year for which the retailed figures are currently available. The values are at the time of first sale and the landings are from both UK and foreign vessels. In 1980 they totalled over £113 million and this excludes the subsequent value added in processing, distribution and retail sale, so ultimately we are concerned with one industry with an output in 1980 of around £500 million. By way of comparison, the estimated output or gross domestic product of Scotland in 1980 was £16,600 million, so the fishing industry accounted for about 3%.

From Table 2 it can be seen that the East Coast ports account for about 70% of landings by value, the West Coast ports about 28% and Shetland about 2%. Scotland has a very decentralized and wide-spread pattern of fishing ports: the 1980 Scottish Sea Fisheries Statistical Tables (SSFST) list 40 ports with more than ten vessels and altogether there are 65 listed ports, which is a considerable number for a country with a population of five million and 9,000

fishermen. Many of the smaller ports are little more than landing quays and harbours where boats stay overnight but nevertheless they reflect a very dispersed pattern of fishing.

By the value of landings in 1980, Peterhead was clearly the number one port in Scotland with a total in excess of £33 million, compared with £18 million in Aberdeen, £7 million in Fraserburgh and £6.7 million in Ullapool. By volume, Ullapool was the largest port in 1980 and the change in rankings is explained by the fact that the great bulk of landings there was of mackerel, which is a relatively low value species. In terms of the number of registered vessels, Fraserburgh was the largest port in 1980 with 133 boats but many of those either fish off the West Coast (landing in Kinlochbervie or Lochinver for example) or land in Peterhead or Aberdeen because of the better prices and facilities there. The main geographical changes over the last few years are outlined in the next section.

The industry is largely concentrated in the Grampian and Highland regions, Argyll and the Shetland islands. This is not to ignore its importance for communities elsewhere in Fife (e.g. Pittenweem), Tayside (e.g. Arbroath), other parts of Strathclyde (e.g. Ayr), the Orkney Islands and the Western Isles, but is essentially a North of Scotland industry. From a political perspective, it is interesting to note that this area was the springboard for the SNP revival in the 1970's and Liberal MPs such as Jo Grimond and Russell Johnston have long represented fishing constituencies, so the two main UK political parties, Conservative and Labour, are not generally regarded as the parties of the fishing industry. The tendency of fishing communities to vote for the smaller parties may well help to explain the common view in the industry that it is politically weak and that many of the problems of recent years are attributable to a failure to influence decision makers in London and Brussels. This is in marked contrast to the position in Norway where fishermen are politically very important and strong. The validity of the Scottish views are discussed in the penultimate section of this chapter.

The administration of the Scottish industry is in the hands of the Department of Agriculture and Fisheries for Scotland (DAFS), part of the Scottish Office, and the Sea Fish Industry Authority (SFIA), which is the successor to the old White Fish Authority and the Herring

TABLE 2
DISTRIBUTION OF 1980 LANDINGS
(fishery district)

	Volume (tonnages)	Value (£)
Total all fish	371,355.2	113,597,755
Eyemouth	5,655.3	3,006,734
Leith	4,636.8	1,274,899
Pittenweem	5,981.9	2,986,685
Arbroath	5,106.1	2,015,858
Aberdeen	43,044.1	18,645,451
Peterhead	71,340.6	33,210,384
Fraserburgh	27,418.5	6,999,617
Macduff	5,579.5	2,393,451
Buckie	4,322.8	2,302,942
Lossiemouth	6,744.4	1,463,224
Wick	5,885.9	2,566,335
Orkney	935.4	644,524
Shetland	42,683.6	4,623,430
Stornoway	18,278.4	2,880,740
Ullapool	88,196.6	12,552,703
Mallaig	10,502.3	4,189,618
Oban	5,516.6	2,802,404
Campbeltown	6,749.4	3,741,618
Ayr	12,777.0	5,297,133

Source: Scottish Sea Fisheries Statistical Tables, 1980 Industry Board. These two bodies are responsible for the implementation of policy and increasingly that is coming from Brussels rather than Westminster, particularly in price support and related financial matters.

Recent History

The industry has undergone many changes over the last few years. By nature the fisheries are cyclical but there have also been major structural changes and certainly over the last three or four years there are signs that a long term decline has set in, which requires major action if it is to be reversed.

Table 3 provides an overview since 1946. Value comparisons are difficult because of the onslaught of inflation but there has been a

marked decline in the volume of landings, particularly of the pelagic species such as herring. In terms of volume the 1980 landings in Scotland were only 84% of those in 1976. The herring catch has fallen from 111,000 metric tonnes in 1946 to 73,000 tonnes in 1976 and only 22,000 tonnes in 1980. Mackerel show the opposite trend, increasing from only 2,400 tonnes in 1946 to 101,300 tonnes in 1980 but the mackerel fishery is much less valuable than the herring.

TABLE 3
QUANTITY AND VALUE OF PRINCIPAL SPECIES LANDED

	1946		1976		1980	
	OOmt	£000	OOmt	£000	OOmt	£000
Cod	405	1,567	471	16,914	448	26,837
Haddock	650	2,877	908	23,236	656	27,042
Other demersal	515	2,670	1,345	20,772	1,128	30,388
Total demersal	1,570	7,114	2,724	60,922	2,232	84,267
Herring	1,110	2,373	731	9,392	22	932
Mackerel	24	53	296	1,672	1,013	8,027
Other pelagic	13	26	382	1,458	171	1,004
Total pelagic	1,147	2,452	1,409	12,522	1,206	9,963
Shell fish	-	423	289	12,385	276	19,368
Total fish	-	9,989	4,422	85,829	3,714	113,598

Source: Scottish Sea Fisheries Statistical Tables, 1980

The demersal catch has also fallen substantially in recent years, with the 1980 landings only 72% of the 1976 level. The fall in the haddock catch is particularly noticeable although it remains, after mackerel, the second most important species by volume. Over the last ten years the shell fish catch has grown significantly, although the upward trend is disguised in Table 3 because the 1980 level was down on previous years.

In terms of value the demersal fisheries remain by far the most important for the Scottish fleet, accounting for nearly 75% of the total 1980 catch, compared with 17% for shell fish and 9% for pelagic species. The nominal value of landings has increased steadily but in real terms is, for example, for all fish the average landed value per tonne in 1973 was £121.5, in 1976 £284.1 and in 1980 £305.9. For 1980 the breakdown by species was £377.6 per tonne for demersal, £82.6 for pelagic and £702.7 for shell fish. However, in real terms the picture is very different. In index number form, for all fish landed, if we set 1973=100 the 1980 value is only 65.0 and if we set 1977=100 the

1980 value is only 67.3. In other words, in real terms there has been a 35% fall in the value of landings in Scotland since 1973. Even in nominal figures, landings in 1979 (£344.3 per tonne) were more valuable than those in 1980 (£305.9 per tonne). Thus one of the main features of the industry in the latter half of the 1970's was a decline in the real value of landings.

In part this may explain the slight fall in the numbers of Scottish registered vessels shown in Table 1 but a more distinct feature is the change in the fleet structure. The number of vessels over 100 feet in length fell from 46 in 1976 to 25 in 1980 and since most of these are trawlers, there has therefore been a major contraction in that part of the industry. This is discussed in the next section. Of the other length groups, there have been small growths in 60-110 feet groups and small declines in those under 60 feet.

There has also been a small reduction in the number of fishermen, from 8,866 in 1976 to 8,699 in 1980, equivalent to about 0.5% per year. One implication of the differing levels of decline must therefore be that fishermen's earnings have fallen substantially in real terms and in 1980 even in money-of-the-day values. There is little firm evidence for this because such statistics are either not collected or (in the case of the Inland Revenue) not published but a small annual sample of vessels' earnings undertaken by the Department of Agriculture and Fisheries for Scotland (DAFS) suggests that a marked fall has occurred. Preliminary results show that 1981 and 1982 have seen a slight improvement, but earnings are still well below the levels achieved in the first half of the 1970's.

As a consequence the industry has been forced to approach the Government for special aid and that has indeed been forthcoming, although probably not on the scale the fishermen would have liked to see. Traditionally the main financial aid to the industry has been by way of grants and loans for the purchase of new vessels and the modernisation of existing levels, with the old White Fish Authority and the Herring Industry Board (now the Sea Fish Industry Authority) being the administrators of the schemes, except in the area of the Highlands and Islands Development Board. Assistance for harbour improvements, fish markets and other infrastructure has come from DAFS for agreed schemes and in recent years the EEC has contributed to these schemes

and the vessel assistance, in much the same way as UK regional policy now operates.

However, the UK Government has provided ad hoc aid in recent years. The rationale for the provision of operating subsidies has been that the fleet needed support for its day-to-day operations, while its structure and efficiency were being improved by the grant and loan schemes. Thus they have been regarded as temporary, short-term assistance. The subsidies were discontinued in 1973 when the fisheries improved but were given again in 1975. In 1980 a subsidy of £3 million was agreed for the UK fleet, with about £1 million used to finance exploratory trips for new species, with most of the remainder going to support market prices by producers' organisations. A second sum of £14 million was paid directly to the fleet in the autumn of 1980 on the basis of vessel length and this criterion was used again in allocating £25 million of aid to the UK fleet in 1981.

This assistance has been for the UK industry but given that Scotland accounts for about 55% of the UK fleet and 60% of UK landings it is likely that the Scottish industry has received a similar proportion of the aid. At the time of writing, two applications for additional money are being considered by the Government - for the catching and processing sectors - but in these cases there is doubt that they will be approved. Certainly the ad hoc nature of this assistance and the criteria used for its allocation do not fit in with a long term policy of assistance for restructuring.

Table 2 showed the geographical distribution of landings in Scotland in 1980. Recent years have brought major geographical changes in the industry. It is possible to make a fairly clear distinction between herring/mackerel ports and white fish ports, and ports have traditionally been regarded as one or the other. To the extent that different facilities are required for the landing and onshore treatment of different species, and that to a lesser extent the types of vessel differ, ports have tended to specialise and therefore many of the changes in the role and importance of ports are a consequence of changes in the nature and volume of landings.

If we take the pelagic sector first, as shown above there has been a very sharp fall in herring catches, particularly since 1977, although the volumes in 1970 already were a small proportion of those caught earlier in the century. Thus traditional herring ports such as

Mallaig, Kyle of Lochalsh, Oban and, in earlier times, Wick have declined. To some extent the more modest increases in mackerel catches have compensated for the collapse of the herring and have allowed Ullapool (the centre of the West Coast mackerel fishery) to become the largest port by way of volume of landings in 1980 (although a high percentage of the catch is merely transhipped but registered as being landed). Overall, though, there has been a marked restructuring of port activities on the West Coast.

The changes on the East Coast are more attributable to changes in the pattern of demersal fishing. As explained earlier, the changes in the stocks and composition of catches have not been as great as for pelagic species, and the onshore implications have been relatively less evident. The most noticeable feature has been the decline of the middle and distant water trawler ports of Aberdeen and Granton. The latter has virtually disappeared as a fishing port and no trawlers now fish from it on a regular basis. The decline in the Aberdeen trawler fleet has been even greater in actual numbers, although the port remains one of the leaders in Scotland.

Some of Aberdeen's problems relate to the movement of many seiners to Peterhead because of the high landing costs in Aberdeen imposed by the obligatory use of dock labour to land catches (Aberdeen is the only fishing port in Scotland which is a registered dock labour port and this creates problems for the fishing fleet). Attempts have been made on a number of occasions to exclude fishing vessels from this scheme and it may well be that a solution will be found in the near future through deregistration for the fishing fleet, in which case it is likely that a number of vessels will revert to landing in Aberdeen.

Some of the other changes are attributable to the now common pattern of certain East Coast boats, particularly those from the Moray Firth ports, fishing permanently off the West Coast and landing their catches in Kinlochbervie and Lochinver, although retaining their registration in the East Coast ports. This has resulted in a significant switch in landings despite little change in vessel registrations.

During the 1970's there have also been periods when "tripping" has been popular, i.e. the practice of boats travelling to relatively distant ports to land catches in order to obtain higher prices.

This has been particularly true of the Shetland fleet fishing in the waters around Shetland but travelling to Aberdeen or Peterhead to land there before returning home to continue fishing. The extra fuel, time and other costs are more than offset by the higher prices available in the distant ports.

On to this pattern of fundamental reorganisation with the pelagic and demersal sectors has been added the almost uninterrupted growth in the shell fisheries which by their nature are very local and have brought a modest but widespread increase in activity to many small ports. This is also true, although to a much smaller extent, of the growth in fish farming on the West Coast of Scotland, which in some cases has been introduced in areas with no fishing traditions. The trout, salmon and other farmed fish are occasionally sold at the local markets and processed locally.

Mention should be made of the new port at Breasclete in the Western Isles. Developments there are closely linked with the processing plant set up with financial assistance from the HIBD, but more generally Breasclete represents an attempt to set up a major new fishing port on the West Coast of Lewis. Although growth there has not been up to the expectations of the Board and other interested parties, it may occur in the long run if the marketing of new species such as blue whiting becomes commercially worthwhile.

Finally, changes in the ports need to be seen in the wider context of other port users. Although shipping traffic in Scotland has declined for many years, recent changes in relative transport costs suggest that there may be a resurgence in waterborne traffic. In addition, many fishing ports have other functions, and these may also have changed over the last decade.

The main change has undoubtedly been the advent of North Sea oil and gas. Quite a few East Coast ports have become important oil supply bases, notably Aberdeen, Peterhead, Lerwick, Montrose and Dundee. This has brought both benefits and costs. The benefits include increases in traffic and income for the harbour authorities. The costs include competition for facilities, such as quay space and repair facilities, and higher running costs. It is probably fair to conclude that most of the problems have diminished with time and in particular the construction of purpose-built facilities for the oil industry. For example, in both Aberdeen and Peterhead there are now separate

areas for oil vessels and the fishing industry, although in the smaller ports the necessary investment for such separation has not been justified.

Ullapool, the main port in terms of the volume of landings, is the mainland terminal for the ferry service to and from the Western Isles (Stornoway being the island terminal). Aberdeen and Lerwick are the terminals for the Shetland ferry service, and other ports on the West Coast have similar functions. Montrose and Inverness have important timber export trades, Ayr is a major general cargo port and some other ports have significant coastal traffics. In some cases these other activities are more important than the fishing industry.

Reasons for Decline

It has not escaped the notice of many fishermen that the current recession in the industry began shortly after the UK joined the EEC and that the subsequent experience has been more of a long term decline than the cyclical fluctuations which are inherent in fisheries. The failure of member countries to agree on a common fisheries policy has created considerable disenchantment. However, it would be both naive and misleading to blame the EEC for many of the current problems of the industry in Scotland. Before sensible policies can be formulated to try to solve these problems, a better understanding of the causes is needed. At present there appear to be quite a few misunderstandings.

Clearly the decline in catches and landings is a major cause and for that there are two underlying reasons - the loss of fishing grounds and the overfishing of certain species. Regarding the former, all EEC countries have been adversely affected but none as much as the UK. During the late 1970's most countries with coastlines extended their territorial waters to 200-mile limits and with them their jurisdiction over fisheries. Previously limits had traditionally been six or twelve miles. The process meant that the UK lost access to grounds which had been fished by the distant water fleet for many years.

The outstanding example was Iceland which had been popular with generations of trawlers from Fleetwood, Grimsby, Hull and other ports. Although the 'cod war' with Iceland began in the 1950's the turning point came in 1975 when Iceland declared a 200-mile limit and banned UK and other foreign vessels from fishing there. Subsequent agreements have allowed limited access but nowhere near the pre-1975 scale.

The Aberdeen trawler fleet suffered from the loss of Faroese grounds and various parts of the UK fleet found their activities restricted off Canada, Norway and elsewhere. Of course, Aberdeen has benefitted from the discovery of offshore oil and gas so the effects of the decline there have been mitigated which is not the case with the other trawler ports.

These foreign grounds were the major source of cod, haddock and plaice. Although the UK followed suit with a 200-mile limit (less in the North Sea because of the proximity of other countries) this was only a minor compensation because these species are not nearly so prolific in UK waters. Furthermore, the distant water trawlers were forced to fish in areas for which they were not well suited, resulting in poorer catch rates and higher costs.

The second main reason was the overfishing of species such as herring and sprats. British vessels landed 146,000 tonnes of herring in UK ports in 1970. In 1976 the volume was 91,000 tonnes, in 1977 43,000 and in 1980 a pitiful 5,500 tonnes. During the last few years the UK Government has had to impose serious bans on the fishing of herring in order to try to give stocks a chance to rebuild. Similar, though less severe, restrictions are now in force for cod, haddock, whiting and mackerel. Unfortunately, the main conservation method used is the imposition of quotas, which, as argued below, is a very inefficient system and has caused significant inequalities among the domestic fleet. Mention should also be made of the ban on the fishing of Norway pout in the area west of the Shetlands (the 'pout box'), a measure declared illegal by the European Court in 1980.

Fish stocks fluctuate for biological and other reasons from year to year and from area to area. Most demonstrate cyclical patterns but the recent experience with herring, cod and others is quite different. It is clear that the scientists and the fisheries advisory bodies set some of the suggested total allowable catches at far too high levels. It is equally clear that many countries ignored these suggested catch limits and allowed their fishermen to damage stocks by overfishing. Furthermore, until the advent of the 200-mile limits and also the EEC, countries had no adequate means of properly managing the resources.

A related problem has been the over-expansion of catching capability. In 1970 there were 2,617 registered vessels in Scotland. By

1974 this number had risen to 2,754, since when it has fallen to 2,514 in 1980. There has been a sharp fall in trawlers, e.g. vessels in the 110-140 feet range totalled 43 in 1976 and 25 in 1980 and there are now no Scottish vessels over 140 feet in length. In contrast there has been growth in the number of seiners.

Thus the number of vessels has not fallen in line with landings. Indeed, there have been marked improvements in catching technology and new vessel efficiency over the last decade, such that catching capacity has increased by between 35% and 40% since 1970. Much of this was encouraged by generous grants and loans from the central government bodies responsible for the industry and the Highlands and Islands Development Board (HIDB).

In recent years these bodies have reduced their financial assistance for new vessels but the real damage was done in the period 1965-75 when some of the expansion was little short of irresponsible. At least it can be said in support of the HIDB's policies that there was a case for a geographical redistribution of fishing effort and that, for many of their communities, the fisheries offer (or offered) the best economic prospect. In any case the result has been that there is now chronic overcapacity in the UK and Scottish fleet and that represents probably the major challenge for EEC policy.

Too many fishermen and too few fish mean low incomes. The financial problems were discussed in the preceding section but two points need to be made here. The first is that costs have risen substantially over the period under consideration and at a rate greater than the average inflation rate. Two of the main expenditure items are fuel oil and interest on loans, and the costs of these have risen markedly in recent years because of the OPEC oil price rises and UK economic policy.

The second point is that there are serious deficiencies in the selling and marketing of fish which have had a downward effect on the prices which consumers are willing to pay. Generally, fish has a poor image, in comparison with red meat and chicken for example, and the new SFIA has not set an improvement in image as one of its main priorities. Data for 1980 and 1981 are not available yet but according to the 1979 National Food Survey, the household consumption of fish in Great Britain was 4.51 ounces per person per week in 1979 compared with 5.35 ounces in 1970. In Scotland the decline was even greater,

from 4.88 ounces in 1970 to 3.86 ounces in 1979. (The reason for the surprisingly lower level of consumption in Scotland compared with GB is that more fish is eaten outside the house, e.g. from fish and chip shops, and is therefore not covered by the survey). This change in tastes obviously has to be reversed if a marked improvement in prices is to be attained.

Finally, there is the question of imports which have grown steadily, for example from 140,000 tonnes in 1960 to 175,000 tonnes in 1970 and nearly 370,000 tonnes in 1981. In 1960 they accounted for 14% of the total supply of fish in the UK. By 1970 this share had only risen to 15% but in 1980 it was 33%, with the bulk of the growth occurring since 1977 and coinciding roughly with the fall in domestic landings. Fishermen and their representative organisations have complained bitterly about the depressing effect some imports have had on fish prices and hence earnings. This view has not been unanimous because some processors and consumer groups have generally welcomed the imports. Until recently, the rise in the value of sterling appeared to be the main reason for the sharp rise in imports, particularly from Canada and Norway. In regard to imports from other EEC countries a major contributory factor is the artificial exchange rates applied to transactions by the producers' organisations (POs) which means that French fishermen, for example, can get better prices in the UK than at home.

Current EEC Policy

The justification for a common fisheries policy originates from the Treaty of Rome. Article 38(1) states that 'the Common Market shall extend to agriculture and trade in agricultural products. Agricultural products means the product of the soil, of stock-farming and of fisheries and products of first-stage processing directly related to these products.' Thus the general objectives in Articles 38 to 43 on agriculture apply also to fisheries.

Cynics have claimed that there was little interest in fisheries in Brussels until the UK applied for membership. Certainly, the development of the common agricultural policy (CAP) proceeded independently of legislation on the fishing industry, which did not arise in any important form until 1970. Regulations 2121/70 and 2142/70, passed in October 1970, laid the framework for a common fisheries policy, by establishing a common structural policy for the industry and a common

organisation of the market in fishery products. They require that Community fishermen have equality of access to fishing grounds in the maritime waters under the sovereignty or jurisdiction of the member countries.

As a transitional measure, exceptions to this general rule were allowed for certain coastal areas dependent on the fisheries and these were to be within a three-mile limit from the shore and for a period not exceeding five years, during which period steps were to be taken to protect these areas from any difficulties arising from the concept of open access. These regulations were amended by the Act of Accession in 1972 when the UK became a member of the EEC. Chapter 3 of the Treaty of Access deals specifically with fisheries. Article 100 authorises member states to restrict fishing in waters under their jurisdiction within a six-mile limit to 'vessels which fish traditionally in those waters and which operate from ports in that geographical coastal area.' Article 101 extends the six-mile limit to twelve miles in certain areas. These include areas in the UK. Certain 'special fishing rights' - to fish for particular species in designated areas - held by other member states in January 1971 were preserved. These exceptions are allowed until the end of 1982.

In 1976 the EEC maritime countries agreed jointly to adopt 200-mile fishing limits in the North Sea and the North Atlantic and the UK duly did so with effect from the 1st January 1977. This had the effect of regulating the access of third countries' vessels to EEC waters but did not affect the rights of vessels from other EEC countries to fish in UK waters.

Regulation 2142/70 established a common organisation of the market in fishery products. It provided for an intervention price system operated by recognised producers' organisations. 'Official withdrawal prices' are fixed by Council, and, if fish fail to reach these prices when sold, it is withdrawn and compensation paid by the Community. Producers' organisations may fix higher autonomous withdrawal prices which are supported by their own funds.

The other regulation, 2141/70 laid down 'a common structural policy for the fishing industry', which is in fact the embryo of the common fisheries policy (CFP) now struggling to be born. The regulation did not introduce a comprehensive internal regime for the Community but the key features were that:

- (a) 'Rules applied by each member state in respect of fishing in the maritime waters... shall not lead to differences in treatment of other member states' and
- (b) 'Member states shall ensure in particular equal conditions of access to and use of the fishing grounds.'

In constructing a CFP the EEC Commission has endeavoured to introduce other management and conservation measures, so far with limited success. The outstanding difficulty concerns catch levels. The Commission formulates total allowable catches (TAC's) on the basis of international scientific advice. Agreement on these was reached in 1980 although in 1981 there were disagreements about the volume of herring fishing permitted. No agreement has been reached on the distribution of these catches among member states.

Regarding the UK, in January 1978 ministers of the other eight member states agreed informally on measures proposed by the Commission which would have given 31% of the overall TAC to the UK. The British fishing industry has consistently taken the view that the UK should be allocated a share of at least 45%, approximately composed as regards species and areas. In support of this claim, it is pointed out that (excluding the Mediterranean) about two-thirds of the catch available in EEC waters is in fact taken from within the UK's 200-mile limit.

New Commission proposals on TAC's and country shares were put forward in 1980 and 1981 but so far the UK Government has refused to accept them. At the time of writing the disagreements have continued throughout 1982 and it could well be that the deadline of the end of 1982 is reached without any agreement. It is not clear what would happen to fishing limits and access arrangements in such a situation, and Scottish fishermen are genuinely afraid of the consequences of a 'free for all'.

Administrative changes

1982 has been an unusually active year on the administrative front. At the government level there have been important personnel changes at DAFS, notably the retirement of John Cormack who had been the Under-Secretary for many years. Both the White Fish Authority and the Herring Industry Board were wound up towards the end of 1981, again with the retirement of senior officials. The new SFIA has taken a very different approach to its responsibilities, with a strong emphasis on marketing, and although it is too early to judge the appro-

priateness of many of the changes made, it was evident that changes were needed.

The growth of officially recognised producers organisations has continued and there are now five in Scotland, operating mainly on a regional basis. The largest one, the Scottish Fishermen's Organisation, has had severe financial problems because of misjudgements over purchasing and pricing policies, which led to the departure of the chief executive. Not all vessels are members of PO's and the consequences of incomplete coverage are exercising a great deal of political attention. It is probably fair to conclude that most fishermen are sceptical of the pricing policies of the PO's and that the main reason for their growth has been the relatively low levels of open market prices.

Beneath these levels are various voluntary associations, representing the political and other interests of members, and these are organised either on a regional or structural (i.e. pelagic, white fish, static gear) basis. The two main bodies are the British Fishing Federation, representing the trawling fleet, and the Scottish Fishermen's Federation, representing the inshore fleets. Both have done a tremendous amount of work in Scotland and have excellent reputations in the industry. However, 1982 has been a difficult year for them.

With the collapse of the Aberdeen trawling fleet there is not really a role for the BFF in Scotland and in future it is likely to become a purely English organisation. The SFF has lost a lot of its unity because of inter-regional and inter-type arguments. It is also in the process of reorganisation, including the move of its head office from Aberdeen to Edinburgh and the retirement of its president, Gilbert Buchan, who for many years has been "the voice" of the Scottish industry (and has done a tremendous job as such). Indeed, one of the outstanding features of the voluntary bodies in Scotland has been the ability and dedication of the senior officials and office bearers.

Conclusions

There is little doubt that the last few years have been the worst for the fishing industry in postwar Scotland and 1982 has been no exception. The immediate future looks little better. It will take considerable time to replenish overfished stocks and reduce the number of vessels and fishermen to sensible and viable levels. Substantial

financial assistance will be necessary during this period. There is little danger that this will continue to be in the form of inefficient subsidies provided on the ad hoc basis, which may be inevitable and acceptable for the short-term. However, a sensible long-term strategy is essential and there has been little evidence of that on the part of the UK fisheries authorities since 1978. The need to reduce the fleet is the outstanding example.

Most of the industry's problems are unrelated to UK membership of the EEC and therefore some of the criticisms of the common fisheries policy are inappropriate and unfair. That is particularly true of the marketing policy, although there remains scope for improvement. Without such a policy prices and earnings would probably have been lower and certainly more unstable. In turn, that suggests a need for a greater consumer input into the decision-making process in Brussels. On the assumption that the domestic EEC market will be fairly static in future, it also suggests a need for developing new markets e.g. for dried fish products in Africa and Asia, and there EEC trade negotiations can have a substantial influence. Expansion of opportunities in these areas would enable the Community to show positive benefits from a CFP to offset the negative aspects.

The main problem with the CFP is the issue of allocating catches from EEC waters among member states. This article has tried to show the reasons for the UK's continued rejection of the Commission's proposals and provide a perspective for reaching an acceptable share. The political situation in the industry is such that the UK Government cannot back down and the solution must lie therefore in other compensatory features. Here, the opportunities for the EEC are substantial, particularly in relation to conservation, fleet reductions and licensing. If the opportunities are taken, the eventual common fisheries policy could be very worthwhile.

The key objective must be a reduction in the fleet, in Scotland and throughout the EEC, on a sensible and fair basis. Unfortunately there is little indication on the part of the authorities that they will adopt such a policy. The SFIA and the HIBD continue to give grants and loans for new vessels when the money involved would be better used in buying out the surplus capacity.

Ex-colleagues from Aberdeen University and I have used a computer model constructed by the Ministry of Agriculture, Fisheries and

Food (MAFF)⁽¹⁾ to analyse the pattern of fishing effort needed to catch any given set of UK allocations of fish, while departing as little as possible from the historic pattern of effort. In terms of actual 1979 catch data, we estimate that the landings could have been achieved with about 33% fewer vessels (measured in tonnage)⁽²⁾. An estimate of excess capacity of this magnitude does not seem unreasonable, in view of the fact that between 1970 and 1979 the capacity of vessels over 40 feet rose by more than 1%, as measured by potential fishing days, while landings fell by nearly 18%.

A second analysis tried to calculate how many days of fishing effort would have been required for the UK fleet to have caught the fish provisionally allocated to the UK by the Community in December 1980, i.e. the proposed quota of 36% of the major species. Applying the quotas to TAC's gives the estimates of fish to be taken in 1981. Excess capacity was estimated at 29% in terms of tonnage and 30% in days of fishing effort. (The reduction in excess capacity from the 1979 estimate is attributable to the decline of the trawler fleet since then.)

There are two ways of eliminating redundant capacity. One is to increase the catch possibilities by increasing the assumed UK quota (or by finding new species). To bring the UK fleet into full-capacity use would require an increase in the UK quota to nearly 54%. The second method of eliminating or reducing redundant capacity is to dispose of it by the scrapping or laying up of vessels. Financial inducements would be necessary. A Commission paper in 1980 suggested a level of 300 EUA (European units of account) per gross registered ton, at which level the cost in the UK of buying out our estimated 20,000 tonnes surplus capacity would be about £3.7 million (end-1981 prices). This is likely to be much too low and effective compensation will probably have to be at least three times that.

Nevertheless, the EEC are perfectly right in pressing for fleet reductions and it is to be hoped that this will form an integral part of a CFP. Norway has a similar scheme which has been reasonably successful with generous payments. Subsequently, a licensing system for vessels would have to be introduced in order to control future fishing effort. Only vessels with licences would be allowed to fish for particular areas.

In the absence of agreement on a CFP, local groups have endeav-

oured to protect their interests by formulating local fishing plans. There have now been six such studies in Scotland - for Shetland, Orkney, the Western Isles, Highland Region, the Clyde Estuary/West of Scotland and the Grampian Region. All the plans have similar elements, including the licensing of vessels and preferential treatment for local fishermen. Given the importance of the industry in these communities, their objectives are understandable but in most cases the plans make neither economic nor biological sense. Indeed, there are much better ways of achieving the objectives, in the broader context of a Scottish or EEC framework.⁽³⁾

Nevertheless, the studies contain a considerable volume of useful information and will have had a beneficial effect if they influence positively the eventual EEC decisions on the preferential rights of coastal communities.

The fragmentation of the Scottish industry is to be regretted, particularly of the political bodies. They have been very influential to date and any further diffusion of views is likely to weaken the strong stand of the UK. A successful conclusion of the EEC negotiations would bring about a major improvement but, as argued above, that alone will not solve the problems of having too many vessels. There are also serious difficulties in the fish processing sector and the marketing of fish, and these require solutions at the Scottish or UK levels. If solutions can be found, we shall probably find ourselves with a smaller but efficient and profitable industry. Indeed, there can be little doubt about the industry continuing to contract and it is the efficiency and profitability aspects which are open for negotiation.

REFERENCES

1. The Lowestoft Mark II (Non-linear) Fleet Operation Model, MAFF Fisheries Laboratory, Lowestoft.
2. See R. Shaw, J. Sladen and G.A. Mackay, The Fishing industry in Northern Britain, EEC Fisheries Directorate, 1982 (forthcoming)
3. See, for example, the report by Robert Shaw and others.