

Straddling the colour barrier

Policymakers in post-apartheid South Africa have the unenviable task of resolving conflicting interests in fisheries

The government of South Africa, led by Nelson Mandela, is currently considering a major restructuring of its fisheries policy to ensure greater participation of the non-white communities in the marine capture fisheries. A White Paper on the fisheries policy of the post-apartheid government has just been prepared.

To understand this process in the backdrop of major issues in marine fisheries, to follow-up on ICSF contacts and to co-operate with fishworker initiatives in South Africa, I visited several important fishing centres in Western Cape and Eastern Cape, the provinces that account for almost the entire marine fish production of South Africa. The trip provided opportunities to meet with established trade unions in fisheries; local, regional and national associations of fishers that are not affiliated to unions; managers of big business groups, and lawyers. There were also meetings with the Fisheries Desk of the African National Congress (ANC), parliamentarians, policymakers and members of the judiciary and press.

With a seaboard of 3,000 km, South Africa produces about 580,000 tonnes of fish in liveweight (valued at US\$400 million). Fisheries contribute to nearly half a per cent of the Gross Domestic Product. The access to resources is distributed mainly through a combination of quotas (for fish such as hake, abalone, rock lobsters, anchovies and pilchard) and permits (for tuna and squid). The sector employs about 30,000 fishworkers (around 20,000 fishers and about 10,000 processing workers).

The Directorate of Sea Fisheries, the department responsible for fisheries matters, has been shunted from ministry to ministry. Originally under the Ministry of Economic Affairs, it was later shifted to

the Ministries of Industries and Agriculture. Since 1983, it has been under the Ministry of Environmental Affairs. Until 1990, access rights and fishing licences were given by the Directorate of Sea Fisheries. The Quota Board was formed in 1990 and, since then, it has been awarding quotas on the advice of the Sea Fisheries Advisory Committee. The allocation of non-quota species is still made by the Department of Sea Fisheries.

There are 25 deep-sea hake quota holders, of which 13 are for trawling. The biggest eleven belong to the South Africa Deep-sea Trawling Association. They caught about 165,000 tonnes of fish in 1995. Three companies control over 78 per cent of the deep-sea hake quotas of South Africa. There are about 56 vessels with a combined tonnage of 43,500 GRT valued at US\$80 million, which is the largest investment in the fisheries of South Africa.

About 80 per cent of fresh and frozen fish consumed in South Africa comes from this sector, which reports annual sales worth US\$160 million, including about US\$50 million from exports. It is the largest foreign exchange earner in fisheries. (Some of the world's finest hake products come from South Africa and a substantial proportion consists of products with a high local value added component.)

Code of conduct

Around 2,000 fishers are employed in the deep-sea sector and another 6,000 in permanent or non-seasonal work. The workers in this sector subscribe to a code of conduct. In addition to remuneration, they are entitled to fishing commissions, bonuses and company contributions to employee benefit schemes. In the inshore—defined as waters below 110 in depth contour—there were 11 quota holders in 1995. They belong to the

Southeast Coast Fishing Association and function in multi-species fisheries. They also hold quotas for hake and aguilhas sole, and catch about 15,000 tonnes.

The inshore trawling sector uses vessels 14 m to 32 m in length. There are now about 34 vessels in operation (down from 54 in 1982). The sector provides employment for 300 fishers and 800 land-based workers. The workers are entitled to pension, provident fund, housing assistance and freedom of association, and they are affiliated to several unions. The majority of workers come from the South East Cape region.

The quota system for pelagic stocks was introduced in South Africa in 1974. The quotas were given to factories and not to private boatowners. Large companies control the pelagic fishery, from production to retail trade. More than half the Total Allowable Catch (TAC) for pelagics is apparently controlled by six companies (the TAC for pilchard is 23,000 tonnes and for anchovies, 256,000 tonnes). Tuna is also harvested, with a TAC of about 3,000 tonnes.

There are about 73 purse-seiners in South Africa. Apart from a small proportion of pilchard canned for human consumption, and some used as bait, most of the landings are processed into fish oil (sold to the food products

industry) and fishmeal (sold locally to poultry farms). The pelagic fisheries generate employment for over 1,000 workers at sea and about 4,000 workers on land. The tuna industry employs about 2,600 fishers.

Jigging for squid (called 'white gold'), the most recent fishing industry in South Africa, began in 1986. It is based on permits issued on the basis of annual performance. There are about 278 vessels, of which 112 are between 10-20 m and 19 between 20-30 m in length. The fishery is worth US\$15 million. It employs about 4,000 people at sea and 1,000 ashore.

Line-fishing comprises several sectors, ranging from full-time commercial operators to recreational fishers. While it provides seasonal and occasional employment to about 19,000 fishers, it is also a source of recreation for hundreds and is the key support to marine-related tourism. The species fished include snoek, kob, yellowtail, hottentot and carpenter. The commercial operators sell these fish to hawkers on the quay. There are about 2,364 hand-line boats. Of these, about 1,000 are less than 6 m and four are over 50 m in length.

Abalone fishery

The abalone fishery is a shallow-water one, where TAC quotas have been issued to six companies for 615 tonnes. There is also an extensive recreational fishery

associated with abalone. It employs 58 boats and about 200 fishers. Rock lobsters are found at depths less than 80 m isobath. Traps and hoop nets are used in this fishery, which has a TAC for 2,000 tonnes. There is also a South Coast rock lobster harvested at depths of 100 m to 200 m isobath.

This fishery has a TAC of 452 tonnes. In the peak season, it employs 218 boats of lengths ranging from 6-40 m, and around 5,000 fishers. Most of the informal fishermen of South Africa (about 5,000) make a living by illegally catching rock lobster.

Fishermen's Community Trusts (FCTs) were established in 1992 to uplift and develop the fishing communities along the west coast. A certain proportion of the deep-sea hake TAC was set aside for allocation to FCTs. In 1995, about five per cent of the hake TAC and four per cent of the anchovies TAC were set aside for FCTs. Since the harvesting of hake requires highly technical and expensive equipment which the FCTs do not have and can ill afford, they are unable to participate in the harvesting, processing and marketing of quotas. Their quotas are, therefore, sold to established fishing companies.

An 1830 painting, *Fishmongers*, by HC de Meillon in the Cape Town Museum shows vendors carrying fish on wooden poles across their shoulders, as can be seen in Southeast Asia. This suggests a local food fishery in South Africa in the 19th century, perhaps with the participation of the original slaves from Indonesia. Commercialization of the South African fishing industry, however, was initiated at the turn of the century by Messrs Irvin and Johnson, two British nationals, who set up a vertically integrated firm for the export of deep-sea hake.

Unlike in the rest of Africa, Asia or Latin America, South Africa has the rare distinction of having developed an industrial fishery much before the growth of an artisanal or small-scale fishery. Almost the entire catch comes from industrial trawling and purse-seining. Mainly controlled by white companies, these have a highly skewed ownership pattern. For instance, in hake, the most

important fisheries in South Africa, three white companies controlled 72 per cent of the TAC in 1996. Irvin & Johnson Ltd., set up by the pioneers, continues to be one of those three companies.

There are about eight large firms that control the fisheries of South Africa. These also have business interests in food products like potato chips, canned tomatoes and olives. Some of them are also involved in diamond and gold mining. These companies are essentially subsidiaries of big South African multinationals and are controlled by a handful of families.

The non-white groups participated in the coastal fishery in a rudimentary capacity for the local market, in addition to working on board white-owned fishing vessels and processing plants. A small-scale fishery, very limited in scope and mainly for the local market, thus co-existed with an industrial fishery for the export market.

This situation changed to some extent in the 1970s, when a quota system was introduced in South African fisheries. The access enjoyed by the non-whites to lobster fisheries was then suddenly taken away by the apartheid regime and given to the white companies. This forced many people from the coastal communities to fish illegally for rock lobster and supply clandestinely to the black market at cheaper prices. The right to fish non-quota species like snoek, however, is still open to all, both non-whites and whites.

With the demise of apartheid, there have been new entrants into the quota-managed fishing industry from the coloured, black and Indian communities. In 1995, for example, about five per cent of the TAC for hake and four per cent for anchovies were set aside for the non-white communities. The quotas were insufficient to undertake viable investments and were nick-named 'paper quotas' since, in most instances, they were sold to the white companies.

New fisheries policy

Unlike the Sea Fishery Act of 1988 that focused on conservation of the marine ecosystem and orderly utilization of living marine resources, the new fisheries policy

of post-apartheid South Africa advocates the utilization of such marine resources is undertaken on a long-term, sustainable basis, with optimum social and economic benefits to the people. There is a great deal of discussion and debate on what ought to be the new policy in relation to equity.

While the big companies and rich labour unions of non-whites are unanimously for the continuation of the existing system, coloureds, blacks and Indians are divided on what ought to be the focus of the new policy. These groups are essentially three:

the Informal Fishing Community, an association of fishers from the unorganized artisanal sector, that makes a living by illegally fishing for rock lobster and abalone in the nearshore waters; the Food and Allied Workers Union (FAWU), the biggest union of food workers which also represents industrial fishworkers, including women; and

the cluster that includes interest groups like the Fisheries Development Unit, the Port Elizabeth Fishing Forum and several other regional and local associations of coastal communities encompassing a variety of interests, ranging from wage workers to quota and licence holders.

The various perspectives on allocation of fisheries resources in the post-apartheid

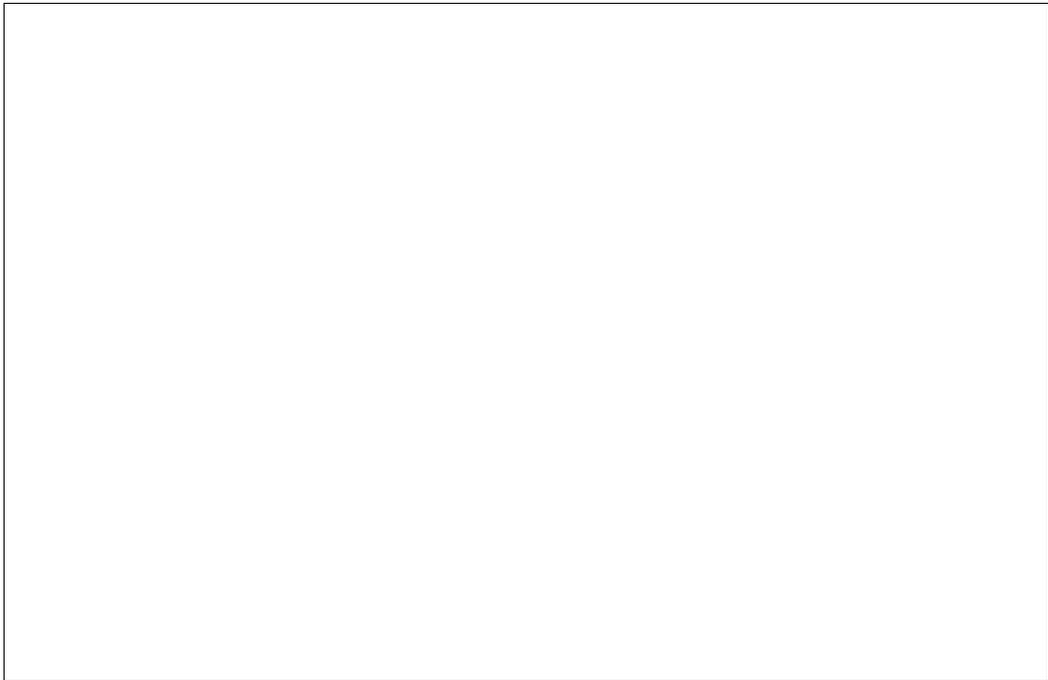
era can be classified into four categories. This classification, however, does not imply that there is no overlap between these categories.

In what can be labelled the 'restructuralist' school, there is first the FAWU that demands restructuring of all sectors of fisheries, including production, processing and marketing for all commercially valuable fish, from a holistic perspective, through a transparent and participatory process.

It wants this to be done without losing existing employment opportunities and also by taking into consideration the Reconstruction and Development Programme (RDP) of the Republic of South Africa. It also wants to 'address the wrongs of the past', which include the discriminatory practices of the apartheid regime, such as the exclusion of informal fishers from fishing activities.

Black elites

This group is against redistribution of quotas by the Quota Board to the 'black elites', fearing that such acts will only exacerbate the problem of restructuring the industry. Also, it thinks that giving unviable quotas would only result in the new quota holders selling tern to big companies. It regards the Quota Board's distribution of quotas to non-whites as a rent a black' policy and considers it an initiative that misses the wood for the



trees. FAWU also insists that attempts at restructuring should also apply to the 'newcomers', meaning non-white quota holders.

Mandla Gxanyana, General Secretary of FAWU and facilitator of the Fisheries Policy Development Committee (FDPC) constituted by Dr. Dawie de Villiers, Minister of Environmental Affairs and Tourism, in late 1994, for developing a new fisheries policy for South Africa, feels that both processing workers and fishers should benefit from restructuring. He wants the problems of fishing communities (including both harvesters and processors) to be addressed.

He thinks a non-quota system that will empower the harvesting workers without affecting the chain of workers in processing and marketing may be desirable. He does not want people without any history in fisheries to get quotas. He thinks area-based and national associations should have a larger stake in capture fisheries. He would prefer some demarcation of fishing grounds: those earmarked for deep-sea fisheries and those set aside for bona fide fishermen from the coastal communities.

The interests of those who are marginalized, the bona fide fishermen, have to be looked after. The policy should be to enrich neither a few blacks nor a few whites. The current way of reforming fisheries, unfortunately, does not address the basic problem, says Gxanyana.

The 'abolitionist' school is made up of non-white groups, mainly the Informal Fishing Community, who are fighting to abolish the existing system of quota allocation. Their main concern is unconditional access to coastal fisheries for rock lobster and abalone. They fear that any redistribution of the TAC, short of levelling the playing field and abolishing the current access regimes, would not do justice to their concerns. The demands of the Informal Fishing Community are also supported by FAWU.

In its *Submission to the* FDPC on Access Rights, the Informal Fishing Community argues basically for a *laissez-faire* approach to fisheries, except in the case of abalone.

It believes in the fairness of the market system and does not want any government intervention in fisheries, except for conservation and monitoring of catch (to make sure that landings do not exceed the TAC). It considers current estimates as politically motivated and would like objective assessments of stocks that could act as the basis for deciding the TAC. It believes that access to fisheries resources should be governed only through a fee based on the size of the fishing vessel, in the context of abalone fishery, however, it proposes greater control and something like a territorial use rights regime.

The third group is the 'redistributionist' school comprising other non-white groups who demand greater redistribution to non-white fishing communities of the quotas enjoyed by white companies. They are interested in viable quotas (meaning quotas that would enable them to economically invest in fishing capacity) for important fisheries like hake, anchovies, abalone and rock lobster. This group seems to be mainly represented by the Fisheries Development Unit in the Western Cape and Port Elizabeth Fishing Forum in the Eastern Cape region.

There is also another perspective within this group, especially among some in the Eastern Cape, who feel that non-white quota holders should share their quotas with poor fishers from the same communities. They see the attitude of the majority of new quota holders, who refuse to share the newly acquired quotas with their poor non-white neighbours, as similar to the behaviour of white companies under the apartheid regime.

The mosaic of new claimants to fishery resources from within the non-white fishing communities include:

- fishermen with quotas but who have no fishing capacity;
- fishermen who have both quotas and fishing capacity;
- fishermen from the informal sector, not legally recognized as fishermen;

- retired fishermen from fishing companies;
- fishermen made redundant by fishing companies;
- widows of fishermen; and
- women processing workers.

In addition, there are several interest groups outside the fisheries sector which would like to partake of the quota system.

According to the redistributionists, putting an end to the quota system, as demanded by the abolitionists and restructuralists, would only lead to open-access regimes and depletion of commercially valuable fish stocks. The Fisheries Development Unit thinks that controlling access through a quota system is a necessary prerequisite to ensure the sustainability of the resource. While wanting to retain the quota system, they are for the abolition of the Quota Board, which is seen as a relic of the apartheid past. In its place, they want a Namibian system of quota management, where the bulk of the quotas are believed to have been given to non-whites.

In a memorandum dated 14 May 1996 to the Minister Designate, Pallo Jordan, the Informal Fishing Community contends that allowing access to those currently excluded from fisheries will ultimately benefit only the big companies. This is because no attempt is made to redress the fundamental imbalance arising from the concentration of harvesting and processing capacity in the hands of a few. Given the technical capability of the white companies, and the lack of it among non-white communities, any situation of open access may understandably benefit the old players more than new entrants.

Finally, in the *status quo* school are those companies which wish to maintain the *status quo*. They are supported mostly by unionized fishermen, including coloureds and blacks, who fear that any restructuring would negatively affect their current earnings from fishing operations like trawling and long-lining. They are called 'sweetheart unions', a derogatory term for unions that are close to big business. The main difference

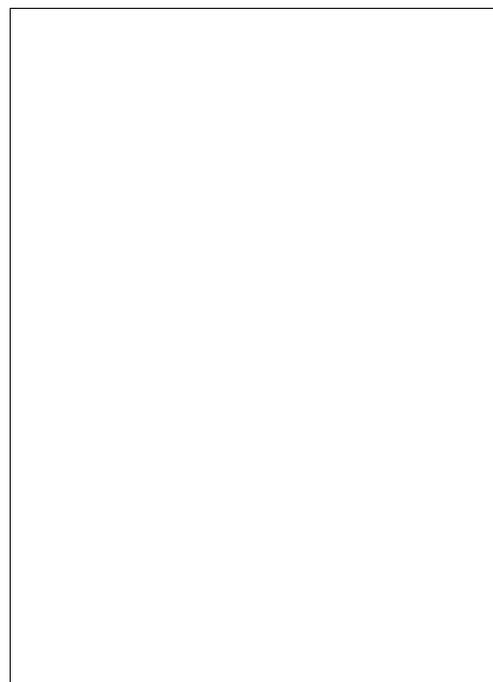
between FAWU and these unions is that whereas FAWU tries to take on board the interests of unorganized fishers, the latter support only their own self-interest.

The redistributionists have dismissed the new Marine Fisheries Policy of South Africa as a *status quo* policy since it does not propose to change the highly skewed ownership pattern in fisheries and since it makes no mention of redistributing quotas currently enjoyed by the white companies to non-whites.

There is thus a divide between the non-whites in the organized sector who support the *status quo* and the non-whites who demand change. There are further differences among those who demand a change, often based on altered perspectives. These affect the unity of the non-whites and also add new complications to the present situation.

Not convinced

Some of the labour, especially those who do not have any complaints against the existing conditions of work and remuneration in the industrial fisheries, are yet to feel convinced that their rights will be protected and their earnings maintained if there is a radical change in the system. In one instance, on 13 May 1996, there was a physical clash between two sections in Cape Town, with one side shouting, "You want to take our jobs



away!", and the other shouting back, "You are pawns of the big companies!"

The apprehensions of the organized labour force are also perhaps based on the fact that very few of the non-white claimants to the quotas have their own capacity to fish. They are also yet to learn the ropes of fish processing and marketing.

Also adding to the confusion is the minority of migrant blacks from tribal homelands who work as wage labourers in the seasonal squid fishery of Eastern Cape. They are perhaps the poorest and are far removed from the debate on fisheries restructuring or redistribution of quotas. Their main demand is for greater diversification of fishing operations and for round-the-year employment.

The positions of the Informal Fishing Community and that of FAWU seem to converge at several points. Both seem to be against the quota system and share the concern that the redistributed quotas are basically falling into the wrong hands. They also seem to agree upon a demarcation of fishing grounds between coastal and deep-sea fisheries. Both demand that only bona fide fishers among the new claimants should be allowed to participate in fisheries.

The inference that could perhaps be drawn is that activities not labour-intensive at the stage of harvesting or processing (like harvesting and processing of abalone and rock lobster) could be reallocated to bona fide fishers in the informal sector. Other activities which are more labour-intensive should, by and large, remain as they are.

In other words, the message seems to be that the biggest union of fishers and processing workers, while willing to uphold the livelihood rights of non-white coastal communities who are dependent on fisheries, is not keen to support the business aspirations of the non-whites, except those of the workers themselves.

The reluctance of formal unions to support the redistributionists might arise from the present position of organized labour in South Africa. The condition of work and remuneration of South African

fishworkers is fairly good in big companies. These workers might fear that hard-earned benefits would get dissipated in any transition from the known present to an unknown future.

Clearly, there is need to have a set of criteria for allocation of resources and an enabling legislation to implement it. While it is easy to identify the distinct capital and labour interests among those who favour the *status quo*, it is, however, too early to differentiate the interests of those who favour change.

It is also too early to say who among the non-white communities will largely benefit if the government changes the norms for quota allocation. The 'haves' on both sides of the colour barrier seem to be mobilizing the numerous 'have-nots' to fight for their respective interests. There is, however, tremendous distrust and questioning of motives.

Difficult situation

In such a difficult situation, the policymakers' role is rather unenviably delicate. There has to be greater clarity on who among the interested parties could best serve the goals of long-term sustainable utilization of marine resources and livelihood interests of coastal communities. ¶

This report was written by Sebastian Mathew, Executive Secretary, ICSF, after a trip around South Africa from 7 to 14 March 1997.