
***THE UNIVERSITY OF THE WESTERN CAPE -
SCHOOL OF GOVERNMENT***

**AN EXPLORATORY STUDY OF THE REPRESENTIVITY OF AFRICAN BLACKS
(AB) IN THE MOSSEL BAY HAKE FISHING INDUSTRY**

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**“This dissertation has been completed solely in partial fulfillment for the
Masters Degree in Administration.”**

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Table of Contents

Acknowledgements	i
Dedication	ii
Declaration	iii
Abstract	iv
Acronyms	v
List of Figure	vi
List of Tables	vii
CHAPTER 1	1
Introduction	1
South African Fishing Industry	1
Importance of fishing to the local economy	4
The Objectives of Study	6
Statement of the research problem	8
Research questions	9
Methodology of the study	9
Significance of the Study	10
The Delimitation of the Study.....	11
The definition of key terms	11
Representivity	11
African Blacks	11
Organisation of the Study	12
CHAPTER 2	14
HISTORICAL BACKGROUND	14
Introduction	14
Historical Background of South African Fishing Industry and Mossel Bay Hake Fishing	14

CHAPTER 3.....	23
THE DEMOGRAPHY, ECONOMY & FISHERY OF MOSSEL BAY AREA	23
DEMOGRAPHIC AND ECONOMIC PROFILE	23
Inshore Fisheries	27
Employment Situation	28
Industrial Sector	31
Fishing Industry	32
Development of the Inshore Trawl Fishery and Introduction of the Quota System	32
Handline Fishery	32
The question of resource allocation question	33
Black Empowerment	34
The revised Fisheries Act of 1998; what opportunities des it offer for the previously disadvantage	35
CHAPTER 4.....	39
RESULTS OF SURVEY CONCERNING AB REPRESENTIVITY IN THE MOSSEL BAY HAKE INDUSTRY	39
Racial Composition of Staff in established companies	40
Gaining entrance into the industry and years of service	41
Academic Qualifications	45
Placement and Training	47
Alternative Means of Earning a Living	50
Problems of Gaining Foothold in the industry	52
CHAPTER 5.....	54
WHAT CAN BE DEDUCED FROM THE SURVEY RESULTS	54
CONCLUSION	60
BIBLIOGRAPHY	62
INDEX	66

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DEDICATION

I dedicate this piece of work to my only son whose name is “**Wanda**” meaning ‘expansive’ whom I would like to be a role model to and also want him to live a better life in future. Not forgetting “**Eric Mkefa**” who has been a pillar and source of my strength and gave a significant support and made sacrifices. I owe you some fortune ‘**Zondwa**’ trust me all will be well and fine *BUTI*.



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Acronyms

AB	African Blacks
ANC	African National Congress
BMF	Black Management Forum
CDB	Central Business District
FAWU	Food and Allied Workers Union
FPD	Fisheries Policy Development
FPSA	Fisheries Policy of South Africa
FPDC	Fisheries Policy Development Committee
GEAR	Growth, Employment and Redistribution
GDP	Gross Domestic Product
I & J	Irvin & Johnson
MBLEDS	Mossel Bay Local Economic Development Study
MFPSA	Marine Fisheries Policy of South Africa
MCM	Marine and Coastal Management
MLRA	Marine Living Resources Act
RDP	Reconstruction and Development Programmes
SMMEs	Small-Medium Enterprises
SECIFA	Southern East Coast Inshore Fisheries Association
SPSS	Statistical Package for Social Sciences
TACs	Total Allowable Catches

LIST OF FIGURES

FIGURE NO TITLE

Figure 4.1:	How did you find your job?	42
Figure 4.2:	Years of working in the industry	43
Figure 4.3:	Why not in the industry	44
Figure 4.4:	Any problems in going for fishing	45
Figure 4.5:	Levels of education of those in the industry that were interviewed	46
Figure 4.6:	Levels of education of those not in the industry that were interviewed	47
Figure 4.7:	Work placement in the fishing industry	48
Figure 4.8:	Training received in the industry	49
Figure 4.9:	Best suitable sector for AB to join	50
Figure 4.10:	Alternative means of earning a living	51



UNIVERSITY of the
WESTERN CAPE

LIST OF TABLES

TABLE NO	TITLE	
Table 3,1:	Economical Active Population in Mossel Bay	29
Table 3,2:	Summary of employment in the Towns industries	31
Table 4.1:	Racial Composition of Staff at company A	40
Table 4.2:	Racial Composition of Staff at company B	41
Table 5,3:	Some of the problems that new Entrants encounter	52



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CHAPTER 1

INTRODUCTION

The South African Fishing Industry

South Africa has a coastline 3000 km long that stretches from the Orange River on the border with Namibia to Ponta do Ouro, on the Mozambique border. Despite being the largest fishing country in Africa, South Africa ranks 30th on the world scale. The country had a total catch of 597 000 tons in 1995 (Tilney, de Swardt, and Mayekiso 1999:3). The fishing industry in South Africa only constitutes roughly 0.37 per cent of the Gross Domestic Product (GDP). In Western Cape, which is the province where most of the industry activities are located, fishing only makes up 2.3 per cent of the regional Gross Product (Hersoug, 1998). Although the fishing industry only accounts for a small share of the total national GDP of the country, it nonetheless constitutes a very important sector in terms of employment and provision of fish protein in the country's economy. Thus when viewed against the background of the goals of the post-apartheid government this industry is supposed to play an important role in the socio-economic redistribution goals of the government. Like most aspects of the social, political and economic landscape of South Africa, the fishing industry was largely shaped by apartheid policies in terms of ownership and participation. In this context, the fishing industry manifests some of the lingering effects of apartheid policies in terms of skewed ownership in favour of white big business at the expense of non-white groups.

The commercial fishery, which is managed in terms of global Total Allowable Catch (TAC) comprised mainly of hake, sole, anchovy, horse mackerel, pilchards, abalone, South and West Coast rock lobster in 1994. Of the global TAC only 0.75 % was allocated to blacks (Coloureds, Indians and Africans). Of the 4000 commercial fishing licenses issued in the same year, only 6 % were issued to blacks. This reflects how deeply entrenched the apartheid legacy was in the fishing industry. The other bias (commercial or racial) is reflected by the fact that the industry was still skewed in favour of white big commercial fishing companies (Hersoug, 1998). In tune with this general trend, the black communities in Mossel Bay were equally disadvantaged with respect to quota allocation, ownership of vessels and acquisition of licenses. For instance, in 1994 it had been noted that the national TAC for all species was 512,437 tonnes. Very little of this was allocated to Black Africans (AB) (Hersoug, 1998).

Out of this, 9834 tonnes of hake (6 % of global TAC in 1996) and 872 tonnes of Agulhus sole were issued to Mossel Bay based companies. The total annual catch of the inshore demersal trawl fishery in Mossel Bay was approximately 15 000 tonnes. This consists of shallow water hake (55 %), horse mackerel (18 %), Agulhas sole (6 %) and approximately 20 other species (21 %) Sims (1999). Approximately 80 % of the catch was landed at Mossel Bay with fishing effort spread throughout the year. This helps to provide permanent employment to local people.

Mossel Bay represents an important fishing area in the Western Cape Province's Southern peninsula. The area's fishing industry relies on a fishing area between the Cape Agulhas (20 E)

to the west and the Great Fish River (27 10 E) to the east, which extends seawards to the 110m-depth contour. It forms part of a fishing region where the main common commercial fisheries are the inshore bottom trawling, squid jigging, and line fishing. The main species in the three sectors are the shallow water hake (which is the most valuable stock), chokka squid and kob. The hake fishery constitutes 55 % of estimated 15 000 tonnes annual catch (SECIFA, 1996:)

The Mossel Bay fishing industry has various fishing sectors that include Hake fishery as briefly indicated above, which is known as the inshore demersal trawl fishery. It is also described as a dual quota multi-species fishery that operates subject to a current hake allocation and other species as well. There is also a handline sector of the hake fishery in this area, which has been largely unregulated since 1998 and has grown considerably since then. Lastly, there is a hake long line fishery, which has been going on as a commercial fishery, and this had been earmarked for new entrants. It was anticipated that a high proportion of the rights in this sector would be allocated to previously disadvantaged people (Sims, 1998). It is mentioned that at present, an estimated 4 000 tonnes of hake is landed by this sector annually in the area. The vessels used for hake long lining are between 15 and 30 m long and were previously involved in many other fishing sectors, such as trawling, tuna, rock lobster and squid fishing. The sector employs approximately 1 200 people at five processing factories and 35 trawlers based at Port Elizabeth, Mossel Bay and Hermanus. For the purpose of this study only those vessels operating from the Mossel Bay will form part of the investigation.

Importance of fishing to the local economy

Fishing constitutes the second most important employment sector in the Mossel Bay area after the Mossgas currently known as PetroSA industrial plant. The fishing industry becomes a very important sector when it is viewed against the background of unemployment in the area, which is estimated at 40-50 %. Another aspect of the Apartheid policies was the racial polarization in terms of access to employment and other support services (Report by Mossel Bay Local Economic Development Study (MBLEDS), 1997). In this context, the Influx Control regulations and the Coloured Labour Preference Policy (1954) favoured Coloured at the expense of African Blacks (AB). Thus, although African Blacks constitute the majority of the population in the area, they had been historically marginalized from employment. This was also the case within the Mossel Bay fishing industry. A cursory look at the hake inshore trawling sector clearly illustrates this historical exclusion of African Blacks from participation in the industry at all levels. Various policy mechanisms in the Marine Living Resources Act (1998) aimed at addressing the apartheid legacy in the fishing industry.

In terms of transformation, Mossel Bay reflects the dilemmas facing the previously disadvantaged fishing coastal communities as they attempt to increase their meaningful participation in the fishing industry. This study will focus on the inshore trawl fishery in the Mossel Bay area by looking at the hake fishery. The aim is to evaluate the problems concerning the participation of African Blacks in the fishing industry of the area.

Some commentators have raised concerns as to the effectiveness of the policy interventions under the new Act (MLRA, 1998) in terms of their efficacy in altering the inherent (racial/commercial) imbalances in the fishing industry. Although there had been some changes in the quota allocation system in the post-apartheid era, there has been a continued dominance of large white owned companies in terms of ownership of the allocations. This study aims at investigating the reasons for the under-representation of African Blacks in the fishing industry in Mossel Bay, using the Hake fishery and its various sectors.

The population in Mossel Bay comprises of Whites, Coloureds and African Blacks, of which African Blacks constitute the majority (Report by MBLEDS, 1997). Out of a total of 61722 inhabitants, 22.5 % are white people, 33.0 % are Coloureds and 44.7 % are African Blacks. Although African Blacks constitute the majority in terms of population numbers in the area, their representation in the fishing industry has not been proportional, especially in hake fishery sector. Out of 394 registered people employed in the fishing industry in Mossel Bay, there were only 16 African Blacks, comparing to 317 Coloured people, 52 White people and 9 unspecified individuals (Statistics South Africa, 2000). The rights to fish that had been reserved for new entrants, particularly formerly disadvantaged groups, have largely been allocated to Whites and Coloureds (Argus, 1999). As a result, there had been an outcry amongst potential African Black participants at their continued marginalisation. They have claimed that they had been promised by the Fisheries Development Unit (FDU) and people closely connected to the African National Congress (ANC) "fishing desk" that they would get fishing rights and quotas after the 1994 elections. At the same time, Fishing Giants such as Irvin & Johnson (I&J) and Sea Harvest now known as Seavuna were angry that the quotas that they had compromised in

order to accommodate new entrants had been misallocated and 750 tonnes of the 1999 hake fishing quota was allocated to Calamari fishing a subsidiary of the Oceana group which is White owned. The third quota that was also 750 tonnes was awarded to Bato Star Fishing, a new comer to the hake sector but a major player in the abalone as white dominated company. The concern was that such front companies were not going to create employment as had been the intention when the transfer of quotas was being done (August, 26, 1999). According to Sea Harvest and I & J the understanding had been that the quotas they would give up would be allocated to new entrants. Allocating the quotas to front companies went against such understanding according to Nissen Chris of Sea Harvest (1999). Thus, in terms of quota allocation, African Blacks' representivity had not changed much between 1994 and 1999.



The Objectives of the study

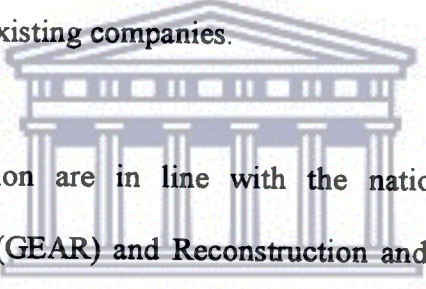
The aims of the study are to:

- Investigate why African Blacks are under – represented in the Mossel Bay hake fishery,
- Come up with recommendations for a more participation of African Blacks in Mossel Bay hake fishery without destroying the economic basis of the industry.

In his speech (20 / 8 / 1999) President Mbeki highlighted that there is a need to see what progress has been made in the transformation process. Also what has been done collectively to improve the situation in the communities such as those in Mossel Bay to better the lives of the people (Mbeki, 1999). The President also emphasised that the programmes on community development must be seen as part of national effort towards the development of the country

through partnerships between stakeholders, including people from the ground, for the benefit of all, especially the poor and the marginalised. However, the challenge is how to strengthen the partnerships and get people actively participating in all aspects of community life, in this case benefiting from the fishing industry that belongs to them.

The Marine Fisheries Policy for South Africa (MFPSA) (1998) prudently warns that, ensuring fair access and broader participation to marine resources should not be achieved at the expense of sustainability. Further, the argument went on to say, experience has shown that transformation will be a more gradual and multi-facet process involving not only new entrants but also black entrepreneurs in existing companies.



The objectives of transformation are in line with the national government's growth, employment and redistribution (GEAR) and Reconstruction and Development Programmes (RDP) policies, which support restructuring of the fishing industry in order to address the imbalances of the past. The Marine Living Resources Act (1998) is the legal instrument for transforming the fishing industry by removing obstacles to equal opportunities (Isaacs, 1999). Thus looking at why African Blacks continue to be under- represented in the Mossel Bay Inshore trawl industry even after the new Marine Living Resources Act that came into being in September 1998, could probably give some insight about the problems of entering the hake fishery in the Mossel Bay area.

Statement of the research problem

Recently, it has been reported that the Mossel Bay trawl fishery had been faced with some challenges in which the competition amongst the fishing companies was increasing. The handline sector of the hake fishery in this area, which has not been regulated for the past few years due to administrative problems, had grown considerably. An estimated 4 000 tonnes of hake were reported to be landing in the Mossel Bay port annually. All of a sudden the hake handline fishery became a sector in its own right during 2000 and anticipations were made that the licenses would be issued to applicants. This is where the problem started because all the applicants were expecting to be given rights to fish, especially the new entrants. Moreover, the hake longline fishery got underway again within a very short period of time. An amount of 10 000 tonnes had been reserved for this sector during 2000. This sector had been earmarked for new entrants and it had been anticipated as well that a high proportion of the rights would be allocated to previously disadvantaged individuals. Hopes were raised that amongst new entrants, more African Blacks would be accommodated as a way of broadening participation at local level. This had apparently been promulgated throughout the Marine Living Resources Act (1998) in which provisions on equal redistribution of access rights to fishery resources had been made. The Act highlighted, amongst other things, the need for greater participation by African Blacks. Despite this, their involvement in the industry particularly hake sector remains marginal. This has raised questions as to why is this the case? It has been observed that this fishing industry is still structured in ways that perpetuate the dominance of previously advantaged groups such as White and Coloured people at the expense of African Blacks in the area.

Research Questions

There are number of questions that can be asked in attempting to investigate the reasons why African Blacks continue to be under-represented in the fishing industry in Mossel Bay, particularly in the hake industry.

1. What was the representation of African Blacks compared to other racial groups pre-1994 and pre 1998 Act?
2. How has this changed after 1994 - 1997; 1998 - 2000?
3. Why the present trends?
4. What can we learn from these for improved redistribution and improved African Blacks' representation in future?



Methodology of the study

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This study was carried out using two methodological approaches. The first was to conduct a questionnaire survey and informal interviews. Secondly, use of secondary data in which various studies has been conducted within the same area and field. The questionnaire survey data was analysed using the Statistical Package for Social Sciences (SPSS).

The main sampling frame for the study was the population living in the area and fishing companies landing in Mossel Bay. Random sampling was used to select the individuals to be interviewed for the study. Effort was made to make sure that even within the random sampling strategy, the chosen sample would be representative of the population group. Thus the sample

constituted as much as possible of different age groups, those who were presently employed in the industry, those who have never been employed, those who got fishing permits and those who never got fishing permits. This included all racial groupings that exist in the area such as Whites, Coloureds and African Blacks. 57 interviewees were targeted from the categories mentioned above.

Choosing the sample for this research paper was informed by this study's objectives and the genuine interest of the researcher in maximizing accuracy of estimation in which to generalize the results of the study based on the sample chosen for the benefit of the whole targeted population. Furthermore, reviewing related literature that puts together the primary and secondary data in analysis enhances the research.

The logo of the University of the Western Cape, featuring a classical building with columns and a pediment.

The significance of the study

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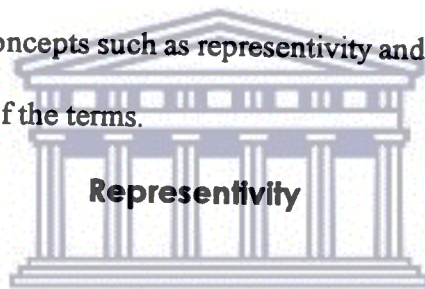
This study is important for various reasons that include contributing to knowledge about the factors that hinder meaningful participation in the fishing industry by African Blacks. Also it will put forward some recommendations about how to resolve such issues in the particular case of the Mossel Bay fishing sector. It will further give insights about how these complex issues could be resolved without endangering the Mossel Bay hake fishery. It is also hoped that the study will add to literature on the transformation of the South African fishing industry. This study is intended for all those who would like to make a contribution to bringing change to the fishery sector of this country.

The delimitation of the study

This study concerns investigating why African Blacks are the least represented in the Mossel Bay hake fishery even though they form the largest racial population group in the area. While the findings might be applicable to similar situations in other areas of South Africa, I would not claim that they could be relevant in all contexts and situations.

The definition of key terms

Firstly, a generic definition of concepts such as representivity and African Blacks is provided to gain a common understanding of the terms.



The concept representivity can be defined in many ways and give different meanings depending on the context and/or perspective one is tackling issues from. Representivity in this context means the extent of African Blacks ownership or control of quota holdings and employment in proportion to the total population. This includes also the number of African Blacks in terms of representation in the various sectors and at what levels within companies (e.g at management levels) in the hake fishery in Mossel Bay area.

African Blacks

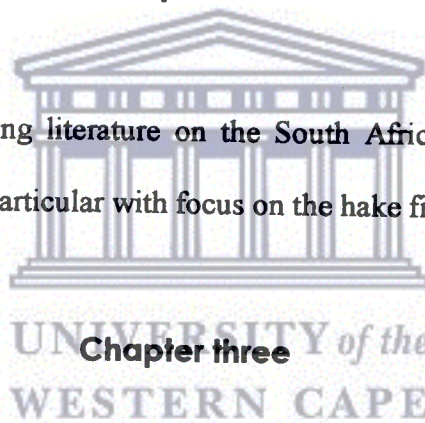
During Apartheid people of South Africa had been classed into various racial groups that included Whites, Indians, Coloureds and Africans. For the purpose of this study the focus will

be on those formerly classified as Africans. It is important to note though that in most recent literature Indians, Coloured and Africans are referred to as 'Blacks'. In the context of this study, African Blacks refer to the non-Whites, non-Coloureds and non-Indians. This is necessary because the present structure of the fishing industry was tailored along these racial lines.

Organisation of the write-up

Chapter Two

This chapter reviews the existing literature on the South African fishing industry and the Mossel Bay fishing industry in particular with focus on the hake fishery.



Chapter three

This chapter examines the demographics, economy and the fishery in the local economy of Mossel Bay using secondary information around these issues. Where such information is national in context and content, attempts are made to relate it to the local situation.

Chapter four

This chapter gives the results of the survey. Details of the questionnaires, sample size and other details of the sampling are attached in appendix 1. The data collected was analysed using SPSS

and pie charts were derived. These are used to show the results visually. This enables the reader to look at the results graphically as they are analysed.

Chapter five

This chapter discusses and deduces what we can learn from the results of the survey. It also gives the recommendations in alignment with the discussion of the findings. It also looks at what conclusions can be made from the findings.



CHAPTER 2


HISTORICAL BACKGROUND

Introduction

This chapter deals with the review of existing literature on South African fishing industry in general and Mossel Bay area in particular.

Historical Background of South African Fishing Industry and Mossel Bay Hake

Fishing Industry



It is of great importance as a starting point in attempting to address the historical overview of fishing in South Africa to state the role played by the apartheid system. The oppressive apartheid regime was primarily responsible for the immense problems facing the disadvantaged coastal communities today. In this respect fisher folks are described or viewed to have been exposed to a form of discrimination by the apartheid political system for a period of 40 years. Tremendous socio-economic differences that had been left behind by this system make South Africa one of the most unequal nations in the world in terms of income and distribution of wealth (Deng, & Tjonneland, 1996). Due to this legacy, approximately half or the majority of South African population are still living below the poverty line, lack skills and have high rate of illiteracy. The government is faced with a big challenge as to how to address such imbalances including racial divisions as stipulated in the Reconstruction and Development

Programmes (RDP)¹ document. The RDP document had two major and related objectives; to combat or alleviate poverty; and to re-construct the economy of the country (Deng, & Tjonneland, 1996). With specific reference to fishing industry, the primary objective of the RDP was stated as being the upliftment of the impoverished previously disadvantaged coastal communities through appropriate strategies

The fishing industry is a vital sector of South Africa's economy. The sector provides about 27 000 direct jobs in the commercial sector and a further 100 000 people are believed to be indirectly dependant on income derived from fishing. However, just like the many other sectors of South Africa's social, political and economic life, the country's fishing industry is still characterized by apartheid legacies. Until recently, the skewed distribution of quotas, company ownership and management control disadvantaged black people (Hersoug, 1998).

It has been highlighted that much of the literature on common property management assumes that local management systems are likely to better embody social justice. The expression of fairness in access to and distribution of the resource is often an important source of legitimacy and support for such systems (Davis, and Bailey, 1984a:). Furthermore, the authors point out that the missing element in much of the literature is careful consideration of power relationships within communities. Moreover, they argue that fishing communities occupy positions of socio-economic and political marginality.

¹ The Reconstruction and Development Programme (1994) document was a policy document that was drawn up by the African National Congress (ANC) meant to address the inequalities of the past in South Africa.

According to the Black Management Forum (BMF) (personal interview with Andrey, 07 June 2000), there is a big shift from the previous actions of the monopolistic approach by the big companies towards the participation of African Black small-scale fishermen. It is also mentioned that the Marine and Coastal Management (MCM) policies also provide for and encourage black participation in the industry but that the problem would be how to get the equipment like fishing vessels and other fishing related requirements. For example, in 1998 I&J sold 20 % of its shares to the empowerment group Siphumelele Investments that is partly owned by the Food and Allied Workers' Union (FAWU), Ntshonalanga Consortium and Dyambu Holdings (Argus 16 January 1999). It is agreed though that transforming the industry is going to be a long process, not an overnight job. It needs more people who are committed to the process. At the same time there is a need to develop management capacity in order to sustain business from year to year. At the moment few African Blacks participate in the fishing industry as reflected below. For instance, out of 394 people involved in the fishing activities in Mossel Bay, there are only 16 African Blacks, while there are 317 Coloureds and 52 Whites and 9 unspecified individuals. The question then is why it has been that very few African Blacks take part in the Mossel Bay fishing industry. Is it because the Coloured people were the first people to settle in the Cape? Is it related to the apartheid preferential labour policies? Or is it because most of the African Blacks are from the remote areas of the Eastern Cape far from the coast with no background in fishing. There is a close connection between Mossel Bay and the Eastern Cape, which is facilitated by good public transport between the areas. This means that job opportunities in Mossel Bay are taken up very rapidly by people from the Eastern Cape. This means that the skills that one needs to have before entering the industry especially for the first time may be crucial. If so how do the existing stakeholders try to work out ways to

address such problems in order to transform the industry? If opportunities are there for more African Blacks to enter, would there be means in as far as finance is concerned to assist those who might have potential but do not have the financial means?

In addition, how could a more equitable and fair distribution of opportunities and resources be achieved without destroying the economic base of the industry? The analysis will try to come up with mechanisms as to how to address these problems concerning how to increase the participation of African Blacks without jeopardizing the industry.

It is hoped also to bring into the policy maker's attention the importance of black participation in their respective local fisheries. This is also a way of adhering to RDP principles, which is to distribute the wealth of the country among its inhabitants in a more equitable manner. The document aptly states "Marine living resources must be managed and controlled for the benefit of all South Africans, especially those communities whose livelihood depends on resources from the sea" (RDP preamble, 1994).

Studies of the fishing industry in the area have provided detailed information on the fishing effort in this area and surroundings from the late 1800's (SECIFA, 1996). The literature clearly stated that the inshore industry has been developed since the early 1950's and demonstrated the persisting community fishing traditions and struggles, which continue to exist up to the present moment.

A study by the South East Coast Inshore Fishing Association (SECIFA, 1996), an industrial body representing the interests of inshore trawler owners in the region, was conducted in 1996. The study was aimed at describing aspects and components of the Inshore Demersal Trawl Fishery. The purpose of the document was to provide a general overview, as background to the discussion and deliberation concerning national fisheries policy, quota allocation and access rights. The study provides an in-depth description of the fishery itself and the lot of activities that have been taking place within this sector. But it does not say anything about the equal representation of different racial groups that exist in the area. The document points out that the continued stability and economic viability of the fishery will depend on sound management measures and a realistic allocation of quota species in an area recognised for a high diversity of fish species (SECIFA, 1996).

The findings as indicated by the SECIFA report demonstrated that the industry in its totality recognised that there is a demand by new applicants for access to the fishery industry particularly from the disadvantaged groups but that nothing has yet happened to accommodate such people especially the African Blacks. It was emphasised that the allocation of any additional access rights should also recognise the rights, the economic costs involved as well as the historical experience of the existing quota holders (ibid.). Furthermore, the main concern was to ensure the rational use of marine resources in the area concerned and the optimal use of quota allocations, which the current study began to identify, and that the needs of African Blacks were not adequately addressed with particular reference to equal access. In addition, this study revealed that this industry was community based meaning that it basically commits itself to improving the quality of employment and conditions of services for the Mossel Bay

communities. It is also described to be labour intensive and that the majority of employees were drawn from the region. It did not specify though from what racial group most of the employees were drawn.

The study by Japp (1998:1), “The handline Fishery for Hake (*Merluccius Capensis*) on the South Coast: An Industry Perspective” is more or less the same as the study by SECIFA in the sense that the focus was on the socio-economic aspects of the industry. The intention of the study was to get opinions before taking any decisions for the future of the hake handline fishery in the Mossel Bay area by the Marine and Coastal Management. It had been stated that historically, this sector could be traced back to the late 1980’s. It was a well known fact that fishing activity generally is seasonal. Species that used to be targeted in this area were squid and linefish. Lately, there had been exploration for the potential for alternative resources in the region to keep the vessels and the crew economically viable for as much as the year long. While history tells us that hake had always been caught by commercial handline fishers, it does not mention anything about the participation of African Blacks, which seem to be a serious concern for the study.


The study by De Swardt, C. (1999:1) on economic aspects of the “handline caught hake sector” between Mossel Bay and Plettenberg Bay, was of similar nature with the other two studies, which have been discussed already. Even though it was argued that the available time was not enough to do a comprehensive analysis of the matter, some investigation and analysis was done out of which certain conclusions were drawn. The main purpose of De Swardt’s study was to look at the ever increasing number of vessels targeting the hake between Mossel Bay and

Plettenberg Bay and whether this benefited the region economically. The other most important issue that had been brought forward in this study was the fact that beside the specified increasing number of vessels that proved to be targeting this species, there were also many other commercial or semi-commercial operators who were catching hake opportunistically, while on the other hand there were also substantial number of recreational fishers that also targeted and sold this species illegally. The study revealed that this had contributed a lot in bringing down the rate of unemployment, which seemed to be an endemic feature in the region. Nevertheless the African Blacks' interests are not particularly given fair consideration in either of these studies as a racial group that had been denied opportunities for a long time.

The findings demonstrated that the sector made a great contribution to the economy of the South / East coast region in terms of job opportunities as well as earning foreign currency (De Swardt, 1999). An important conclusion drawn from the study was that since this sector was not initially recognized and previously not included in the Total Allowable Catches (TACs) for hake in this region a certain number of tonnes about 2500 tonnes during the year 1999 was reserved for the sector in the region. The study envisaged that from the economics' perspective it made a lot of sense to support this sector and recognize it formally as an additional method of hake fishing to the existing trawl and longline methods. This would also help to redirect some of the effort away from the over exploited traditional linefishery and to ensure that more people had access to fishing. It further argued that access should perhaps be limited to vessels of the region only and that it would also be necessary to apply the existing control and regulations as illegal activities of recreational fishers are prevalent in the area. This study seems to have been

much more concerned about the people who have the means to survive in the sea and do not care much about those whose access was restricted or blocked in the past.

This proves that this study is not a repetition of any of the studies that had been conducted in this region. In other words the above mentioned studies allow one to take an opportunity of looking at what seems to be a pitfall in the already taken up research studies around this area. This however, does not suggest that this study will be able to cover all the issues around this matter. It hopes to bring up some of the most pertinent concerns with the sole aim of making contribution to the policy-making processes and that of bringing change to certain individual's lives.



The study by Gxanyana, M. (1999) is one of the important studies of its kind. It was about restructuring the fishing industry towards sustainable measures, which brings to everyone's attention a common understanding of "managing the natural resources to meet the needs of our people and future generations in a way that is sustainable". While this study was of the same nature and scope with the aforementioned studies in that it focused on socio-economics, it was different in that, it tried to address the needs of the previously disadvantaged group in general which are also applicable to the Mossel Bay situation. For instance, the study refers to various changes that had taken place in the hake sector since 1993, whereby four new entrants had been awarded a tonnage of 4000. It pointed out that in 1996, thirteen new entrants were introduced to this sector, which ended up increasing the tonnage to 8462. This shows that some change had occurred in this sector. It had been highlighted also that in 1998, the tonnage for thirty-two participants in this sector was reduced to 13445.5 tonnes. The irony about this was that as the

number of participants increased, the allocated tonnage decreased. This resulted in some new entrants being left with paper quotas, which many ended up selling for quick cash. That in a way hampered the whole concept of development because it did not serve the purpose intended.



CHAPTER 3

THE DEMOGRAPHY, ECONOMY AND FISHERY OF MOSSEL BAY AREA

Demographic and Economic Profile

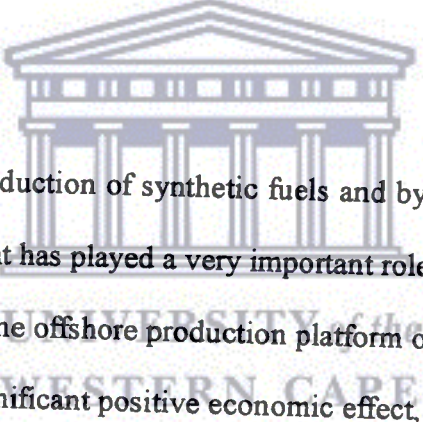
It is currently estimated that the population of Mossel Bay is 61 722 inhabitants. There are projections that by the year 2020 the population in the area will double the existing number (Mossel Bay Local Economic Development Study, MBLEDS, 1997).

The rapid population growth is attributed to the development of Mossgas, which led to the migration of most African Black people from the rural areas of the Eastern Cape. The population of African Blacks grew from 4590 to 23600 within the five years between 1985 and 1990. In the short run more workers were needed for the construction of the plant, while the permanent employment was offered to approximately 1000 people from all racial groups that exist in the Mossel Bay area (MBLEDS, 1997). This coincided with the easing of the influx Control regulations and the Coloured Labour Preference Policy in the Western Cape region. Apparently this has created a huge problem for the new local authority because the towns did not adequately plan for this level of population growth or investment in disadvantaged communities. As a result of the massive urbanization, the new local government operating within limited resources is confronted with the problem of how to accommodate the huge influx of people and to provide them with basic needs.

The Study by Mossel Bay Local Economic Development (1997) reflected that, Mossel Bay developed linearly along the coastal shoreline with the Mossgas development at the core. The Industrial site, which is concentrated around the harbour separates the residential and tourist sites. The Tourist sites are based mainly along the beach and river mouths to the east. There is a small Central Business District (CBD), that is relatively well developed.

Mossel Bay is apparently not different from other South African towns; it has distinct African, Coloured and White residential areas. Most Whites live nearer to the CBD and along the coast while most Coloured people live in an area named D'ALMEIDA, which is in the northwest, and African Black people live in Kwa-Nonqaba on the west of the city. The poorer communities, which are the African Black people, have the least amount of facilities as compared to their counterparts in the area. For instance, many houses had been built in the area to replace shacks but even today further proposals for more houses to be constructed within a very short period of time could be welcomed due to the influx rate. The new local government structure plans aim to consolidate Mossel Bay as a tourist hub with safe and aesthetically enhanced living conditions that include suitable water supply systems and proper sanitation services as well as road improvements for all people of Mossel Bay. According to the presidential speech, 20 August 1999, it is agreed, "only through community involvement in all matters concerning them can their quality of lives be improved". By so doing, that will reflect creative power of the community at work, creating a better society for all, and shall then see change at a local level impacting on the province and the entire country, bringing into being the caring nation (Mbeki, T. 1999).

This harbour town is situated 385 kilometers east of Cape Town. There is a road and rail network that is connecting Mossel Bay to consumer markets as well as industrial zones in Southern Cape. This beautiful old town overlooking the bay with Robeiland ("Seal Island) just off the coast is served by a national airport, in George, 50 km away. Mossel Bay has always been a fishing port of substance with limited commercial cargo activity. More recently, it has served the oil industry. These industries have played an important role in the development of the port. Mossel Bay is the only South African port that operates two offshore mooring points within port limits. It also serves as the oil rig supply boat base. The town together with Plettenberg Bay are the hub of the South coast's fishing industry and most of the local trawler fleet use the port as a base.



The Mossgas project for the production of synthetic fuels and by-products from offshore gas was launched in 1987. This plant has played a very important role in this area for job creation purposes. It owns and operates the offshore production platform on the FA field as well as the onshore plant. Mossgas has a significant positive economic effect, particularly in the Southern Cape region. It employs just over 1 000 people directly from all racial groups. According to the results of an official survey, which was conducted in 1995, the company indirectly creates another approximately 7 000 job opportunities. Of these 3 000 are in the Southern Cape. Since then, Mossel Bay has developed considerably and new industrial sites have been made available to cope with projected expansion.

It is understood that the company acknowledges the importance of social investment, particularly in its hometown of Mossel Bay. The main focus in this regard is on primary and

secondary school education, adult education and economic empowerment of the previously disadvantaged communities. Each of the more than 30 State or State-supported schools, including farm schools, in this area received an annual grant from Mossgas, based on a sliding scale which takes school and community need level, as well as pupil numbers into account. This company is offering an opportunity to a group of matriculants from disadvantaged communities around the area to improve their matric results in mathematics and physical science and enables them for levels required for admittance to tertiary education. Bursaries for further studies are granted to top performing students.

The economy of Mossel Bay developed around Mossgas. Tourism according to (MBLEDS, 1997) began as a cultural activity in the 1930s. It is well understood as a major economic activity with an enormous impact and a significant contribution to the local Gross Domestic Product (GDP). It is agreed that even though tourism has an impact on the economy in the area, still there is potential for increase. The tourism market is mainly domestic with estimates of peak season visitors approximately between 50000 and 90000 (MBED, 1997). According to the Structure Plan (1995) as indicated in the report by Mossel Bay Local Economic Development Study (1997), Mossel Bay is likely to continue its main function as a holiday and tourist destination. This is because of Mossel Bay's position on the coast as well as the tendency, which has been for development to follow the coastline in a linear manner. For instance, a casino and other developmental plans had recently been implemented which obviously has a positive impact on the local economy.

Inshore fisheries

Sims (1999) points out that the Mossel Bay fishery was allocated 9834 tons of hake and 872 tons of Agulhas sole the year 1996. He also mentioned the fact that within that allocation, there was a progress in terms of job creation and that it ensures year-long fishing, providing permanent employment to local people.

Mossel Bay is situated on the South East Coast, which is less productive compared to the west coast. This town shares the fishing activities with Plettenberg Bay, which is east of Mossel Bay. Mossel Bay is the hub of the South coast's fishing industry and most of the local trawler fleet uses the port as a base. Its inshore based trawling industry is currently an important component of the economy of the whole region in the Southern Cape, with its demersal fishing activities on the Agulhas forming an integral part of the national demersal fishing efforts (MBLEDS, 1997). Furthermore, out of 4400 tonnes of longline hake quotas that were allocated for 1998 only 100 tonnes was allocated to three closed corporations in Mossel Bay and those were Coloured groups. For 1999 allocation it was agreed that some more quotas must be set aside only for the disadvantaged community but in the end only one more close corporation received a quota this was also from the Coloured community.

Few Africans Blacks are taking part in the activities of the inshore fishery. The Inshore fishery is described as a multi-species fishery with fishing effort directed mainly at hake and Agulhas sole but also to squid jigging and line fishing and other species. The South East Coast Inshore Fishing Association (SECIFA), which is an organisation representing 11 quota holders,

operates 33 boats. Their report (SECIFA, 1996) describes the Inshore Demersal Trawl Fishery in this particular area.

Employment situation

A limited number of research studies have been undertaken within the Mossel Bay fishing industry, which provides information that will be used in this study. The population below the age of 15 for Coloureds and Africans were 33,5 % and 37,9 % respectively. The percentage of the two population groups above the age of 65 was 3,4 % for Coloureds and 3,3 % for African Blacks. From these figures, it can be deduced that in the Coloureds community 63 % of the population was economically active and 58,8 % of the African Black population was economically active. Based on the estimates, the Labour Forum (1994) estimated that there were 30,000 economically active people living in Mossel Bay. It was estimated that the rates of unemployment in the whole community were 40-50 % among Coloureds and 50-75 % among African Blacks (MBLEDS, 1997).

The employment situation is likely to have worsened since then, as some factories and manufacturers have closing down and moving somewhere else. For instance recent closure of the Langeberg, which used to be a food manufactured canned fruits and used to employ large number of employees both Coloureds and African Blacks seasonally. The company contributed a lot in bringing down the level of unemployment in this area among the young and the elderly because during school holidays school students used to be given casual jobs (MBLEDS, 1997).

A large number of women used to be employed in the processing department. For unknown reasons, the company closed down and moved to Ashton, few kilometers away from Mossel Bay, increasing the unemployment in the area. One sector that is a significant contributor to the local economy is the service sector which is comprised of local branches of major chain stores, major banks etc that service the district. See Table: 1 below

Table 1: *Economically Active Population in Mossel Bay*

1995	Between ages 15-65	Economic Participation rates	Economically Active population
<u>Coloureds</u>			
Male	6171	76.9 %	4745
Female	6449	54.7 %	3528
Total	12620	65.1%	8217
<u>Africans</u>			
Male	6841	70.7 %	4837
Female	6683	46.8 %	3128
Total	13524	58.9%	7965

Sims (1999) stated that approximately 80% of White owned small ski-boats and deck-boats fish for hake using handline in this area. Apparently, this sector is new and illegal. But it was hoped that this could provide new access rights because of its contribution to the alleviation of poverty in the area. It was estimated to be employing approximately 400 Coloured fishers from the local communities on a part-time basis. The industry is driven by the export value of line

hake. The export value of the 1998 catch by this sector was between R60 and R66 million.

Apparently, approximately R16 million has been re-invested in infrastructure.



Industrial Sector

The other most significant employers are Irvin & Johnson, Sea Harvest, and the building industry. There are also small companies such as Viking fisheries, Manny's Fisheries and Almero fisheries. All these are mostly white owned.

Table 2: Summary of employment in the Town's industries

Company	Estimated number of employees
I & J including boats	300
Sea Harvest	200
Nestle'	200
Building Industry (peak)	1,500
Retailers (national chain stores)	400
Other retailers	100
Port net	100
Viking Fishing	100

Fishing Industry

Development of the Inshore Trawl Fishery and Introduction of the Quota System

The established companies such as Irvin & Johnson and Sea Harvest have monopolised the industry ever since they started operating in the area. As a result, very few African Blacks are to be found in the sector as quota holders. The fishery operates between Cape Agulhas and Port Alfred and seawards to approximately 150 m depth. The inshore is situated along the South and East Coast mainly between 20 E in the west of Cape Agulhas and 27 10 E in the east of Great Fish River. The report by SECIFA (1996) reveals that in this region, i.e. Southern Cape, there are three commercial fisheries that are active. They are inshore bottom (demersal) trawling, squid jigging and line fishing. The main species that are common to all the three sectors are the shallow water hake, chokka squid and kob. This inshore trawl fishery is described as a multi-species fishery with fishing effort directed mainly at hake and Agulhas sole and others. The annual catch of 15 000 tons consists of 55 % hake.

Handline Fishery

Previously, the handline catches were not included in the TAC for hake in this region. In 1999, the Minister had authorised that 2 500 tonnes of the TAC to be reserved for this sector due to the ever-increasing effort between Mossel Bay and Plettenberg Bay. The report on economic aspects of the handline hake catch sector (1998) envisaged that there seemed to be at least 120 licensed commercial or semi-commercial operators (A or B permit holders) in the region that target hake. In addition, there are many A and B permit holders that apparently catch this

species opportunistically, while on the other hand there seemed to be also a substantial number of recreational fishers that target and sell the same species illegally. Three types of vessels have been identified that use this type of method to catch hake in this region. These are catamarans, which accommodate up to 24 people, deck boats that carry between 12 and 15 people as well as ski-boats that can accommodate between 2 and 8 people. It is highlighted that there are currently 94 ski-boats, 11 catamarans and 15 deck-boats that are active in this region.

The main question is the one of resource allocation

In political terms, fisheries are considered to be an important element in the national economy and a potentially powerful engine as well for growth and redistribution. Although the fishing industry contributes only 0,37% to the national Gross Domestic Product (GDP) MBLDES, (1997), the role of the fisheries should nevertheless not be taken for granted. In Mossel Bay, it provides employment in this poor coastal town, which has limited employment opportunities. Another important issue is the contribution towards foreign exchange, through export of fish landed in Mossel Bay especially hake. Also the informal industry provides food and some cash to a large number of the subsistence fishers as well as the recreational activities, nationally is estimated that there are 700 000 recreational fishermen. The sector creates important economic activities in related sectors such as tourism. But whatever the case might be, the fishing industry, including the subsistence and recreational sectors, will never deliver on the new employment needed to overcome the present level of unemployment and poverty in this community, unless it is well structured or transformed so that all the inhabitants can benefit equally. In addition, the new handline sector that exports hake to international markets, which

was previously excluded in the TAC for hake evidenced by the final track in 2000, 5500 tonnes was reserved for the sector.

Black empowerment

Black empowerment has been a buzzword although in practical terms not much has been done at all. So it is important to put in place some strategies to change the existing framework in order to close the existing disparities between the poor and the rich within the same community. Hersoug (1998) suggests, that it could be a nice start if few selected black applicants could receive minor quotas as part of affirmative action on trial basis for a shorter period. Alternatively to encourage those most affected in this case the African Blacks to mobilise themselves to form black consortiums in which a variety of black interests would be presented in a more organised fashion. The problem though is that most African Blacks are not very familiar with most of the activities of the sea, lack skills, education and equipment. It is highlighted by Hersoug (1998) that 'one cannot be part of something if one is not involved in control'. In essence, involving African Blacks directly in the operation of the fishing industry would make a difference in the community in question.

Fisheries can only to a limited extent, meet the economic expectations of African Blacks. The resources are limited and nearly fully utilised already. The new regime, which is handling the whole situation, is still at an early stage, which probably makes it difficult to get things done in terms of transforming the industry because of some stereotypes within the industry. In this regard, there is need to have agents of change to drive the process. The basic idea is that things

will not change as fast as expected, because the people in control may not want others in. This also implies that making the administration, especially the allocation process more transparent, will probably increase the legitimacy of the system.

According to the MBEDES (1997), in 1995 approximately 80 % of the inshore demersal catch was landed and processed in Mossel Bay. This is rendering a vital component of the economy to South Coast region. According to Sims (1999), quota holders that were based in Mossel Bay then were only seven; at Port Elizabeth were only three and only one at Hermanus. Thirty-five trawlers were indicated to be active at the time in the fishery which clearly showed that there was a slight change. There are three fish processing factories in Mossel Bay namely I & J (Irvin & Johnson), Sea Harvest and Viking. Sims (1999) also revealed that approximately 800 people were employed on land and at sea on permanent basis.

In as far as fishing activity is concerned, there are approximately 730 fishers involved in handline hake fishing. While 80 % of ski boat skippers are white, the majority of fishermen are Coloured from the local communities with very few Africans Blacks, (report on economic aspects, 1998).

The revised Fishery's Act of 1998; what opportunities does it offer for the previously disadvantaged?

Since 1994, the first democratically elected government has attempted to put in place various measures to limit monopolies, increase user participation in the management, and to empower

local fishing communities. The government produced the main policy document, the Marine Living Resource Act, 1998 to be used as a guideline. One of its fundamental aims as stated is broadening access to marine resources through economic growth, human resource development, employment creation as well as sustainability of the resource. In particular, the legislation is geared towards addressing the redistribution of resources equitably so as to address the past imbalances, particularly in favour of communities that were marginalised and to the small medium - size enterprises (SMMEs), so as to reduce the monopoly or concentration of resources of the industry in a few companies (Gxanyana, 1999).

The new fisheries policy serves as a legal framework through which to remove obstacles to equal opportunities in the fishing industry. Hersoug (1998) highlighted the point of departure as to the reason why the new fisheries policy had to emerge in the first place, including its content. By June 1996 the discussion Document of the Fisheries Policy of South Africa (FPSA) came into being. The outcome of the Fisheries Policy Development Committee (FPDC) as it is presented in the FPSA is that all marine resources are 'a national assets and heritage of its entire people' and the custodianship is vested in the State. In essence, it is the responsibility of the state to allocate access rights to utilise the resources. Furthermore, access rights should be allocated to existing and proposed users, based on a set of agreed criteria such as capability, historical involvement, past performance, contribution towards the development of fisheries, labour relations and social responsibilities.

Given the above scenario and the stated aims of the new fisheries policy, it is of great importance to highlight the fact that if black participants are not taken into consideration in as

far as quota allocation is concerned, the redistribution of quotas and access rights as stipulated by the new fisheries policy (1998) will be less meaningful. One of the stumbling blocks in the new policy was the stated principle that there will be 'no arbitrary or sudden removal or decrease of the access rights of any holder and that restructuring and broadening of the participation will be carried out with the objective of maintaining stability within the fishing industry' (Hersoug, 1998).

In addition, the marine resources are divided into groups so that different regulatory measures can be used. Hersoug, (1996) explains that these regulatory approaches are catch control, effort control, marine reserves, user zones, closed season, size limits as well as gear restrictions. Thus fisheries administration is forced to prioritise the use of the limited control, monitoring and surveillance capacity to the most valuable resources. The different user types should be divided into four groups as well. These are the industrial and semi-industrial, subsistence and recreational, each with specific rights and obligations. Furthermore, policy was made on foreign fishing, which would not be allocated resources, except as part of joint ventures on conditions that the fish is landed in South Africa, and as well vessel crewing approximately 80 % of South African citizens. It was argued also that there would be continued institutional arrangements that favour a separate Ministry of Fisheries and Marine Resources, with the Chief Directorate of the Department of Sea Fisheries now known as the Marine and Coastal Management (MCM), which shall continue more or less as in the past, but enhanced with the advice of economists and sociologists. A type of co-management was proposed where the essential issues affecting the industry at large would be discussed in various management forums, with the old, established interest groups and the newly established Fishing Forums

(Hersoug, 1996). For example the development of Small Medium Enterprise Forums (SMMEs) and other transformation structures. This development must be part and parcel of the country's Macro Economic Strategy that aims at achieving distribution of wealth and job creation. Also, there was a need to have skills development programmes which seemed very urgent as well as critical if the SMMEs are to be the pillar of the industry in question. The understanding at the present moment is that so far, the skills are still to be found within big business that is largely white owned. There is a need to develop SMMEs entrepreneurs in particular from the marginalised communities because generally speaking fishing is a unique business, so failure to develop this section will affect the restructuring process in a large scale (Gxanyana, 1999).



With regard to the above analysis, it becomes an important exercise to engage people from the coastal communities such as Mossel Bay. In the present case study conclusion can be drawn that people from the African Black community, need some form of involvement in any arrangements to be made to bridge the gap which was created by the apartheid system. For example, before embarking on any co-management arrangements as proposed by Hersoug (1996) having some local people within the forums to voice the community's concerns will be vital. Looking at the stated objectives of equity, redistribution and local community empowerment as envisaged in the new Act (1998), it becomes imperative to investigate and find ways in which people from disadvantaged groups that happened to be part of coastal communities can access the resources that they are entitled to.

CHAPTER 4

RESULTS OF SURVEY CONCERNING AB REPRESENTIVITY IN THE MOSSEL BAY HAKE INDUSTRY

This chapter deals with the presentation of results of investigations, about levels of representivity of African Blacks (AB) in the Mossel Bay fishing industry and the reasons thereof. The people interviewed included those directly involved in the industry and those who do not have any direct involvement with the industry. Also, two companies and three new entrants were interviewed.

The outline of the results under review will be based on a few selected themes. These include racial composition of staff at established fishing companies; How people gained entrance into the industry and years of service; levels of education of both those within and outside the industry both (Coloureds and African Blacks); Sectors that most Coloureds and African Blacks are found to be employed in the industry and the training they received; means used to earn a living by the unemployed; and problems that new entrants encounter. These survey results are outlined below under the main themes.

Racial Composition of Staff in established companies

An investigation was carried out about the racial composition from three different sectors, namely management, catching sector and processing at two different companies (here referred to as companies A and B). In addition, the enquiry involved whether there had been any changes since democracy in 1994. These periods were categorized as pre -1994, 1994 to 1998 and post 1998 after the MLRA was passed and /or promulgated.

At company A, there were no AB at management level, while Coloureds composed of 25 % and Whites composed of 75 % of the management. Even in 2000, this had not changed (Table 1). The other two sectors, catching and processing, were dominated by Coloureds. Whereas there had been some AB employed in the catching sector post 1994, none had entered into the processing sector. Similar trends could be seen at company B, with the slight difference that a higher number of AB had entered the catching sector than in company A. Also a few AB had been employed in the processing sector.

Table 1: Racial composition of Staff at company A

Period	Management			Catching sector			Processing		
	AB	C	W	AB	C	W	AB	C	W
Pre-1994	0 %	25 %	75%	0 %	100%	0 %	0 %	98 %	2 %
1994-98	0 %	25 %	75%	1 %	99 %	0 %	0 %	99 %	1 %
Post-1998	0 %	20 %	80%	9 %	90 %	1 %	0 %	99 %	1 %

Table 2: Racial composition of Staff at company B

Period	Management			Catching sector			Processing		
	AB	C	W	AB	C	W	AB	C	W
Pre-1994	0 %	0 %	100%	30 %	70 %	0 %	5 %	95 %	0%
1994-98	0 %	42 %	58 %	30 %	67 %	3 %	7 %	93 %	0 %
Post-1998	0 %	45 %	55 %	33 %	64 %	3 %	10 %	90 %	0 %

Gaining entrance into the industry and years of service

Of those in the industry that were interviewed, the largest group 42.1 % said that they had got jobs through the assistance of other people who were already in the industry. Second largest group (31.6 %) said that they had entered the fishing industry through a process of formal applications while 26.3 % said that they got into the fishing industry because it was family business (fig 1).

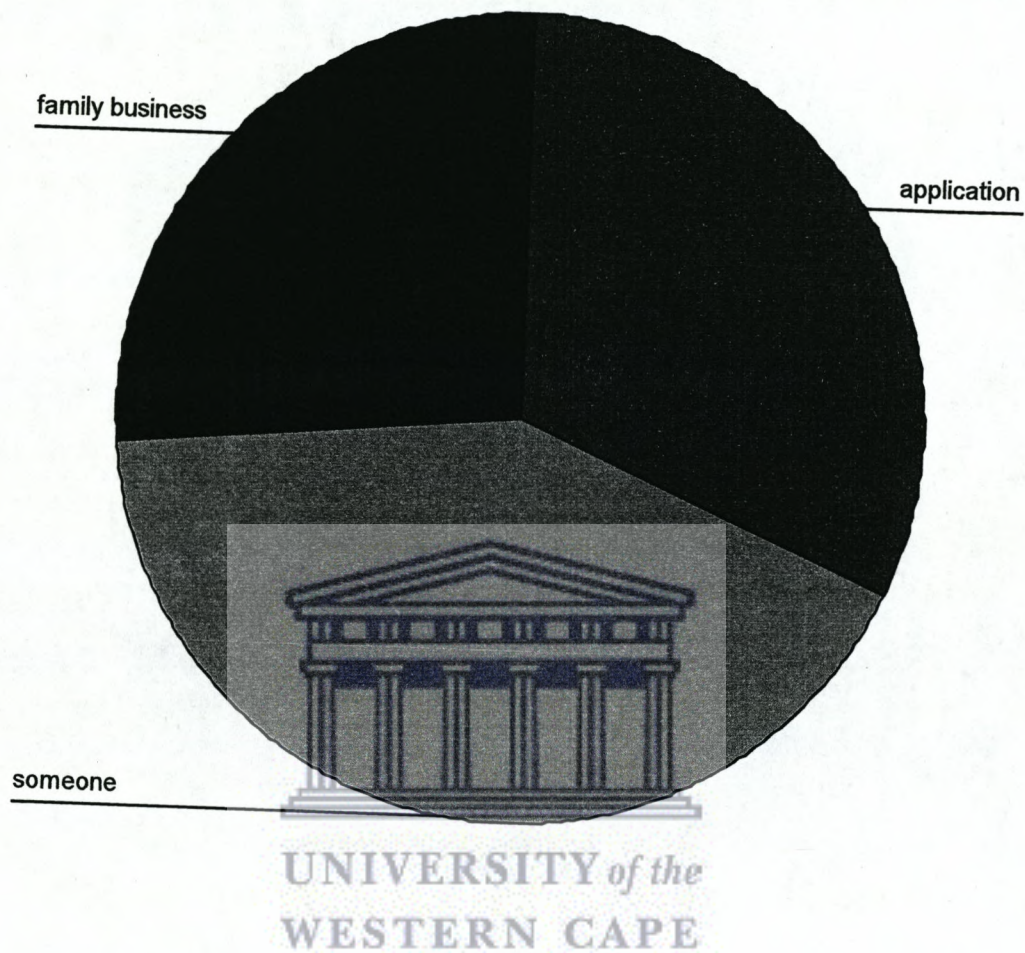


Fig 1: How did you find your job?

A question was put to those in the industry as to how long they had been working. Of these 42.1 % had been working in the industry for about 1-2 years. The next largest group (36.8 %) had been working in the industry for more than ten years. About a fifth had been working in the industry for 3-5 years (10.5 %) and 5-10 years (10.5 %).

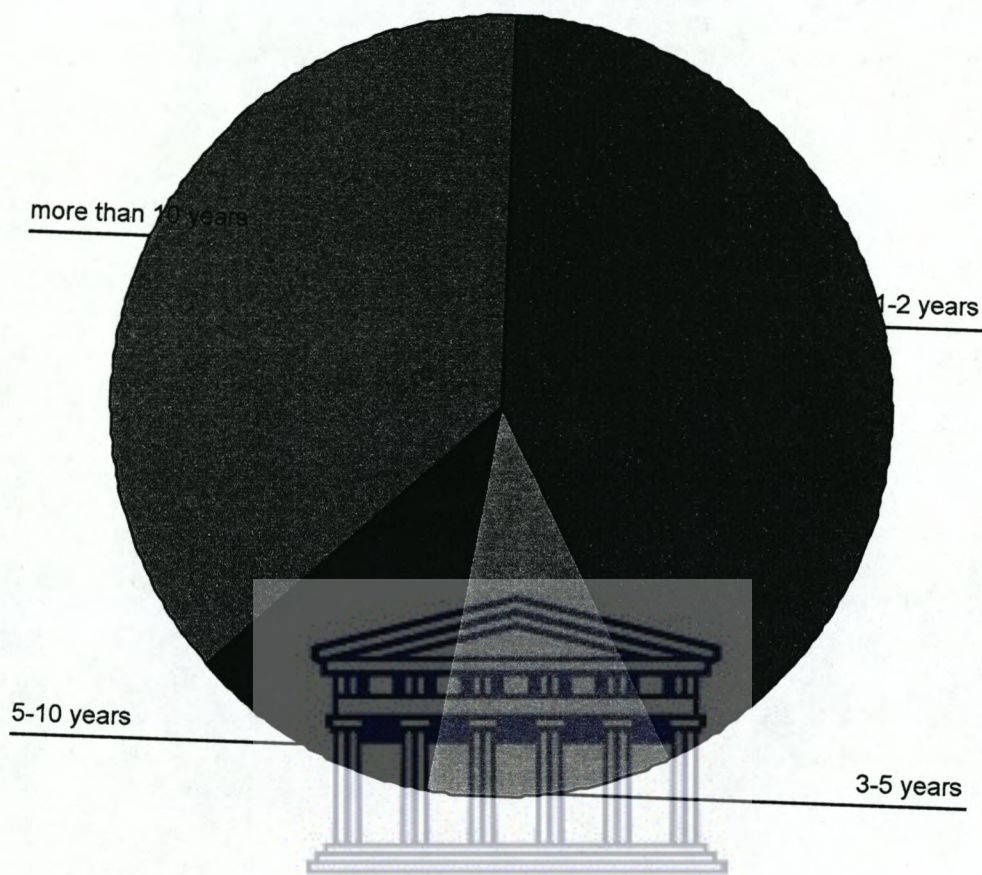


Fig 2: Years of working in the industry

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African Blacks that are not in the industry were interviewed as to why they were not in the industry. Of these, the majority (41.1 %) pointed out that they were not in the industry because of the lack of opportunities due to low historical involvement. The next largest group (27.6 %) indicated that they are being left out because of their lack of necessary skills to carry out duties in this industry. The third largest group (20.7%) said that they did not have interest in working in the fishing industry at all. The least group (10.3 %) argued that the dominant language in this fishing industry is Afrikaans, which marginalised them, as they cannot speak the language.

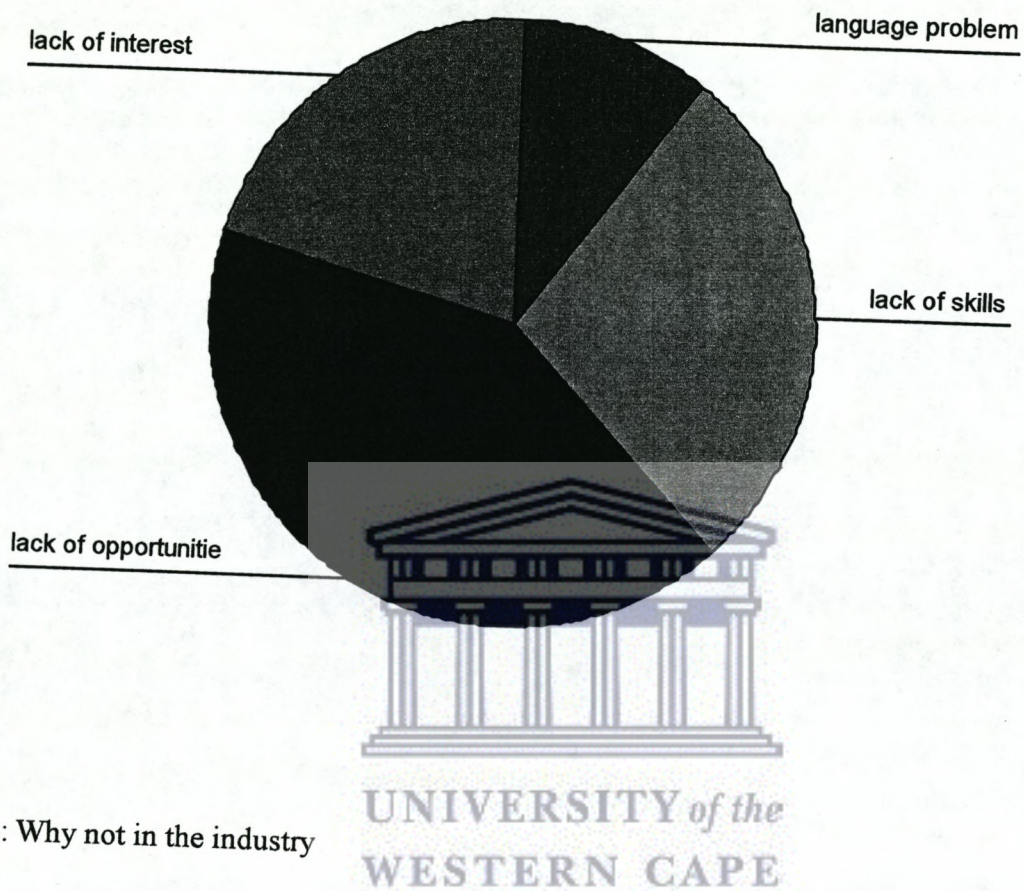


Fig 3: Why not in the industry

African Blacks were also interviewed as to whether they had any problems about joining the catching sector. Of those that were interviewed, most (65.5%) said that they had no problem going out fishing, only about 34.5% said they had problems with regards to going out fishing.

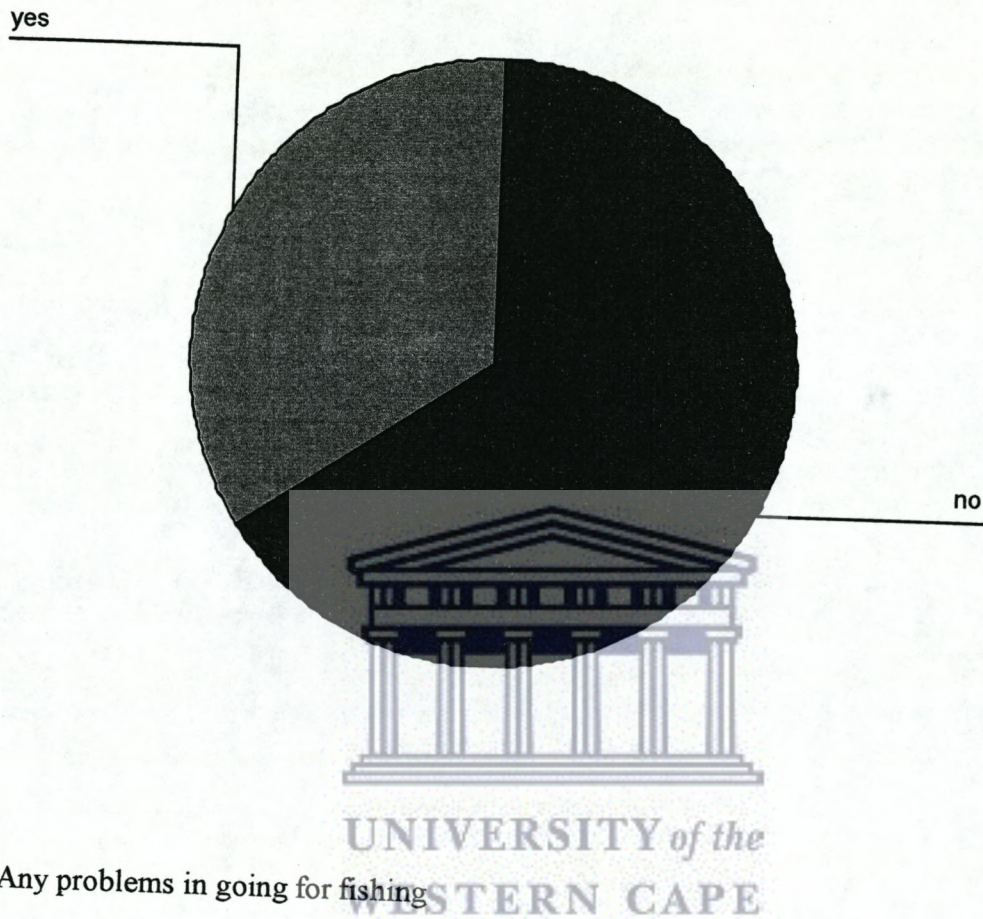


Fig 4: Any problems in going for fishing

Academic Qualifications

Of those working in the industry, that were interviewed, 57.9 % had secondary school education while 26.3 % had only primary school education. Only 15.8 % had a matric certificate (fig 5). Similar trends were noticed about those not working in the industry (refer to fig 6). Of those interviewed in this group, 44.8 % had a secondary school education, 20.7% had

only primary school education and 20.7 % had matric certificates. 10.3 % had diplomas, while rest (3.4 %) did not specify their academic qualifications.

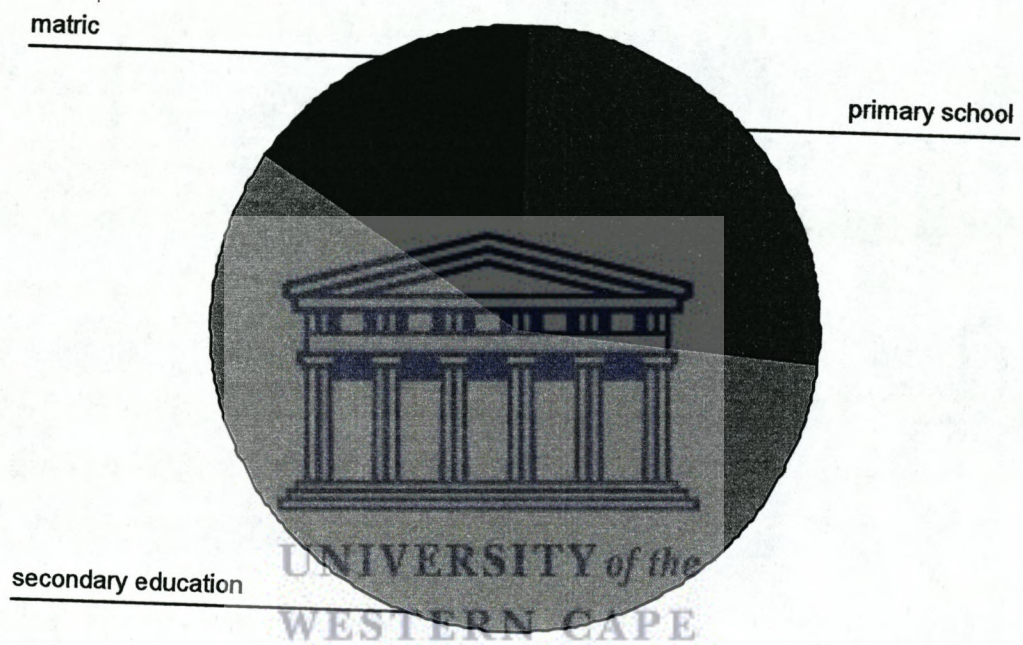


Fig 5: Levels of education of those in the industry that were interviewed

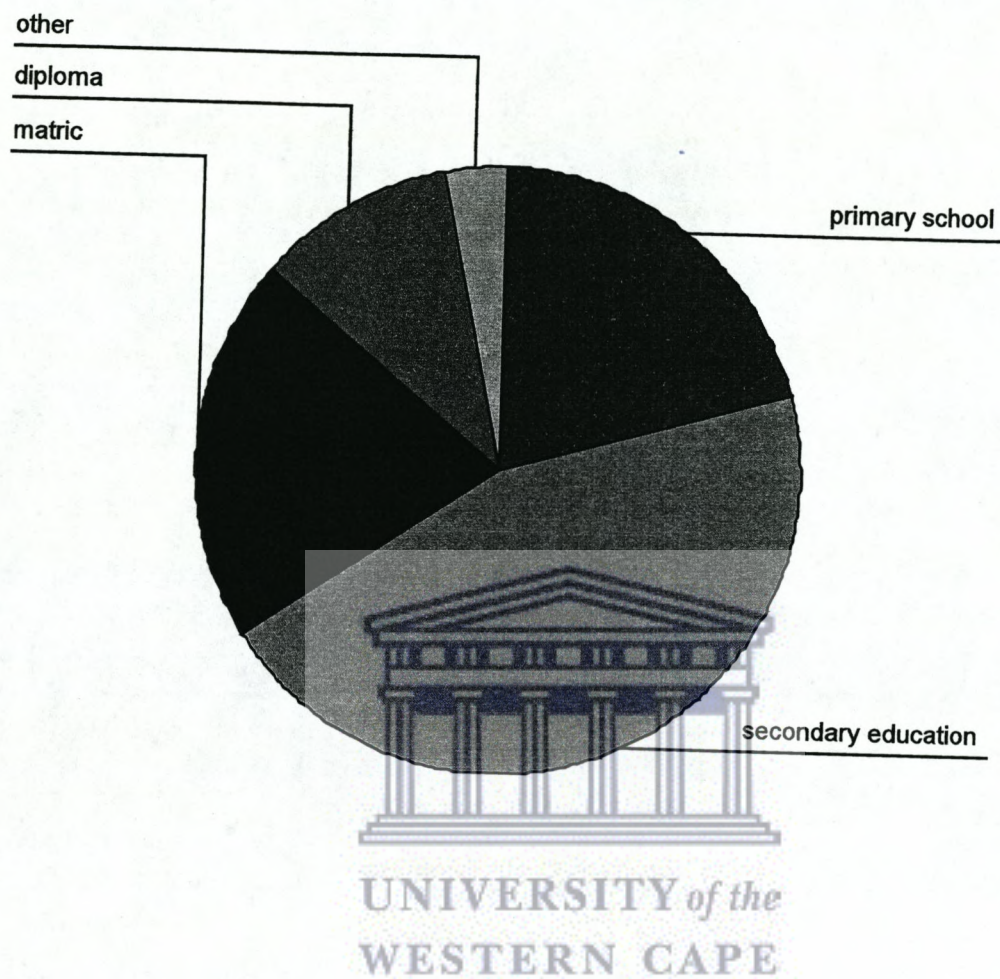


Fig 6: Levels of education of those not in the industry that were interviewed

Placement and Training

The fig 7 above shows that of the AB and Coloureds working in the Mossel Bay fishing industry, 63.2 % were working in the processing sector while 21.1 % were employed in the catching sector. The rest (15.8 %) were employed in the administration and managerial section as supervisors, section managers, clerks or finance section.

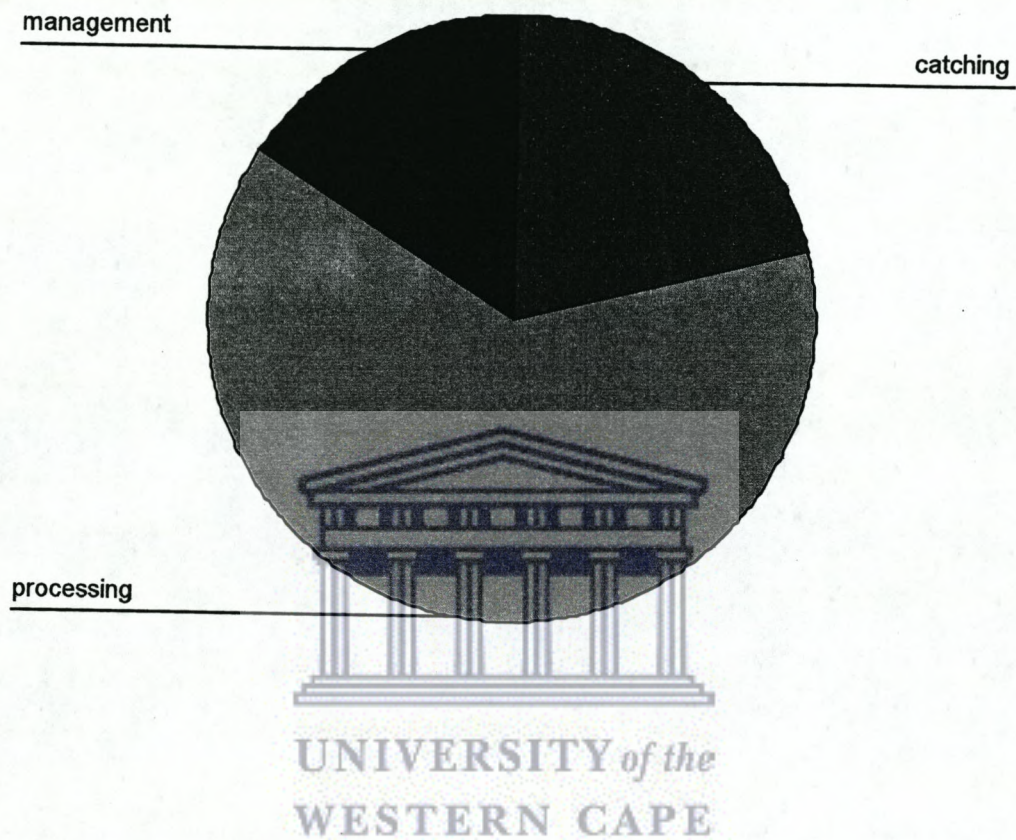


Fig 7: Work placement in the industry

A sample of those working in the industry was asked whether they had received any type of training for their jobs. Of those interviewed, the largest group 68.4 % did not specify whether they had received any kind of training or not. 10.5 % said that there was no training whatsoever given to them. 21.1 % indicated that they had received training in a number of skills such as filleting, forklift driving, first aid, computer use, fire fighting and skipper trainings.

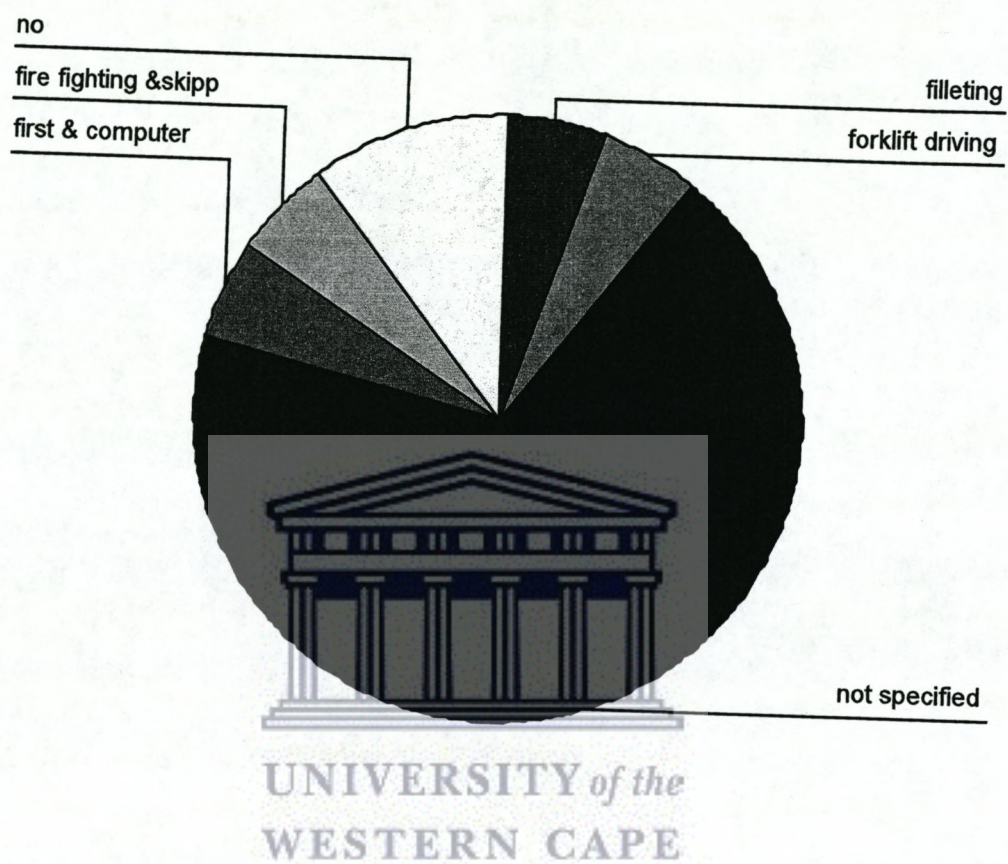


Fig 8: Training received in the industry

A question was then asked as to which sector those already in the industry thought AB would be most suitable to go into. Of those asked a third (33.3%) felt like catching could be the best while another third said that processing would be the best section. The last third thought that any sector would be suitable for them to join.

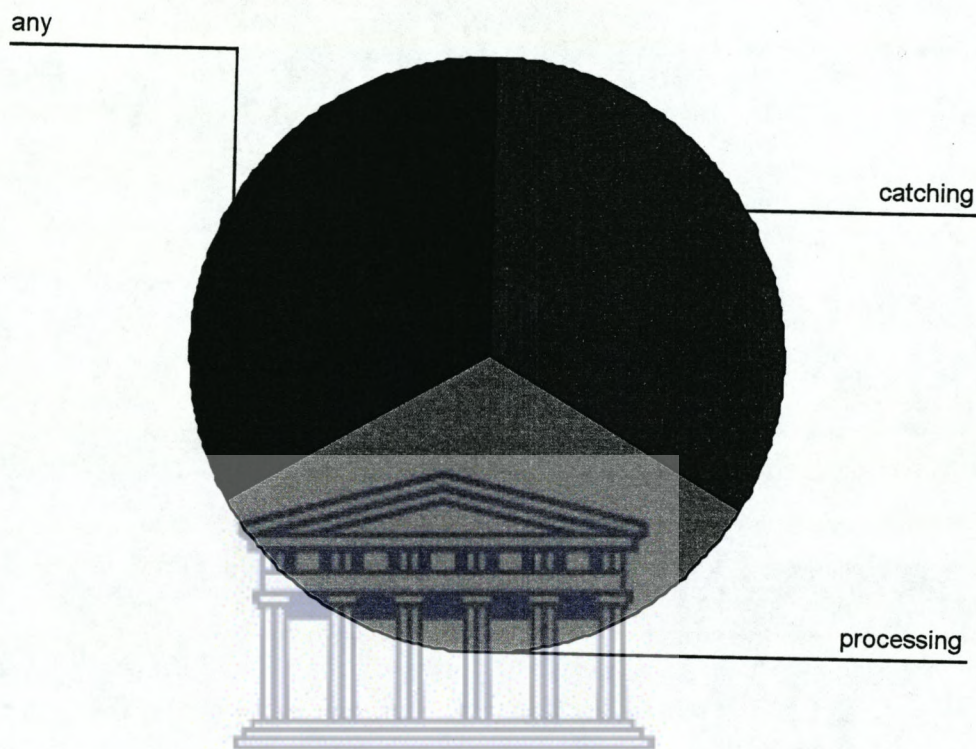


Fig: 9 Best suitable sectors for AB to join

Alternative Means of Earning a Living

A sample of unemployed people was interviewed. Of these, the majority (55.2 %) did not divulge any information regarding how they earned their living. About 17.2 % indicated that they depended on parental support whilst 13.8 % explained that they depended on husbands or wives or other family members. A small number (3.4 %) said that they depended on disability grants or construction jobs. About 6. % indicated that they depended on running small businesses in the area such as selling vegetables and fruits; fish in the streets; alcohol; running spiza shop etc.

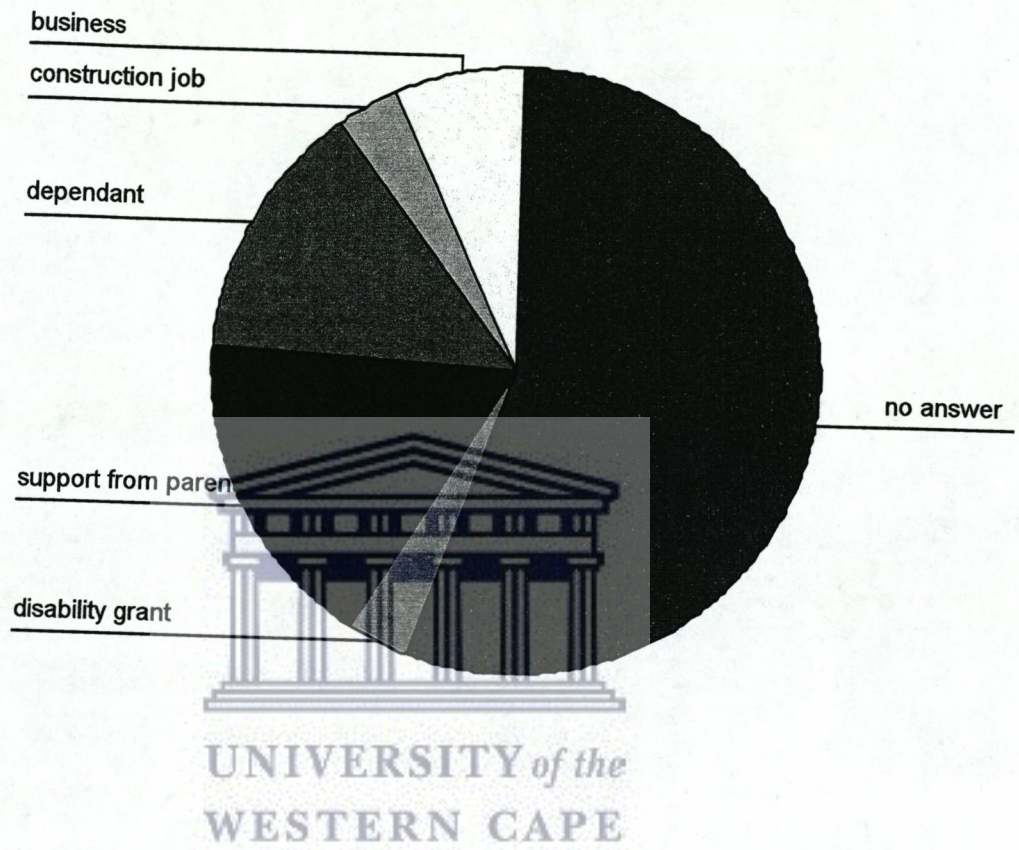


Fig 10: Means of earning a living

Problems of Gaining a Foothold in the Industry

Table 3: Some of the problems that new entrants encounter

Problems	Entrant1	Entrant2	Entrant3	Entrant4
Market monopoly	X	X		
Small quota size		X		X
Politics within the industry		X		
High competition in the industry			X	
Lack of equipment & capital	X		X	
Dumping by big companies				X
Unable to force any issues when the pool system is used				X
Unfavourable marketing agreements with big companies				X
Inability to compete with established companies				X
Decision-making problems where small quota have been pooled together				X

Table 3 lists some of the problems that new entrants into the industry say they encounter. These range from problems of breaking into a market that is already dominated by established companies, the small quota size that is usually not economically viable, lack of required capital equipment and lack of assistance from the department (MCM).

Also mentioned were unfavourable marketing agreements with established companies and problems of democratic decision-making where several people have pooled their quotas and lack knowledge about the international market environment.



CHAPTER 5

WHAT CAN BE DEDUCED FROM THE SURVEY RESULTS?

The persisting skewed representivity of the three main racial groups in the fishing industry has its basis in historical factors. Whites were usually owners of capital. In addition, only whites were entitled to receive fishing quotas under apartheid regulations. In this context, they were and largely continue to be managers and majority share owners of the large established companies. This is clearly shown from the survey results that even six years after democracy in 2000, the companies surveyed still had predominantly White management.

Under apartheid labour regulations that include “the Coloured Labour Preference Policy of 1954”, the Western Cape province was a Coloured labour preferential region. Under this regulation, Coloureds were preferred over AB when it came to employment patterns. Thus the manual jobs in the fishing industry (the catching and processing) were mainly filled by Coloureds. Although some AB had started entering the industry after 1994, their numbers remained significantly lower than those of Coloureds.

Recommendation;

- There should be more stringent application of the Marine Coastal Management's conditions around transformation in the evaluation, consideration and issuing of quotas by government. Established companies should also offer shares to AB and Coloureds to broaden ownership and open up managerial positions to them. Also, companies could put aside a number of jobs for AB in the various sectors whenever these come up.

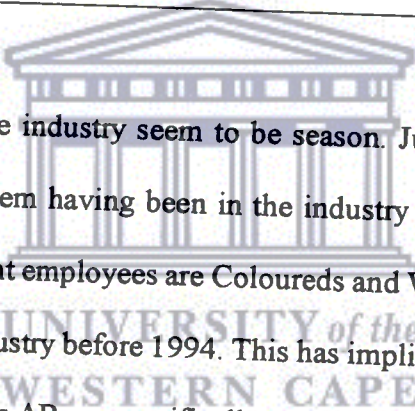


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The way people enter the industry seems also to have significant consequences for transformation and entry of increasing numbers of AB. As most people enter the industry through those already in the industry or as family members, it is likely that the dominance of those racial groups already in the industry (Coloureds and Whites) will continue as they are likely to recruit among those they mostly associate with in their daily lives and those they already know. It is likely that this also has bred and encouraged nepotism and corruption around employment practices.

Recommendation;

- All jobs must be advertised in an open and transparent way in order to give all potential applicant equal chances. Family businesses should be encouraged to accommodate outside people through conditionalities for quotas and permits.



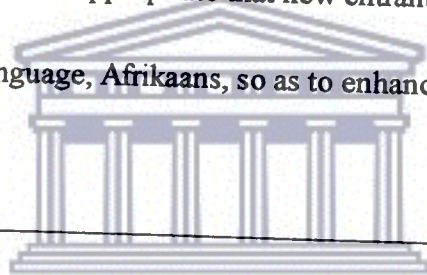
A large percentage of jobs in the industry seem to be season. Just over a third appear to be permanent with those holding them having been in the industry for more than 10 years. It is likely that most of these permanent employees are Coloureds and Whites if one remembers that there were very few AB in the industry before 1994. This has implications for experience, skills and success in the industry. Unless AB are specifically targeted for permanent employment and development of the requisite skills required in the industry, retaining them once employed could be difficult. It is clear from the survey that most AB were not in the industry due to lack of opportunities to enter the industry, lack of skills and also the language problem. Most AB even seem willing to join the catching sector although one might think that they would be unwilling to do so, being original from inland areas.

As most AB are originally from Eastern Cape and Transkei they cannot speak Afrikaans, which is the language of the Coloureds and Whites already in the industry. This makes AB who are

lucky to find jobs in the industry feel marginalized. More important though, it is likely that those employing new people might prefer those who can speak the dominant language in the industry.

Recommendation;

- If the industry does not feel obliged to change to a universally spoken language in SA such as English, then it would be appropriate that new entrants should be given tuition in the industry's working language, Afrikaans, so as to enhance their opportunities.



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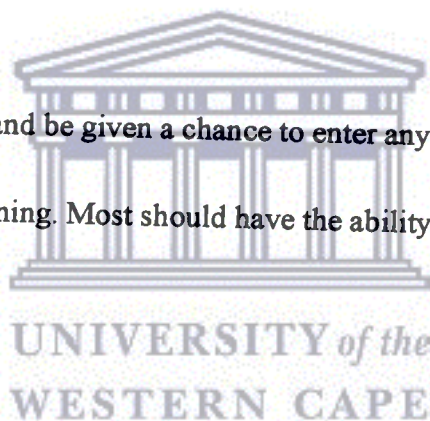
In general the academic qualifications for joining the industry do not seem to be prohibitive. The majority of Coloureds in the industry only have a secondary school education without matric. The second largest group have primary school education only.

Most of those outside the industry who were surveyed also had a secondary and primary school education. Presumably this group also included the AB. Evidently, the levels of education should not necessarily act as a hindrance to finding a job in the industry and learning the skills needed to hold a job down. In any case most of those who enter the industry receive on-the-job training, as there seem to be very few formal training programmes in the industry.

Very few areas need special skills that would seem to need a formal qualification. These are areas such as forklift driving, skippering, fire fighting and filleting. In line with this finding, AB thought that any section would be appropriate for them to join. This assumes that they feel confident that given the opportunity, they can enter any section of the industry and gain the required skills through on-the-job training.

Recommendation;

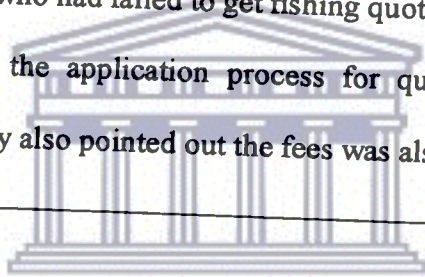
- AB should be encouraged and be given a chance to enter any part of the industry and be given the required skills training. Most should have the ability to gain skills and hold a job down.



In view of the high levels of unemployment in the area, most AB appear to be willing to gain employment in the industry in any of the sectors. Most will also have the ability to learn the skills of the industry and hold jobs down having found them.

Because of historical factors of the industry having been monopolized by large established companies, it is very difficult for new entrants to gain a foothold in the industry. This is especially so in the hake industry where export of the product is the premium venture. Because the big established companies have the equipment and established marketing channels, they control prices and product through-puts to a large extent. Where some new entrants have tried to come together in order to bring about economies of scale, they are usually undermined through dumping or lowering of prices by the established companies.

Some of the Coloureds and AB who had failed to get fishing quotas or permits (also those who had been successful said that the application process for quotas and permits was very complicated and frustrating. They also pointed out the fees was also very high.



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Recommendations;

- Government should develop and implement policies that will enable break-up of monopolies and assist new entrants with business, marketing and management skills.
- MCM should streamline the application process and make the forms user friendly. Also greater assistance should be provided to potential applicants to improve their chances of entering the industry.

CONCLUSION

The underlying problems of poor representivity of AB in the Mossel Bay Hake fishery have their basis in the apartheid policies, especially the Coloured Preference Policy of 1954 and the fact that most AB that moved into Mossel Bay from Eastern Cape and Transkei inland areas had no experience in and about fishing.

These historical factors do not explain though why these patterns have continued even after revoke of the Coloured Labour Preference Policy and Group Areas Act. While most AB might lack the skills such as fishing, there is no reason why they cannot work in sectors such as processing and administration. There does not seem to be any difference in terms of levels of education between AB and Coloureds either. Also most AB are willing to work in any sector of the industry.

The reasons for the continuing marginalisation of AB must therefore be related to other issues. This study shows that the factors that contribute to such persisting negative patterns are related to ownership of capital and equipment, favouritism in employment practices, lack of formal skills training programmes, lack of inclusive language policies and the continued monopolistic position of the large established companies.

For positive change to occur in the industry, concerted effort needs to be taken by both the companies and government (MCM). Such efforts should be in the areas of company and government policies that would encourage broadening of participation, opening up the industry

to the AB by providing them with necessary skills and creating genuine opportunities for entry through getting quotas and permits. As the racial community whose unemployment and poverty continue to be most pervasive, giving them opportunities for socio-economic participation in the fishing industry would contribute greatly to improving the livelihoods of African Blacks in Mossel Bay.



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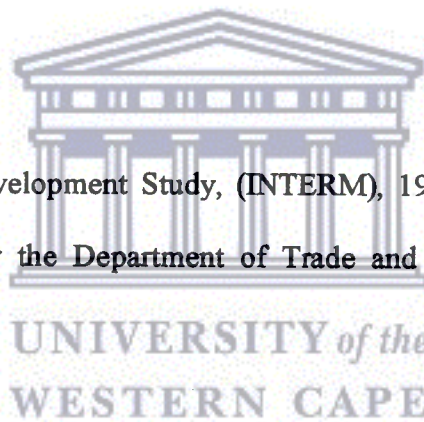
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SPSS FREQUENCY TABLES

how did you find your job

	Frequency	Percent	Valid Percent	Cumulative Percent
Valid application	6	31.6	31.6	31.6
someone	8	42.1	42.1	73.7
family business	5	26.3	26.3	100.0
Total	19	100.0	100.0	

Table A1: Analysed data used for figure 1



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years of work in industry
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	Frequency	Percent	Valid Percent	Cumulative Percent
Valid 1-2 years	8	42.1	42.1	42.1
3-5 years	2	10.5	10.5	52.6
5-10 years	2	10.5	10.5	63.2
more than 10 years	7	36.8	36.8	100.0
Total	19	100.0	100.0	

Table A2: Analysed data used for figure 2

reason not in hake industry

	Frequency	Percent	Valid Percent	Cumulative Percent
Valid language problem	3	10.3	10.3	10.3
lack of skills	8	27.6	27.6	37.9
lack of opportunities	12	41.4	41.4	79.3
lack of interest	6	20.7	20.7	100.0
Total	29	100.0	100.0	

Table A3: Analysed data used for figure 3

any problem going fishing

	Frequency	Percent	Valid Percent	Cumulative Percent
Valid no	19	65.5	65.5	65.5
yes	10	34.5	34.5	100.0
Total	29	100.0	100.0	

Table A4: Analysed data used for figure 4

highest level of education

	Frequency	Percent	Valid Percent	Cumulative Percent
Valid primary school	5	26.3	26.3	26.3
secondary education	11	57.9	57.9	84.2
matric	3	15.8	15.8	100.0
Total	19	100.0	100.0	

Table A5: Analysed data used for figure 5



	Frequency	Percent	Valid Percent	Cumulative Percent
Valid primary school	6	20.7	20.7	20.7
secondary education no matric	13	44.8	44.8	65.5
matric	6	20.7	20.7	86.2
diploma	3	10.3	10.3	96.6
other	1	3.4	3.4	100.0
Total	29	100.0	100.0	

Table A6: Analysed data used for figure 6

working capacity in industry

	Frequency	Percent	Valid Percent	Cumulative Percent
Valid catching	4	21.1	21.1	21.1
processing	12	63.2	63.2	84.2
management	3	15.8	15.8	100.0
Total	19	100.0	100.0	

Table A7: Analysed data used for figure 7

type of training received

	Frequency	Percent	Valid Percent	Cumulative Percent
Valid filleting	1	5.3	5.3	5.3
forklift driving	1	5.3	5.3	10.5
not specified	13	68.4	68.4	78.9
first & computer	1	5.3	5.3	84.2
fire fighting & skipper	1	5.3	5.3	89.5
no	2	10.5	10.5	100.0
Total	19	100.0	100.0	

Table A8: Analysed data used for figure 8

which sector would be best for them

	Frequency	Percent	Valid Percent	Cumulative Percent
Valid catching	1	33.3	33.3	33.3
processing	1	33.3	33.3	66.7
any	1	33.3	33.3	100.0
Total	3	100.0	100.0	

Table A9: Analysed data used for figure 9

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A. FOR HAKE FISHING COMPANIES

What is the racial composition of your staff?

Table 1: Racial composition of Staff at company A

Period	Management			Catching sector			Processing		
	AB	C	W	AB	C	W	AB	C	W
Pre-1994	0 %	25 %	75%	0 %	100%	0 %	0 %	98 %	2 %
1994-98	0 %	25 %	75%	1 %	99 %	0 %	0 %	99 %	1 %
Post-1998	0 %	20 %	80%	9 %	90 %	1 %	0 %	99 %	1 %

Table 2: Racial composition of Staff at company B

Period	Management			Catching sector			Processing		
	AB	C	W	AB	C	W	AB	C	W
Pre-1994	0 %	0 %	100%	30 %	70 %	0 %	5 %	95 %	0%
1994-98	0 %	42 %	58 %	30 %	67 %	3 %	7 %	93 %	0 %
Post-1998	0 %	45 %	55 %	33 %	64 %	3 %	10 %	90 %	0 %

Why do you think African Backs are still poorly represented on your employment staff?

- Lack of skills, lack of education
- Language,
- Lack of interest,
- Lack of historical involvement
- Better options of employment
- Other reasons, please specify

Which sector would be best suitable for them to join?

- Catching
- Processing
- Management

B. NOT IN THE FISHING INDUSTRY

What highest level of education do you have?

- Primary school education
- Secondary school education
- Matric

- Diploma
- Other, please specify

Why are you not in the fishing industry?

- Language problem
- Lack of skills
- Lack of opportunities
- Lack of interest

Do you have any problem in going out fishing?

- Yes
- No

Do you have any other alternative employment?

- Yes
- No

How do you earn a living?

C. WORKING IN THE INDUSTRY

What is your highest level of education?

- Primary school education
- Secondary school of education
- Matric
- Other please specify

At which level are involved in the company?

- Catching
- Processing
- Management



For how long have you been involved in the industry?

How did you find your job?

What type of training did you receive when you entered into the company?

D. NEW ENTRANTS

When did you get your quota?

How did you get your quota?

How big is your quota?

What problems do you experience as a new entrant?