Faroese fishermen

Skilled fishers, bungling economy

The work of Foraya Fiskimannafelag, the association of Faroese fishermen, highlights the problems facing the Islands' fisheries

The very first ships from the Faroe Islands sailed to fish in East Iceland Din 1872. That was when the Faroese marine fishery began. By the 1930s, the fishery had evolved to such an extent that most of the males in the Faroe Islands were aboard ships in the waters surrounding Iceland from spring to fall, the season for marine fishing. The ships were very primitive, for a very long time not better equipped than Noah's Arc.

They had hardly any safety equipment and often capsized, losing all the hands on board. The crew invariably came from the same village as the skipper and there were, therefore, many family members working on a ship. Consequently, when a ship went down, the loss of lives meant immense tragedy for the entire village.

Faroese fishermen also began to fish near Greenland in 1925. For many years, the fisheries near Iceland and Greenland were the main source of fish for the Faroe Islands. In addition, fishing commenced in Canadian waters and in the Barents Sea as well as in Norwegian and Russian waters.

Later on, the North Sea gained importance as a ground for Faroese fishermen. In the early days the fishermen used a hand-line to catch cod from depths of up to 300 m. Each person was paid according to the number of fish caught.

Until 1970, most of the Faroese catch came from distant waters. The fishery near the Faroe Islands was limited to seasonal line fishing (longline and hand-line) from smaller fishing vessels.

These vessels supplied fish to the very modest fillet industry which existed then. The larger fishing vessels fished in Icelandic, Greenlandic and Canadian waters during summer. During winter, they fished in Faroese waters and landed their iced catches in British harbours.

At the same time, a large fleet of foreign trawlers, especially British ones, fished in Faroese waters. The foreign fleet had its golden period of expansion in the 1950s. But, at the start of the 1960s, restrictions on Faroese distant-water fishery began to take effect. The introduction of quotas made Faroese shipowners shift attention to local grounds, emboldened by the experience of Aberdonian fishermen who came to fish near the Faroe Islands, even though they had to sail all the way back to Aberdeen to land the catch.

For a start, two trawlers identical to the ones belonging to the Aberdonians, were ordered by Faroese fishermen. These trawlers had limited success. It turned out that the Faroese, who had been very skilful at fishing in the waters of other countries, were inexperienced when it came to their own fishery.

In fact, when trawling intensified, it became necessary to hire old Scottish skippers to train their Faroese counterparts. The Faroese fishermen soon became as skilful as the Scottish. The greater capacity to catch fish was due to the growth of the Faroese trawler fleet. This, of course, raises the issue of whether trawlers have a lung-term harmful effect on fish stocks, compared to more passive techniques like longline and hand-line fishing.

Exclusive zones

Exclusive economic zones (EEZs) of 200 miles were introduced everywhere in the North Atlantic on 1 January 1977. The fishing industry had to necessarily adapt. Fishing vessels cut down on crew size. Instead of processing the fish on board,

which called for a large crew, the catch now had to be landed for processing at the fillet factory ashore, Where previously the crew size was 25 men, a typical crew now consisted of only nine.

The surplus fishermen began working in fillet factories. They could return home every evening, instead of being away from their families for months on end. In record time, about 20 fillet factories sprouted all over the Faroe Islands and the trawler fleet swelled to 80.

If the Faroe Islands is compared to, for instance, Iceland or North Norway, they appear as a mere little speck on the map, as are the waters surrounding them. In comparison, Iceland and North Norway are whole continents surrounded by vast oceans. The scanty natural resources of the Faroe Islands partly explain the crisis which they faced in the early 1990s.

That the Islands' natural resources are more meagre than those of Norway or Iceland is evident from a comparison of the groundfish species. Icelandic and Norwegian fisheries abound in cod.

The situation is quite different in the Faroe Islands. Normally, it is saithe which is caught in large quantities, while cod ranks second. Cod and haddock represent only a third of the catch of groundfish near the Faroe Islands. These are expensive species which command stable prices in global markets. Saithe, however, fetches a lower price and must compete with cheaper species from other parts of the world, like pollack from Alaska and saithe from the South Atlantic.

The example of cod illustrates how difficult it can be for a community to depend entirely on fishery. Statistics show that, on average, 30,000 tonnes of cod were caught yearly near the Faroe Islands until the 1980s.

However, at the start of the 1990s, the catch gradually started to decline and dwindled to 6,000 tonnes by 1993. Haddock suffered the same fate too.

This decline in catch of the Islands' most valuable fish was a catastrophe for the Faroese community. The effect of lowered incomes of fishermen, shipowners, fillet factories and their employees quickly spread to the rest of the community.

The crisis in the cod and haddock fishery especially hit the traditional inshore fishery of smaller fishing vessels using longlines. For this group of fishermen, it was indeed a catastrophe.

Serious situation

How serious the situation was can be gauged by the fact that the International Council for the Exploration of the Seas (ICES) advised a complete closure, of the

cod fishery in Faroese waters. This closure actually came about automatically, since there were simply no cod left to be caught.

The official explanation for the disappearance of cod was that, A from the beginning; stocks had been so greatly overfished that it was doubtful whether the species were able to reproduce at all.

This crisis in the cod fishery showed how difficult it is, in fact, to predict the size of fish stocks. In 1994, the Faroese fishermen's catch of cod began to increase considerably. This went against the biologists' recommendation of a slow increase, as cod stocks would only be rebuilt gradually. Additionally, the biologists had, as late as 1993, dashed the fishermen's hope of a return of the cod in the same quantities as in the Fast.

Unfortunately for the biologists, the increase in cod catches continued. This actually created problems for the fishermen because their limited by-catch quotas for cod were fished long before the other quotas were used up. As a result, fishing vessels lay idle, since it was almost impossible to fish without high cod by-catches.

The fishermen also found that it was not just limited areas that had more cod than were 'supposed' to exist. Cod were everywhere in the Faroese waters, a fact also confirmed through tests conducted by the Faroese Fishery Research Centre. The growth of the cod fishery gradually became so pronounced that the Faroese government and biologists recommended a Canadian biologist be engaged for an independent estimation. The Canadian biologist concluded that considerably larger quantities of cod existed than had been estimated by the Faroese biologists. The quota for cod in the summer of 1995 was set at 10,000 tonnes, as recommended by ICES. The quota was subsequently mooted to range between 15,000 and 17,000 tonnes. However, after political interference, the final quota was set at 18,500 tonnes.

In this context, it is worth mentioning that the conservation committee, consisting of representatives of active fishermen, had recommended a quota of 19,000 tonnes. This recommendation was initially rejected as pure nonsense by the very people who considered themselves knowledgeable in these matters. Revealingly enough, the Canadian biologist's estimate of Faroese fish stocks was considerably closer to that of the fishing industry itself, rather than that to which ICES had lent its name.

Large quantities

In fact, there had never been as much cod in Faroese waters as in recent years. The trawlers were the first to catch

unexpectedly large quantities. Then, the longline fishing vessels, contrary to wide experience, caught record amounts of cod in the midst of summer. The Faroese fishing boats which used hand-lines also had record catches. From initially recommending no catch at all in 1993, ICES soon recommended a catch of 24,000 tonnes, closer to the long-term average cod catch of 30,000 tonnes per year.

The biologists now admit that what happened to the cod is a mystery. The cod, which is now caught in huge quantities, is of a size that did not exist earlier, contrary to the Faroese biologists' claims. The cod must have migrated to other waters, only to return to Faroese waters, although no one knows where they migrated to. However, there is undoubtedly a correlation between the disappearance of food in the sea near the Faroe Islands and the disappearance of the cod. Significantly enough, when the food returned, so did the cod.

The fishermen's experience with saithe, which was the opposite, leads to the same conclusion. In 1996, the saithe catch was significantly less than predicted. According to biologists, the relatively good years for saithe have now disappeared. This raises doubts on whether there is a correlation between large amounts of cod and small amounts of saithe. The experience of fishermen shows that very seldom do both saithe and cod exist in plenty at the same time.

Aided by a parasite-induced decline in the export prices of Faroese fish products, trade collapsed in the 1990s, affecting banks too. It became necessary to borrow money from Denmark to prevent banks going bankrupt. These loans had severe conditions, including a quota system introduced in 1994. One condition for a quota system to work properly was the availability of reliable fish stock estimates.

The quotas for cod and haddock were set on the basis of their stocks being in a terrible condition. The quota for saithe was set considering the fact that saithe stocks were in a reasonably good state. Accordingly, pair trawlers, which comprise the largest group of big fishing vessels, were allocated a large quota of saithe, but a small quota of cod and haddock. If the fishery had evolved as it did the previous year, it would not have been difficult to stay within the limits of the quotas, since there was no cod then in the waters near the Faroese Islands.

However, since it is almost impossible to reliably estimate the size of fish stocks, the quota system was absolutely impossible to manage. The cod by-catches increased in size, proportionate to the main catch of saithe. Quite inevitably, the cod by-catches were fished before the main catch of saithe. Such a quota system will inevitably lead to 'creativity' among the fishermen. Cod will be thrown overboard so that the landed quantities are finally equivalent to the actual quota. Otherwise, cod will be 'renamed', to be registered as another species of fish to which no quota applies.

The fishing industry soon complained that it could no longer accept the present system where the quotas allocated had no relation to the size of the respective fish stocks. At the request of the fishing industry, the government appointed a committee to find a solution to these problems. There was a lot of scepticism as to whether a committee composed of fishery authorities and fishery biologists could come to an agreement at all. Contrary to expectations, the committee arrived at an agreement. In 1996, it proposed to replace the present quota system with a regulating system to be based on (i) area closures to rebuild fish stocks, and other technical regulations; and (ii) the number of days vessels can spend at sea fishing.

In those areas where cod were found, area closures were instituted either permanently or for part of the year. In some instances, the whole fishery was closed. In others, only trawling was prohibited. The committee felt that these conservation measures would prevent overfishing of stocks. In addition, a limit to fishing days was introduced for each fishing vessel. The regulatory system took effect from 1 June 1996. It is too early to tell whether this new system will satisfy the demands made on it.

Planned economy

The Faroese fishing industry has still not recovered from the crisis. Nevertheless,

there has been considerable progress. Until 1989, a subsidy scheme existed and prices were fixed.

This system, part of a planned economy, contributed to the economic collapse. It has since been replaced by a totally free market system, based on the suggestions of the fishermen's association. The open-market system led to a considerable increase in the value of different species of fish. Now, an increasingly large part of Faroese groundfish is sold in auctions, partly controlled by the fishermen's association.

As a 'solution' to the economic crisis, creditors forced the Faroese community to consolidate most fillet factories into one single company. Afterwards, some of these factories began to purchase fish, while others were rented out for different purposes and still others were closed. Most Faroese resisted this consolidation. They were right to be resentful since this model proved to be an ultimate failure.

It is of utmost importance that the Faroe Islands develop other industrial activities to supplement fishing. Politically, there has been such an effort, but it is a slow process, though proceeding in the right direction.

It was in reaction to the formation of the shipowners' association that Faroya Fiskimannafelag (FF), the association of fishermen, was founded in 1911. The next year FF succeeded in reaching a collective agreement with the shipowners, the first such agreement in the Faroese labour market.

FF's aim is to work for fishermen's interests. In the first few years, FF concentrated its energies on improving the collective agreement with the shipowners. There were quite a few disputes in that period and in 1934 the feelings among the members ran so high that FF got divided. However, it was reunited in 1957.

The activities of FF have increasingly broadened in scope. Much of its work involves representing fishermen before public authorities, for instance, in committees which decide the fishermen's in interests. However, the Faroese authorities felt that FF was exerting too much influence through its representation in these committees. Consequently, the most important committees were disbanded.

FF has also worked actively with international trade unions. Since the 1960s, it has been a member of the International Transport Workers' Federation (ITF), which has approximately four million members in around 100 countries. ITF is divided into eight sections, one of which deals with fishing.

As chairman of the fishing section since 1980, I have had ample opportunities to represent the Faroese fishermen's interests internationally and have a fair inkling of their problems. Faroese fishermen are paid according to the collective agreement between FF and the shipowners' association. Unlike most other workers, fishermen are paid a share of the value of production or the value of the catch.

A typical collective agreement provides the fishermen with a share of 27 per cent of the catch value, which is divided equally among the crew.

Other benefits

The fishermen also receive vacation pay, 12 per cent of one share. The shipowners also pay a bonus to the officers.

Needless to add, such a wage system can create huge variations in the fishermen's incomes. Consequently, it has become necessary to provide the fishermen with guaranteed incomes, paid through public or government funds.

The fishermen started to get such incomes in 1950. This has gradually been raised over the years, thanks to the persistent efforts of FF. Presently, the wage system works in such away that the fishermen are guaranteed a minimum wage equal to the daily wage of an unskilled worker who works eight hours a day, or a fifth of a 40-hour week. Many believe that the guaranteed income is unreasonably high and there have been many political attempts to get it reduced.

Nevertheless, FF has resisted such changes and ensured that the fishermen's incomes remain intact. FF also sees possibilities in Faroese fishermen exploiting more species of fish. For years it was believed that there were no fishing opportunities in Faroese waters, other than conventional angling and trawling for traditional species, such as cod, haddock, saithe and red fish.

Once, a Spanish fishing vessel caught for illegal fishing in Faroese territory turned out to contain, to everybody's surprise, quantities of monkfish caught with nets. Nobody in the Faroe Islands had thought that kind of fishery possible. The illegal Spanish catch motivated the Faroese fishermen to harvest monkish in a similar fashion, and they were successful. As a secondary effect, other fishing vessels have started fishing Greenland halibut with nets, also successfully. After the traditional financial institutions refused to loan money, the fishermen's association itself helped the fishermen to purchase the necessary equipment for this kind of fishing. Among the other species of fish in Faroese waters which are not fully exploited is the blue whiting, a very cheap fish found in plenty in these waters.

It also appears that more fishing opportunities exist in international waters, along the Mid-Atlantic Ridge which stretches from south of Iceland / Greenland to the Azores. Research has shown that it is possible to fish different kinds of new and exotic species which can fetch good prices. Experimental fishing with longlines has succeeded in these waters. Since Faroese fishermen are very experienced with longlines, they are best equipped to explore these new opportunities. However, the special ground conditions in these waters necessitate intensive research before the fishing industry can make profits. The Faroese authorities have a huge task in exploring these new Opportunities.

Based on a SWOT (strengths-weaknesses opportunities-threats) analysis, it can be said that the biggest strength of the Faroe Islands is the existence of a very skilled workforce of fishermen. The best proof of this is the demand for Faroese fishermen to work on board fishing vessels in a number of foreign countries. It is easier for Faroese fishermen to get a job on, say, a Norwegian vessel than in the Faroe Islands. Another strength of the workforce is that it is very flexible and boundaries between trades are totally unknown. The Faroese accept any work which is offered. Fishermen, for instance, do not mind working on board foreign fishing vessels. Faroese artisans, as another example, seek employment in Germany.

Overdependence

The biggest weakness of the Faroe Islands is its overdependence on fishery, including aquaculture. Another weakness has been the unstable political situation in the Faroe Islands, However, it is politically agreed that the fishing industry must be stable. But the geographical situation of the Islands is a drawback. The Faroe Islands must establish closer relations with Europe as quickly as possible. Politically, there is agreement on the need for such close ties.

This article is written by Oli Jacobsen who became a fisherman when he was 14 yeas old and is today the chairman of Foroya Fiskimannafelag, the Faroese Fishermen's Association