

Employment in the Hake Deep-Sea Trawl Fishery

Approximately 6 600 South Africans are employed by the hake deep-sea trawling industry, either on fishing vessels, at land-based processing plants or in a range of management, administrative or supportive roles.



Photo courtesy of Sea Harvest.

5 400
permanent
employees



Photo courtesy of I&J

1 200
seasonal
employees

**Total
employment =
6 600
employees**

Wage bill

The total wage bill of permanent employees is R1.4 billion per year, growing to R2.3 billion per year when local economic multiplier effects are accounted for¹

- Sea-going employees earn R22 000 per month
- Processing employees earn R9 000 per month
- These amounts are considerably higher than the national minimum wage that was introduced in South African on 1 January 2019.

Smaller fishing communities

The most important contribution made by the hake deep-sea trawl fishery to smaller fishing communities is to employment. The fishery is responsible for over 2 120 jobs (1 820 permanent and 300 seasonal) in these areas. Permanent employees receive an average salary of R185 800 per year which works out to a total wage bill of approximately R393 million. Using a GDP multiplier effect of 1.6 this equates to a total injection of R627 million per year into smaller fishing communities.

¹ The use of the gross domestic product multiplier on the wage bill assumes that the annual average salary of the permanent employees is directed straight into the local economy, generating additional demand for goods and services in the market. Additionally, the assumption is that the wage bill is an upper bound because it does not exclude income tax and other salary deductions.

Conditions of employment

Permanent employees receive a range of employee benefits such as annual leave, retirement, disability and medical benefits. Employees are also offered a variety of training opportunities and there is scope for career progression.

The full spectrum of South African labour law protects workers in the hake deep-sea trawl fishery. However, owing to the unique working conditions that prevail on deep-sea trawlers, a special labour relations framework has been created to protect the rights of sea-going workers.

The Bargaining Council for the Fishing Industry was registered with the Department of Labour on 14 December 2001. Ever since then, the Bargaining Council has provided a forum for employers and trade unions to negotiate around salaries and basic conditions of employment for sea-going employees.

The establishment of the Bargaining Council was a strategic and practical move on the part of employers and trade unions. They realised that neither the Basic Conditions of Employment Act, nor the Merchant Shipping Act, adequately provide for the rights of sea-going workers in the fishing industry and that a sector-specific Bargaining Council was required.

At present, sea-going employees in four South African fisheries sectors are represented at the Bargaining Council for the Fishing Industry. The fisheries are:

- Hake deep-sea bottom trawl
- Hake inshore bottom trawl
- Horse mackerel midwater trawl
- South coast rock lobster.

Each fishery forms a separate chamber of the Bargaining Council and annual negotiations around salaries and conditions of employment are specific to each fishery.

A Collective Agreement, which sets out basic conditions of employment for sea-going workers in the hake deep-sea trawl fishery, was negotiated in the Bargaining Council and has been in effect since 2 May 2003. The basic conditions include set daily wages for each category of worker; set hours of work and regulated rest and leave periods – including sick leave, annual leave, maternity leave and family responsibility leave.

The Collective Agreement also stipulates that employees with more than 12 months of service with their employers, and who do not belong to an employer medical aid scheme, have the right to be enrolled with the Fishermen's Medical Aid Fund, with employer and employees sharing the contributions to the fund on an equal basis. Similarly, employees are provided with accidental death and disability insurance. (It is common for companies active in the deep-sea trawling industry to provide pension or provident fund benefits to sea-going employees, but these benefits are provided outside of the scope of the Bargaining Council.)

The Collective Agreement includes agreed procedures for employing and terminating the employment of sea-going workers; agreed guidelines on the right to strike and the rights of employers; and a Code of Good practice.

Amendments are made to the Collective Agreement following the conclusion of annual negotiations and these amendments are signed by the Minister of Labour and published in the Government Gazette. Amendments typically include annual pay increases across every rank of employee.

References

Felet, A., Fiandeiro, F., Ntanz, A., van der Hoven, Z., Moses, P.-J. & Goagoses, L. 2020. Economic study of the hake deep-sea trawl fishery and the implications for future fishing rights allocation policy. Johannesburg, South Africa, Genesis Analytics. 136 pp.

Other factsheets and position papers in the SADSTIA series:

SADSTIA. 2021. The economic contribution of the hake deep-sea trawl fishery. SADSTIA Factsheet No. 1. Available at www.sadstia.co.za/publications-and-media

SADSTIA. 2021. Investment in the hake deep-sea trawl fishery. SADSTIA Factsheet No. 5. Available at www.sadstia.co.za/publications-and-media

SADSTIA. 2021. Safety at sea. SADSTIA Factsheet No. 9. Available at www.sadstia.co.za/publications-and-media



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Unlocking the value of the Cape hake resource