

Subsidies promote overfishing and hurt smallscale fishers worldwide

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Large-scale fisheries receive about four times more subsidies than their small-scale counterparts, with up to 60 per cent of those subsidies promoting overfishing.

A recent study by the University of British Columbia found that while small-scale fisheries employ over 22 million people globally and directly support food security, of the estimated global fisheries subsidies of \$35 billion (U.S.) in 2009, only 16 per cent was allocated to the small-scale fishing sector. Equivalent numbers for Canada are \$1.1 billion (U.S.) and 5.8 per cent, respectively.

"Small-scale fisheries provide food and jobs for millions of people worldwide, and therefore contribute to the wellbeing of many local, coastal communities," said Rashid Sumaila, senior author and professor at UBC's Institute for the Oceans and Fisheries and director of the Fisheries Economic Research Unit. "Yet, subsidies are mostly allocated to large scale fisheries."

The largest such <u>subsidy</u> is fuel subsidies, 96 per cent of which are given to the large-scale fisheries through marine diesel subsidies. Because of the high cost of purchasing and maintaining diesel motors, most small-scale fisheries vessels run on gasoline, which is not as heavily subsidised.

"These <u>fuel subsidies</u> promote fuel-inefficient technology and help largescale fishers stay in business, even when operating costs exceed total revenue gained from fishing," said Anna Schuhbauer, lead author and



postdoctoral fellow in UBC's Institute for the Oceans and Fisheries' Fisheries Economic Research Unit. "Subsidies for port development and boat construction, renewal and modernization also give the large-scale fisheries sector a huge advantage over their small-scale counterparts, who receive only a small percentage of those subsidies."

Subsidies for foreign access agreements worsen the situation for many fisheries in developing countries, said Sumaila. He pointed to the European Commission Fisheries Fund assistance, which he said should not be used to cover the cost of fishing access agreements, but should focus on improving the host countries' monitoring and enforcement capacities to foster sustainable fishing practices.

"Efforts should be made in both large-scale and small-scale fisheries to convert fishing capacity-stimulating (harmful) subsidies to beneficial ones, those that focus on sustainability and ecosystem restoration. Such action will benefit global fisheries in the long-run, making them more economically viable, and a beneficial way to spend taxpayer dollars," said Sumaila.

More information: Anna Schuhbauer et al. How subsidies affect the economic viability of small-scale fisheries, *Marine Policy* (2017). DOI: 10.1016/j.marpol.2017.05.013

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