



## The Seafood Industry in Wales Skills, Recruitment and Retention

## Executive Summary

The seafood industry in Wales comprises a number of different but interrelated sectors - aquaculture, catching, fish frier, processing, and retail which employ over 5,000 people. The industry as a whole, while relatively small, is of great importance beyond its direct contribution to employment and GDP and this has been underlined by the food security concerns raised during the Covid-19 epidemic. The industry is a major employer in some coastal communities.

In parallel with the unique challenge of a global pandemic the industry is also facing major challenges/opportunities from the UK's exit from the EU.

In spite of the existing and potential impacts, all of this points to opportunities for the industry. The catching sector is emblematic, but all sectors will have to adapt to thrive in the post-EU-exit environment.

The Sea Fish Industry Authority (Seafish) is a Non-Departmental Public Body tasked with improving efficiency and raising standards across the industry. It is at the forefront of facilitating change and driving improvement across a united industry.

In February 2020 Seafish commissioned Pye Tait Consulting to:

- Map skills, recruitment and retention needs and issues across the entire Wales seafood value chain and,

- Review best practice with regards to training, skills development and workforce retention within the UK and overseas

Pye Tait Consulting conducted this work in parallel with conducting similar work in England and Northern Ireland.

### Approach

The study required both detailed secondary research and primary research. Secondary research involved desk-based work covering existing seafood reports and publications.

Primary research consisted of an employer survey which returned 58 individual responses from Wales-based employers, and nine depth interviews with employers and stakeholders. Six employers and stakeholders took part in an extended nominal group to add depth to the first two interventions.

The study was designed and initiated prior to the advent of the Covid-19 pandemic and lockdown (mid-March to July 2020). Both desk and field work were in progress at the time of the lockdown but it was decided, in conjunction with Seafish, that the results of the research were of such importance to the industry that it should be completed.

### Key findings

Each of the sectors in the Welsh industry is highly skilled in specialist areas. Surveyed employers consider a high proportion of staff to be skilled or highly skilled. An important finding is that, outside the industry, there is little knowledge or appreciation, and widespread under estimation of this high level of skill.

Employers and stakeholders report a lack of knowledge of the industry and its skills among potential new entrants and their influencers.

Each sector requires a high level of specialist technical skills alongside business skills needed in all sectors. For example

- Aquaculture – very high science skills, high animal care skills, business management, marketing, customer relations. Surveyed employers regard 80% of permanent staff as highly skilled or skilled.
- Catching – complex high-level combinations of skills in navigation, seamanship, ship engineering and handling, safety at sea, survival, fire precautions and fighting, fish identification, equipment handling, net management and repair. Around 87% of permanent staff are regarded as skilled or highly skilled by surveyed employers.
- Processing – high manufacturing and equipment skills, business and process management, advanced hand skills such as filleting, hygiene and packing skills. Around 97% of permanent staff are regarded skilled or highly skilled by surveyed employers.
- Fish friers – high skills in preparation of food, cooking, management of equipment, business management, marketing, customer relations. Employers surveyed regard over 50% of their staff as skilled or highly skilled.
- Retail – highly skilled fishmongers, business management, purchasing, marketing, customer relations. Employers surveyed said that 66% of their permanent staff are graded as Recognised, Advanced or Master Fishmongers

Skill levels and their “labelling” and promulgation are, on the surface, a matter of simple numbers and official classification systems. However, they matter because they underpin the way in which a sector is regarded by potential recruits, by parents, career advisers and teachers, and by those already employed within the sectors.

The seafood industry in Wales is highly-skilled but this is not obvious to outsiders from the disaggregated and diverse sets of certificates and qualifications required.

### Skills Gaps

Different sectors have different skills gaps but the need for technical and digital skills was mentioned across the board.

Also mentioned by high numbers of respondents were:

- Marketing especially social media marketing and branding
- Digital skills including click and collect, and websales
- Technical skills in aquaculture and specifically in
- Fish smoking
- Crisis management – with reference to Covid-19
- Financial management – particularly to support diversification
- Supervisory training
- Selling and upselling particularly for fish friers and retailers
- Customer service training
- People management and mentoring skills for managers and supervisors
- Multi-skilling for certain sectors (e.g. filleting and marketing for catchers)

### Training Provision

Employers called for assistance in training for the above priority skills but most particularly for flexible and easily accessible video and online approaches, which are accessible for those working in remote locations and can be made accessible to lower skilled staff and those whose first language is not English.

Training and qualifications in the Welsh seafood industry tend to be driven by compliance requirements – for such areas as health and safety, food safety, etc. Difficulties in releasing staff for training and training being low on the list of priorities were constant themes, alongside the cost of training.

The remote location of some businesses in Wales adds to the difficulties of releasing staff for face-to-face training; employers in remote areas spoke of two-hour journeys to access training, fish friers highlighted the difficulties involved in accessing National Federation of Fish Friers (NFFF) training in Leeds.

Employers in tourist areas reported that they work 'round the clock' during the season and are unable to release staff or attend training themselves.

Consequently, a great deal of training is conducted on the job through mentoring and tutoring by senior staff. One employer who trains staff in-house feels that skills would be improved if staff had more opportunity to meet with their peers and also to learn from other professionals in the sector.

*Training depends on capacity to do it and finances to do it. Comes bottom of list – there are other administrative and health and safety things to do instead. Training is necessary, but bills will get paid first.*

### Retailer Mid Wales

With respect to external training, there are three Seafish Approved Offshore Training Providers in Wales: Coleg Llandrillo, Sea Sense Surveying Ltd and The Welsh Fishermen's Association; plus four onshore trainers based in Wales, other onshore trainers based in England will deliver face-to-face training in Wales.

### Recruitment

The Welsh seafood industry is extremely diverse, and it is therefore impossible to design and adopt a one-size-fits-all approach to recruitment. However, we found during this study that employers would appreciate help and guidance with the ways in which recruits should be attracted and informed.

The results from our survey of employers reveal that the most common form of recruitment in the industry – across almost all sectors is by word of mouth, used by some 45% of employers. Some retailers and friers spoke of recruiting by 'putting a notice in the shop window'. This is partly a reflection of the relatively low numbers of people required and partly a result of the high degree of localisation in the Welsh seafood industry.

There were requests for guidance and checklists for interviews and materials to support ways of informing interviewees of the scope of the work.

Employers commented on the difficulty of attracting and retaining younger local people who often leave rural areas in search of other opportunities or university education; there is a general feeling

that a perceived lack of career progression is a considerable barrier to recruitment, alongside a negative industry image. Case studies specific to Wales which highlight progression and opportunities in the industry would help counter negative attitudes.

### Retention

In general, Wales' seafood industry does not appear to suffer from serious retention issues however many smaller businesses claimed that they had lost quality staff because they were unable to offer them a higher pay or benefits.

Employers in remote locations expect some staff to leave for better roles in bigger towns and cities; some employers are proud that staff leave them with enhanced skills and qualifications.

There are calls across all sectors, however, for more awareness videos to give a more realistic but inspiring vision of work in any given sector and to aid employers in their recruitment and retention efforts. The range of instructional videos could also be used as promotional and awareness tool for the sectors.

### Age Profile

For the surveyed element of the Seafood industry in Wales the proportion of employed people who are over the age of 45 is 51%, with 31% being over the age of 55. For the entire UK workforce, the equivalent proportion is 41.3% (2019).

Taken in its entirety the industry in Wales has an average age higher than the average for the UK workforce, but this average picture takes no account of the situation in specific sectors, specific roles within sectors, or given regions or localities. Some sectors have an older workforce than others, for example the survey showed that some 83% of catching employees are over 45 years but just over 60% of the fish frier sector are under 44 years. Some survey respondents perceive that the ageing catching workforce is a particular problem.

*As the average age of a fisherman is forty to sixty, we need to address this as soon as possible.*

**Retailer South Wales**

### Recommendations

The majority of stakeholders agreed that a negative industry image is having a detrimental effect on recruitment. They argue that this is especially the case with young people, who tend to perceive the industry as being dirty, smelly, hard work, and low paid.

Many stakeholders and employers claimed that it was hard to keep young people in rural areas and small towns of Wales with many leaving to seek employment in larger cities. Once young people leave to go to university, they rarely return to their hometown. Stakeholders are keen to rectify these stereotypes for many jobs have high earning potential and career progression with many different opportunities available. Stakeholders also commented on the fact that many young people were unaware that they could "learn as they earn" gaining qualifications as they worked.

The negative industry image is not just about awareness and the need to better communicate that these are highly skilled sectors with excellent opportunities for progression and advancement, but also about job status.

The disparate and disaggregated nature of most qualification structures in the industry could lead to misperceptions that roles in the industry are low skilled.

1. The qualification structures and levels need to be addressed for each sector as a matter of urgency and progression pathways developed.
2. The industry in Wales needs to develop career and qualification paths to compete with other industries, and promote these with accessible material which clearly shows opportunities and prospects for each sector in the Welsh industry. Online resources including videos, sample wording for job adverts, material for employers' websites should have a specific Welsh focus. Case studies should be produced to illustrate 'success stories' and career ladders in each of the sectors in Wales.

Based on the findings of this study we also recommend:

### Training

1. **Digital awareness training** – Technology use is increasing in amount and in the depth to which it affects job roles. The digital revolution is affecting different sectors and different roles in different ways but business owners, managers and supervisors certainly need much deeper awareness of the ways in which the digital world can leverage productivity and profits; all levels of staff require training that focuses on inputting data digitally and learning how to use technological equipment digitally;
2. **Bilingual resources** – Trainers identified that language barriers hindered training with older fishermen whose first language is Welsh. Training resources and assessments delivered in the Welsh language would likely increase training attendance.
3. **Remote learning** – Many respondents in all sectors claimed it was difficult to attend training courses based on their costs and schedule, especially those in remote areas. There should be a focus on facilitation of remote learning and assessment by increasing online resources; videos are regarded as an accessible medium for learning particularly for those with limited literacy. The restrictions imposed by Covid-19 have increased the requirement for remote learning.
4. **Virtual networking** – Meeting up with other industry professionals and experts is always beneficial however costs and time away from work coupled with living in rural areas makes this difficult for some employers and staff members. In a post Covid-19 world, virtual networking, online conferences and research talks would be beneficial for some smaller business owners and their staff, who are unable to travel long distances.
5. **Cooperation** - employers in all sectors are enthusiastic about cooperation with other businesses. Between businesses in different sectors, this is seen as a way to streamline supply chains and add value. There was also a suggestion that businesses in the same sector could collaborate to share marketing and advertising costs. Efforts should be made to facilitate cooperation between employers.
6. **Marketing and social media** – There is high demand for this training which will help businesses reach a wider audience and will have a positive impact on improving industry image by using modern methods of communication and advertising. Few businesses we

spoke to during this study have a full understanding of the absolute importance of modern marketing and customer relationship management. We found that such knowledge as exists is “siloeed” and that managers are having difficulty understand the ways in which marketing elements are linked and inter-dependent. Smaller businesses especially need support in this area;

7. **Click and Collect** – Training for businesses who need support establishing this service which is important for the future success of many smaller businesses and has proved vital during the Coronavirus pandemic. Some wholesale businesses have used click and collect to diversify into retail during the pandemic, and would like to expand this channel;
8. **Add on sales and customer service** – Guidance/short courses on effective customer service how to push add-on sales effectively. This is particularly important for retailers and fish friers, some of whom use their EPOS systems to measure add-on sales, and see these as key to increasing income;
9. **Catch sales** – Teaching fishermen how to process (fillet, store, smoke etc.) and retail their catch is an innovative way for fishermen to add value to their catch and survive during uncertain economic periods when sales to traditional customers may not be possible;
10. **Train the Mentor** – There is a large number of “train the trainer” courses available but very few which explain the most effective ways to mentor staff. Such training would bring benefits to almost all sectors but especially to processing and retail;
11. **Financial Management training** – Most sectors have explained their need for financial training in the light of the Covid-19 pandemic and outcomes. Managing debt, pricing, cash flow management, etc are all urgently needed by many small and medium sized businesses, some businesses are also looking for help managing diversification;
12. **Introductory days for prospective new entrants** – From a careers perspective it may be highly desirable to develop an industry-wide network of companies willing to offer Introductory Days. These will offer a taster of the sector and provide new entrants with a more realistic understanding of the job;
13. **Promotion of “Introduction to Commercial Fishing” course** – Promoting this course more effectively to industry outsiders so they are more likely to consider a career in catching;
14. **Seafish website navigation**– The Seafish website works well for frequent users. However, navigation and accessibility improvement will be needed for those who use the site infrequently and for potential new entrants some of whom may have limited literacy or language skills - with clear messaging and visual aids. Where possible some recruitment material – case studies etc specific to Wales should be signposted from the website;
15. **Access to “over 16.5m” skipper training** – The catching sector needs more ticketed individuals due to what is seen as an ageing workforce. Improve promotion of this training by focussing on progression from crew to wheelhouse and the transferable skills gained through this training.
16. **New customs procedures and documentation** - Leaving the EU will involve the introduction of documentation to ensure compliance with HMRC declarations, including the implications of the NI protocol. There will be a requirement for individuals to be trained to manage any new procedures.

## Recruitment

1. **Recruitment ‘toolkits’** – Develop and provide businesses with a sector-specific toolkit that offers guidance on writing attractive job advertisements, how to get the most of out their website, and what important questions should be asked at interviews. Materials in the recruitment toolkits should be available to everyone in the industry online and take the form of videos, case studies and role descriptions. Sectors will benefit from resources and materials available in Welsh and English to attract local as well as new residents;
2. **Lessons from other industries’ messaging** - The ‘Go Construct’ website, run by the Construction Industry Training Board (CITB), is a good example of a resource that young people can go to in order to learn more about the construction and built environment industry. Again, this website should be accessible in both Welsh and English;
3. **Clear communication of opportunities in the industry** – Promote opportunities in the industry with clearer communications showcasing careers, apprenticeships, work experience and the different routes into the industry. Offer young people a career map which depicts the qualifications, experience and routes for particular roles and sectors. Focus on local people who have stayed in the area and progressed in their careers;
4. **Less text, more infographics** – Websites, social media platforms and any literature aimed at young people should be aesthetically attractive and incorporate images and videos of people at work. This will give them a realistic picture of what a job looks like in the industry. Some potential new entrants will have limited literacy – design of promotional collateral should take this into account;
5. **Effective messaging**- Research young people’s aspirations and perceptions of the industry and use the data to develop messages and approaches for employers to use when speaking to potential recruits;
6. **Key workers** – Learning from the Coronavirus pandemic, being a key worker may now be seen as a more attractive career choice. Ensure recruitment messages depict that industry workers are essential and key workers, from fisherman to supermarket counter staff.

## Retention

Ultimately employers must take responsibility for employee retention, terms and conditions offered by employers are a key factor in employee retention. Below are recommendations that would support employers’ efforts to improve retention.

1. **Career pathways** – As mentioned above, a visual pathway for each sector should be produced and used. Currently the fish frier sector in Wales is the only sector to openly provide this to staff;
2. **Guidance on employer branding as a retention tool** – Develop a toolkit – perhaps alongside others as part of a series to improve “employer branding” by demonstrating how to offer staff benefits including bonuses, additional pension contributions, birthday days off, “ideas” schemes, cycle to work schemes, staff social events, ongoing skills progression, and health and mental health advice. These benefits demonstrate to staff and potential new entrants that the employer is invested in them and that they are valued.
3. **Investment in staff training** –Employers should be made aware of the positive relationship between investment in staff training and retention rates, found in the research.

## Covid-19

Like the rest of the UK, the Welsh seafood industry felt the shock as the Coronavirus pandemic hit the UK in February 2020. Along with the rest of the UK, the Welsh Government introduced lockdown on 23 March, this continued till 29 May, three weeks after lockdown began being eased in England.

### The Legacy

The Covid-19 pandemic will leave a deep and lasting legacy. There are businesses that may not survive the disruption and others that may fail during the recession which is predicted to follow it.

Many businesses have run down any cash reserves during the course of the pandemic and the struggle to stay in business. Many others will have Business Interruption Loans to pay off. There are fears that business failures may affect these companies further into the near future and will have impacts up the supply chain. Some hotels and restaurants may never re-open. Demand may change, businesses supplying 'luxury' seafood e.g. lobsters and oysters might take longer to recover than others.

While fish friers and retail were badly hit, the lasting impacts may well be greatest in the processing sector where social distancing and the need for extreme care with physical production facilities may create the need not only for innovative thinking but drastic changes to the way in which productivity is maintained and improved.

### Change

In many ways the Coronavirus has led to an acceleration of change in the industry, with a move towards click and collect and online sales, home deliveries, home working, and an accelerated adjustment to and adoption of new technology. These are likely to stay in place and change the way the industry operates in profound ways.

*We have recently introduced a home delivery and collection service... [in response to] ...Covid-19.*  
**Processing, Mid Wales**

Businesses that have successfully innovated during the pandemic appear to have been those which used new technology to leverage home working and communications. They are also those which have close relationships with their customers and were able to keep in touch, rapidly publicise home deliveries, quickly develop online sales and click and collect, often through social media and effective websites.

### Opportunity

Wales entered lockdown with just 2.9% unemployment, Economy Minister Ken Skates predicts that Welsh unemployment post Covid-19 will be 'at a rate not seen for decades'.

Hence post Covid-19 the available labour pool that the Welsh seafood industry can recruit from will be much larger. Several high-profile businesses in Wales have already announced redundancies; high

calibre people with the digital skills forward-looking seafood retail and fish frier businesses need, will be on the jobs market. These people may be key to driving these sectors' digital future.

Following redundancies in manufacturing, processors may more easily find people with shortage skills e.g. technicians. Similarly, those businesses looking for unskilled operatives will have a wider talent pool to choose from, and existing staff will be less likely to leave. High calibre industry changers will bring new ideas to the seafood industry and a wealth of skills.

Talented young people may consider entering local employment, rather than leaving for an uncertain future in higher education.

As lockdown measures are eased UK residents will be seeking holidays within the UK due to travel restrictions abroad. Wales is home to many popular tourist hotspots and holiday destinations which will likely be another opportunity the seafood industry can benefit from, especially those working in the retail, processing and fish frier sectors.

*Financial issues are going to play a big part in the future of our business as people may have little spare cash to spend on leisure activities. On the flip side I think people may look at spending more leisure time in the UK and that may be good for this industry.*

**Aquaculture, South Wales**

### **Covid-19 Recommendations**

Perhaps the most pressing things that the Welsh seafood industry will have to deal with over the next 12 to 24 months will be the adaptation to new ways of working. This is for two reasons – firstly because the continued presence of the virus may necessitate such methods, but mainly because they have the potential to offer greater efficiencies and higher productivity.

In the report there is a full list of Covid-19 specific recommendations.

### **EU-exit**

To an understandable extent the issue of the UK's exit from the EU has been overshadowed by the advent of the Covid-19 pandemic. The UK's exit from the European Union, which we joined as the European Economic Community (EEC) in 1973, is due to be formalised in December 2020. The exact effect of our departure on the seafood industry is difficult to predict, but no sector will be unaffected; fishing quotas, the availability migrant labour, and trading terms for imports and exports are all currently uncertain.

Compared to the processing and catching sectors in England, processing and catching employers in Wales rarely rely on foreign labour with the majority of their workforce being UK residents.

There is uncertainty at the time of writing as to what will happen regarding the movement of labour between the European Economic Area and the UK.

Our research found a good deal of qualitative and anecdotal feedback about the UK's exit from the EU along the lines discussed above but in answer to specific questions about the impacts, almost all sectors were clear that it has had, and will have, little or no impact on business. Reticence about future implications for the industry could be due to uncertainty about the final terms of the UK's exit

from the EU, combined with a tendency for employers to adopt a 'wait and see' attitude while focusing on immediate issues.

Our depth interviews with employers, stakeholders and trainers echoed the feedback from the survey, however one employer stated that the referendum result in 2016 has severely impacted their small business. They were concerned about the survival of their business depending on whether an EU-exit deal is secured by the time the UK is set to leave the EU.

The Welsh industry does not rely on migrant labour to the same extent as the industry in Scotland and Northern Ireland, and where recruitment is concerned almost all seafood sectors expressed little concern as to the impact of exiting the EU, almost 90% of surveyed employers stating that it has had no effect on recruitment, and around 85% predicting that it will have no effect on recruitment in the future.

For the catching sector, of more importance than restrictions on labour mobility and changing fishing quotas are any changes in the terms of trade between the EU and the newly independent UK. Over 90% of vessels registered in Wales are small-scale, defined as under 10m in length. Much of their catch is lobster and crab which are not subject to quotas. The majority of Welsh fishermen would not be able to take advantage of more exclusive access to an extended fishing area after exiting the EU and would not immediately benefit if ministers decided to increase fishing quotas either. However, as most of the seafood they produce is exported to EU countries or through EU trade agreements, potential tariffs and other barriers could significantly impact market access and competitiveness.

Tariffs or other action to limit exports to the EU could be followed by the UK government imposing tariffs on EU exports of fish to the UK. This would see the Welsh industry, having limited or different export markets, and a potentially increased domestic market. The industry would be faced with the marketing challenge of switching domestic consumers from imported species to those caught in domestic waters; together with the challenge of seeking new export markets, alongside dealing with increased bureaucracy.

If the UK's exit from the EU leads to increased control over territorial waters and freedom to land greater catches than under the current Common Fisheries Policy, this will create opportunities for Welsh fishermen with larger vessels. This could also provide an incentive which will drive others to invest in suitable vessels and equipment. Increased catches would lead to more demand for the domestic processing sector, and an increase market share in the UK.

The outcomes of diplomatic negotiations during 2020 (and beyond) are unknown but it is very clear that the final outcomes are unpredictable and that, consequently, the seafood industry will have to prepare itself for a number of different results. Preparing for new export markets and increased bureaucracy are very sensible approaches which will be advantageous regardless of the UK-EU outcomes in the EU-exit negotiations.

## The Report

## Introduction

Wales's seafood industry comprises a number of different but interrelated sectors - aquaculture, catching, fish frying, processing, and retail. Together they employ over 5,000 people.

The Welsh fishing fleet employs 1,200 people on 400 licensed vessels. Three quarters of the fleet is made up of smaller vessels i.e. those under eight metres. The main Welsh fishing ports for larger vessels are Holyhead, Milford Haven and Porth Penrhyn. Unlike in other areas of the UK, the Welsh industry employs few migrant workers.

Wales has a history of inter-tidal fishing - hand-gathering shellfish from sand flats that are exposed at low tide, this activity is concentrated around the Loughor Estuary in South Wales, and the Dee Estuary in North Wales.

In 2018 Welsh vessels landed a total catch of 10,000 tonnes which was valued at £25m, 80% of the value was made up by shellfish. The sector is heavily dependent on exports, approximately 60% of the catch is exported to the EU.

Aquaculture in Wales is a small, but important sector employing around 130 people. Aquaculture activity in Wales is comprised of (freshwater) finfish production, shellfish and crustaceans. The commercial shellfish aquaculture sector in Wales produces the highest annual tonnage of shellfish of all the UK devolved administrations. The key sites for shellfish aquaculture are located around the Menai Straits, plus Swansea Bay and Carmarthen Bay. The Wales Seafood Strategy includes an ambition for this sector to grow by 30% from 2015 to 2025.

The processing sector in Wales employs around 130 people, shellfish processing is the main activity. Some processors operate mixed businesses, processing finfish and shellfish, others specialise, some businesses operate on a seasonal basis. The industry is mainly comprised of primary processors; secondary processing including cooking, pickling, and manufacture of ready meals occurs outside Wales. Businesses vary in size, from smaller organisations which serve mainly local markets in hospitality, to large scale whelk, cockle or scallop processors serving UK and international markets. The key markets for shellfish in the EU are France, Spain and Italy, China is a key rest of the world market.

Independent fishmongers in Wales employ some 500 people. There are some long established businesses, the oldest dating from the early nineteenth century. Some fishmongers have diversified into fish wholesale, supplying restaurants and hotels and caterers, with the largest operating fleets of refrigerated vans delivering throughout Wales and into England. The sector is embracing technology, offering click and collect, websales and running promotions on social media. While there is some promotion of fish sourced locally, in common with the sector in the rest of the UK, much of the fish retailed in Wales is imported.

Fish friers in Wales employ some 3,200 people, in takeaways, restaurants and mobile fish and chip vans. Cod is the main fish sold, but with only about 5% of the supply of cod being caught in UK waters, the majority of fish sold in Welsh fish and chip businesses is caught and frozen at sea by trawlers in the Barents Sea and Icelandic waters. Away from tourist areas traditional small fish and chip outlets serve the local market, in coastal areas larger restaurants and takeaways cater for tourists. There are dynamic businesses in the sector, some have diversified into catering at parties and large-scale events. Forward thinking businesses in the sector are using technology to monitor

add-on sales and administer click and collect sales. Some outlets offer deliveries, but these are limited by low margins in the sector compared to other 'fast food' businesses.

The seafood supply chain was forced to change rapidly and dramatically by the Covid-19 pandemic. New systems of working have seen accelerated developments in marketing innovation and uptake of technology. Nationally the pandemic will restructure industries and may create new pools of potential recruits for a seafood industry with elevated status with respect to food security. Tourism in Wales may increase as foreign travel is impacted by Covid-19 restrictions and perceived threats.

The outcome of EU-exit negotiations is far from certain but anticipated new trade agreements will be key drivers of change, pointing to opportunities for the industry. The Welsh catching sector is emblematic, but all sectors will have to adapt to thrive in the post EU-exit environment. In spite of their possible issues, taken together, the complex and evolving situation surrounding Covid-19 and the UK's exit from the EU, together with seafood's place in the drive towards healthy eating, herald a period of change and opportunity for the industry.

The Sea Fish Industry Authority (Seafish) is a Non-Departmental Public Body tasked with improving efficiency and raising standards across the industry. It is at the forefront of facilitating change and driving improvement across a united industry.

In February 2020 Seafish commissioned Pye Tait Consulting to:

- Map skills, recruitment and retention needs and issues across the entire Wales seafood value chain and,

- Review best practice with regards to training, skills development and workforce retention within the UK and overseas

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## The Study

### Aims

The study was focused on the following research aims.

1. Establish current skills levels, and levels of recruitment and retention;
2. Improve the client's understanding of potential skills and training provision gaps;
3. Identify current recruitment problems, trends and likely future labour market demands;
4. Identify any overseas best practice in seafood training, recruitment, and retention beneficial to the industry;
5. Obtain reliable and detailed reference data covering employment patterns in the seafood industry in Wales; and
6. Recommend actions based on the overall analysis to ensure a labour force that is suitably trained and skilled to meet its future requirements and an industry that can effectively address its skills, recruitment and retention needs and issues.

### Approach

The study was designed and initiated prior to the advent of the Covid-19 pandemic and lockdown (mid-March to May 2020). Both desk and field work were in progress at the time of the lockdown but it was decided, in conjunction with Seafish, that the results of the research were of great importance to the industry and that it should be completed.

At the time – mid-March 2020 – no-one knew how the lockdown would work and what people's reactions to the pandemic and the unique social needs would be. Nevertheless, we developed a plan of action to meet the changed circumstances and these were agreed by Seafish.

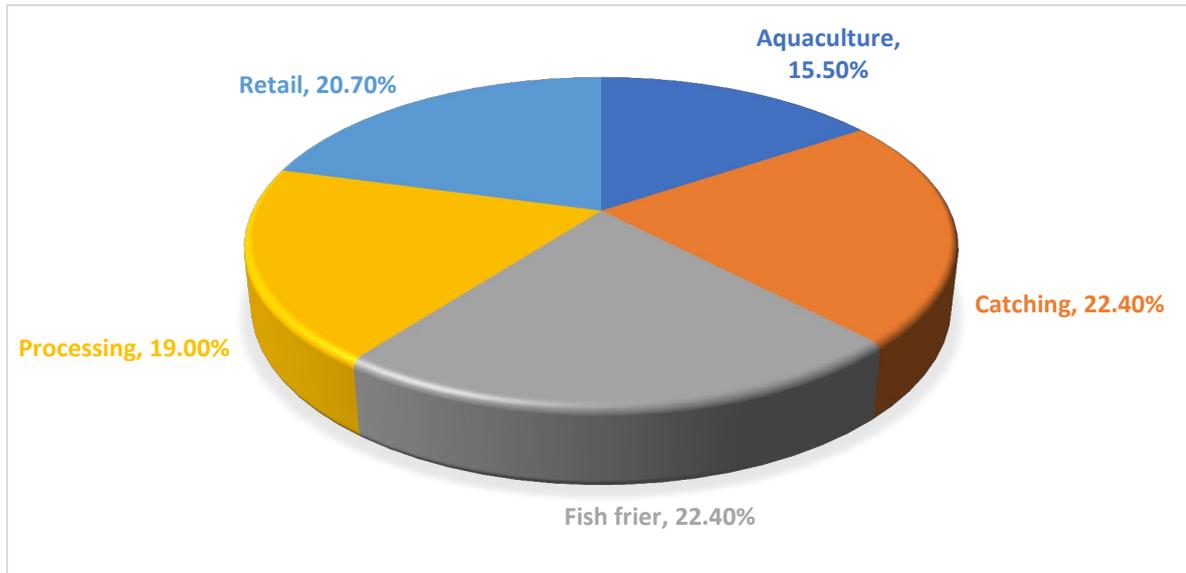
Employers across Wales were shutting down or trying to adjust to having staff work from home or on furlough. In the absence of prior experience there was uncertainty what proportion of employers would be contactable, and how employers would react to being contacted – even remotely – about such research during a major disruption.

It says a great deal about the seafood industry in Wales that the research was well received.

In the midst of the pandemic and lockdown, the study achieved 58 completed telephone surveys with Welsh employers. In-depth telephone interviews were arranged and completed with nine stakeholders. In addition, six senior stakeholders and employers took part in a multi-contact nominal group exercise to acquire deeper insights into sector issues. Nominal Groups are a method of obtaining deep qualitative data from stakeholders and employers without incurring the disadvantages of face to face groups in which dominant or senior attendees can often skew results. Nominal groups are based on group members receiving a series of iterative questions (usually by email or telephone interview). The answers are then collated and subsequent questions directed at members of the group to achieve greater depth. Individual members do not know who gave specific opinions and are therefore less likely to be swayed in their responses by identities or seniority.

The completed employer interviews were spread fairly evenly across all sectors (Figure 1)

Figure 1 Surveyed sectors in Wales



Source Pye Tait survey 2020

Table 1: Survey response rates in Wales (by employment)<sup>1</sup>

	Sector employment	Surveyed employees	%
<b>Aquaculture</b>	134	39	29%-
<b>Catching</b>	1,200	60	5%
<b>Fish frier</b>	3200	65	2%
<b>Processing</b>	130	47	36%
<b>Retail</b>	496	104	25%
	<b>5160</b>		
<b>Excluding fish frier sector</b>	1960	250	13%

Sources: Sector employment figures were sourced from: Aquaculture source: CEFAS, Aquaculture statistics for the UK, a focus on England and Wales 2012 Catching sector source: Marine Management Organisation, UK Sea Fisheries Annual Statistics Processing source: Seafish Welsh industry dashboard 2016, Fish frier: Data supplied by the National Federation of Fish Friers (NFFF) 2020

## Key Findings for Wales

### Skills & Qualifications

Each of the sectors in the Welsh industry is highly skilled in specialist areas. Surveyed employers consider a high proportion of staff to be skilled or highly skilled. An important finding is that outside the industry there is little knowledge or appreciation, and widespread under estimation of this high level of skill.

Employers and stakeholders report a lack of knowledge of the industry and its skills among potential new entrants and their influencers.

Each sector requires a high level of specialist technical skills alongside business skills needed in all sectors. For example

- Aquaculture – very high science skills, high animal care skills, business management, marketing, customer relations. Surveyed employers regard 80% of permanent staff as highly skilled or skilled.
- Catching – complex high-level combinations of skills in navigation, seamanship, ship engineering and handling, safety at sea, survival, fire precautions and fighting, fish identification, equipment handling, net management and repair. Around 87% of permanent staff are regarded as skilled or highly skilled by surveyed employers.
- Processing – high manufacturing and equipment skills, business and process management, advanced hand skills such as filleting, hygiene and packing skills. Around 97% of permanent staff are regarded skilled or highly skilled by surveyed employers.
- Fish friers – high skills in preparation of food, cooking, management of equipment, business management, marketing, customer relations. Employers surveyed regard over 50% of their staff as skilled or highly skilled.
- Retail – highly skilled fishmongers, business management, purchasing, marketing, customer relations. Employers surveyed said that 66% of their permanent staff are graded as Recognised, Advanced or Master Fishmongers

Skill levels and their “labelling” and promulgation are, on the surface, a matter of simple numbers and official classification systems. However, they matter because they underpin the way in which a sector is regarded by potential recruits, by parents, career advisers and teachers, and by those already employed within the sectors.

The seafood industry in Wales is highly skilled but this is not obvious to outsiders from the disaggregated and diverse sets of certificates and qualifications required.

### Skills gaps

Different sectors have different skills gaps but the need for technical and digital skills was mentioned across the board.

Also mentioned by high numbers of respondents were:

- Marketing especially social media marketing and branding
- Digital skills including click and collect, and websales
- Technical skills in aquaculture and specifically in
- Fish smoking
- Crisis management – with reference to Covid-19
- Financial management – particularly to support diversification
- Supervisory training
- Selling and upselling particularly for fish friers and retailers
- Customer service training
- People management and mentoring skills for managers and supervisors
- Multi-skilling for certain sectors (e.g. filleting and marketing for catchers)

### Training Provision

Employers called for assistance in training for the above priority skills but most particularly for flexible and easily accessible video and online approaches, which are accessible for those working in remote locations and can be made accessible to lower skilled staff and those whose first language is not English.

Training and qualifications in the Welsh seafood industry tend to be driven by compliance requirements – for such areas as health & safety, sea survival, firefighting, and first aid. Difficulties in releasing staff for training and training being low on the list of priorities were constant themes, alongside the cost of training.

The remote location of some businesses in Wales adds to the difficulties of releasing staff for training; employers in remote areas spoke of two-hour journeys to access training, fish friers highlighted the difficulties involved in accessing National Federation of Fish Friers (NFFF) training in Leeds.

Employers in tourist areas reported that they work 'round the clock' during the season and are unable to release staff or attend training themselves.

Consequently, a great deal of training is conducted on the job through mentoring and tutoring by senior staff. One employer who trains staff in-house feels that skills would be improved if staff had more opportunity to meet with their peers and also to learn from other professionals in the sector.

*Training depends on capacity to do it and finances to do it. Comes bottom of list – there are other administrative and health and safety things to do instead. Yes, it is necessary, but bills will get paid first.*

### **Retailer Mid Wales**

With respect to external training, there are three Seafish Approved Offshore Training Providers in Wales: Coleg Llandrillo, Sea Sense Surveying Ltd and The Welsh fishermen's Association; plus three onshore trainers are based in Wales, other onshore trainers based in England will deliver training in Wales.

### Recruitment

The Welsh seafood industry is extremely diverse and it is therefore impossible to design an approach which would fit all businesses in all sectors. However, we found during this study that employers would appreciate help and guidance with the ways in which recruits should be attracted, informed and interviewed.

The results from our survey of employers reveal that the most common form of recruitment in the industry – across almost all sectors is by word of mouth, used by some 45% of employers. Some retailers and friers spoke of recruiting by ‘putting a notice in the shop window’. This is partly a reflection of the relatively low numbers of people required and partly a result of the high degree of localisation in the Welsh seafood industry.

There were requests for guidance for interviews and materials to support ways of informing interviewees of the scope of the work. In particular, employers ask for ways of promoting the good points (e.g. the prospects and excitement) about working in the industry without giving potential employees unrealistic expectations.

*There is a lack of new entrants into the industry due to lack of support or promotion from institutions like Careers Wales. There's support for electricians and farmers but no support for those who want to enter the seafood industry.*

#### **Stakeholder, North West Wales**

Training providers and employers are familiar with the Seafish website and can generally find information that they need. However, navigation of the website is not intuitive especially for industry outsiders. Similarly, Seafish Training eAlerts are appreciated by the industry, but, potential recipients must visit the Seafish website and go through a sign up process for these, so they are not easily accessible to industry outsiders. Some employers said that they look for information on the Menter a Busnes website and local colleges before or instead of looking at the Seafish website.

Awareness videos are required to underpin a more well-founded appreciation of work in each sector. Employers would like people to start the job and their training course with a more realistic impression and understanding of what will be required of them. Stakeholders from the catching and processing sectors spoke of new entrants being unaware of the working environment and how physically demanding the work is. Stakeholders in retail claimed that new entrants are unaware that they can earn qualifications on the job. Fish friers spoke of new entrants being unaware that they would be standing all day.

Stakeholders and employers both stated that recruitment is difficult. This is exacerbated in some areas by “ageing” populations. However, the difficulty is attracting younger people to stay in the local areas as well as attract them to a job in the seafood industry. Employers commented on the difficulty of attracting and retaining younger local people who often leave rural areas in search of other opportunities or higher education; there is a general feeling that a perceived lack of career progression is a considerable barrier to recruitment. Case studies specific to Wales which highlight progression in the industry would help counter negative attitudes.

Some employers require staff in customer facing roles to be able to speak Welsh and English.

*The difficulties in relation to recruitment is that living standards vary across the nations and this can have an impact on people moving from one area to another. I prefer to try to recruit from the local area but being appealing to our local younger generation is the challenge plus ensuring we have the Welsh language as part of our service.*

**Retail, West Wales**

### Retention

In general, the industry in Wales does not appear to suffer from serious retention issues. As one stakeholder commented, “most people who enter the industry are there for the duration. They don’t leave because it really is a rewarding job.” However, many smaller businesses claimed that they have lost quality staff because they were unable to offer them a higher rate of pay or company benefits.

Where retention issues have appeared however, stakeholders and employers said that a lack of awareness of the industry was the main underlying cause. The argument – supported by many respondents – is that, because the industry is relatively poorly understood in careers circles and by teachers and parents, new entrants can lack any genuine understanding of what they are joining, with the result that they leave quite soon.

Some employers and stakeholders commented that being located in rural areas of Wales can make it challenging to retain staff, especially if they are unable to increase their wages. Staff sometimes leave in order to find jobs that pay more money and offer greater opportunities of progression. Smaller rural areas of Wales find it difficult to compete with larger towns and cities in Wales and the rest of the UK.

There are calls across all sectors for more awareness videos to give a more realistic but inspiring vision of work in a sector and to aid employers in their recruitment and retention efforts. The range of instructional videos could also be used as promotional and awareness tools for the sectors.

Employers can have difficulty retaining new entrants when they are undertaking their mandatory training. For example, many new catching entrants are unaware of the realities of working at sea, the nature of the work and what it entails. Some employers report paying for mandatory training, only for new entrants to drop out before completing it, or very soon after. Sometimes due to being unprepared for the physical demands of the role, the arduous conditions and occasionally due to seasickness.

*People don’t realise how hard it is. I always say you can tell when people watch fishing programmes on TV as they think it’s going to be a certain way. That soon disappears when they turn up and they realise it can be tough.*

**Trainer, South West**

### Collaborative working

#### Menter a Busnes - The Welsh Seafood Cluster and Cywain

During our depth interviews a number of employers regularly mentioned the independent, not for profit company Menter a Busnes as a place they go to when looking for training as well as business support and business development. Menter a Busnes provides consultancy services, entrepreneurship awareness, business start-up and business growth to support individuals, groups and SME's across Wales.<sup>2</sup> Menter a Busnes offers two initiatives to help support and grow the seafood industry and the food and drink sector in Wales – Cywain and the Welsh Seafood Cluster.

Cywain is dedicated to the growth of Welsh food and drink businesses and offers collaborative opportunities with other businesses and experts in the sector. It helps to improve skills and offer business support by providing mentorship and develop product and business ideas with the aim of moving food and drink businesses in new directions. Cywain also provides marketing as well as business strategy advice – including advertising and social media to supply chain management.<sup>3</sup>

*Covid-19 hit my business, so I've been in touch with Cywain. They can provide me with a mentor to get a business plan together and help secure funding. I already have a plan to sell ready-made meals but as a one-man band I need business, finance and marketing support to make this a success.*

#### Processor, North Wales

There are a number of different clusters in Wales that work collaboratively with other sector professionals to support and grow businesses. The Welsh Seafood Cluster is just one of these clusters and is supported by the Welsh government and delivered by Menter a Busnes. The cluster works collaboratively as a business support network specifically for seafood businesses operating in Wales. The clusters identify training needs and requirements as well as business support for processors, catchers, fishmongers and the aquaculture sector.

The “Port to Plate” project, launched in February 2020 and funded by the European Maritime and Fisheries Fund (EMFF), and developed by Menter a Busnes with the support of Seafish, aims to increase public awareness of the quality produce caught in Wales and to promote and grow local businesses.

*Through following Port to Plate I've attended an online marketing and development steering group during the Covid-19 lockdown to equip myself with new skills that I'll need in the future.*

#### Retail, West Wales

With these supportive co-operatives and collaborative clusters in place, specifically for the Welsh seafood industry, businesses and employers already have a range of guidance and support available. One employer commented that Seafish “felt” more England-based therefore Menter a Busnes and the Welsh Seafood Cluster is their “go to” places for support and information about training and business needs. They commented that it's important to have local knowledge from local people who understand the Welsh seafood industry.

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<sup>2</sup> <https://menterabusnes.cymru/home/>

<sup>3</sup> <https://menterabusnes.cymru/cywain/en/home/>

### Recommendations

The majority of stakeholders agreed that a negative industry image is having a detrimental effect on recruitment. They argue that this is especially the case with young people, who tend to perceive the industry as being dirty, smelly, hard work, and low paid.

Many stakeholders and employers claimed that it was hard to keep young people in rural areas and small towns of Wales with many leaving to seek employment in larger cities. Once young people leave to go to university, they rarely return to their hometown. Stakeholders are keen to rectify these stereotypes for many jobs have high earning potential and career progression with many different opportunities available. Stakeholders also commented on the fact that many young people were unaware that they could “learn as they earn” gaining qualifications as they worked.

The negative industry image is not just about awareness and the need to better communicate that these are highly skilled sectors with excellent opportunities for progression and advancement. but also about job status – which is further linked to the disparate and disaggregated nature of most qualification structures in all sectors from retail and fish frier to catching, processing and aquaculture.

1. The qualification structures and levels need to be addressed for each sector as a matter of urgency and progression pathways developed.
2. The industry in Wales needs to develop career and qualification paths to compete with other industries, and promote these with accessible material which clearly shows opportunities and prospects for each sector in the Welsh industry. Online resources including videos, sample wording for job adverts, material for employers’ websites should have a specific Welsh focus. Case studies should be produced to illustrate ‘success stories’ and career ladders in each of the sectors in Wales.

Based on the findings of this study we also recommend:

#### Training

1. **Digital awareness training** – Technology use is increasing in amount and in the depth to which it affects job roles. The digital revolution is affecting different sectors and different roles in different ways but business owners, managers and supervisors certainly need much deeper awareness of the ways in which the digital world can leverage productivity and profits; all levels of staff require training that focuses on inputting data digitally and learning how to use technological equipment digitally;
2. **Bilingual resources** – Trainers identified that language barriers hindered training with older fishermen whose first language is Welsh. Training resources and assessments delivered in the Welsh language would likely increase training attendance.;
3. **Remote learning** – Many respondents in all sectors claimed it was difficult to attend training courses based on their costs and schedule, especially those in remote areas. There should be a focus on facilitation of remote learning and assessment by increasing online

resources; videos are regarded as an accessible medium for learning particularly for those with limited literacy. The restrictions imposed by Covid-19 have increased the requirement for remote learning.

4. **Virtual networking** – Meeting up with other industry professionals and experts is always beneficial however costs and time away from work coupled with living in rural areas makes this difficult for some employers and staff members. In a post Covid-19 world, virtual networking, online conferences and research talks would be beneficial for some smaller business owners and their staff, who are unable to travel long distances.
5. **Cooperation** - employers in all sectors are enthusiastic about cooperation with other businesses. Between businesses in different sectors, this is seen as a way to streamline supply chains and add value. There was also a suggestion that businesses in the same sector could collaborate to share marketing and advertising costs. Efforts should be made to facilitate cooperation between employers.
6. **Marketing and social media** – There is high demand for this training which will help businesses reach a wider audience and will have a positive impact on improving industry image by using modern methods of communication and advertising. Few businesses we spoke to during this study have a full understanding of the absolute importance of modern marketing and customer relationship management. We found that such knowledge as exists is “siloesd” and that managers are having difficulty understand the ways in which marketing elements are linked and inter-dependent. Smaller businesses especially need support in this area;
7. **Click and Collect** – Training for businesses who need support establishing this service which is important for the future success of many smaller businesses and has proved vital during the Coronavirus pandemic. Some wholesale businesses have used click and collect to diversify into retail during the pandemic, and would like to expand this channel;
8. **Add on sales and customer service** – Guidance/short courses on effective customer service how to push add-on sales effectively. This is particularly important for retailers and fish friers, some of whom use their EPOS systems to measure add-on sales, and see these as key to increasing income;
9. **Catch sales** – Teaching fishermen how to process (fillet, store, smoke etc.) and retail their catch is an innovative way for fishermen to add value to their catch and survive during uncertain economic periods when sales to traditional customers may not be possible;
10. **Train the Mentor** – There is a large number of “train the trainer” courses available but very few which explain the most effective ways to mentor staff. Such training would bring benefits to almost all sectors but especially to processing and retail;
11. **Financial Management training** – Most sectors have explained their need for financial training in the light of the Covid-19 pandemic and outcomes. Managing debt, pricing, cash flow management, etc are all urgently needed by many small and medium sized businesses, some businesses are also looking for help managing diversification;
12. **Introductory days for prospective new entrants** – From a careers perspective it may be highly desirable to develop an industry-wide network of companies willing to offer Introductory Days. These will offer a taster of the sector and provide new entrants with a more realistic understanding of the job;

- 13. Promotion of “Introduction to Commercial Fishing” course** – Promoting this course more effectively to industry outsiders so they are more likely to consider a career in catching;
- 14. Seafish website navigation**– The Seafish website works well for frequent users. However, navigation and accessibility improvement will be needed for those who use the site infrequently and for potential new entrants some of whom may have limited literacy or language skills - with clear messaging and visual aids. Where possible some recruitment material – case studies etc specific to Wales should be signposted from the website;
- 15. Access to “over 16.5m” skipper training** – The catching sector needs more ticketed individuals due to what is seen as an ageing workforce. Improve promotion of this training by focussing on progression from crew to wheelhouse and the transferable skills gained through this training.
- 16. New customs procedures and documentation** - Leaving the EU will involve the introduction of documentation to ensure compliance with HMRC declarations, including the implications of the NI protocol. There will be a requirement for individuals to be trained to manage any new procedures.

### Recruitment

- 1. Recruitment ‘toolkits’** – Develop and provide businesses with a sector-specific toolkit that offers guidance on writing attractive job advertisements, how to get the most of out their website, and what important questions should be asked at interviews. Materials in the recruitment toolkits should be available to everyone in the industry online and take the form of videos, case studies and role descriptions. Sectors will benefit from resources and materials available in Welsh and English to attract local as well as new residents;
- 2. Lessons from other industries’ messaging** - The ‘Go Construct’ website, run by the Construction Industry Training Board (CITB), is a good example of a resource that young people can go to in order to learn more about the construction and built environment industry. Again, this website should be accessible in both Welsh and English;
- 3. Clear communication of opportunities in the industry** – Promote opportunities in the industry with clearer communications showcasing careers, apprenticeships, work experience and the different routes into the industry. Offer young people a career map which depicts the qualifications, experience and routes for particular roles and sectors. Focus on local people who have stayed in the area and progressed in their careers;
- 4. Less text, more infographics** – Websites, social media platforms and any literature aimed at young people should be aesthetically attractive and incorporate images and videos of people at work. This will give them a realistic picture of what a job looks like in the industry. Some potential new entrants will have limited literacy – design of promotional collateral should take this into account;
- 5. Effective messaging**- Research young people’s aspirations and perceptions of the industry and use the data to develop messages and approaches for employers to use when speaking to potential recruits;
- 6. Key workers** – Learning from the Coronavirus pandemic, being a key worker may now be seen as a more attractive career choice. Ensure recruitment messages depict that industry workers are essential and key workers, from fisherman to supermarket counter staff.

### Retention

- 1. Career pathways** – As mentioned above, a visual pathway for each sector should be produced and used. Currently the fish frier sector in Wales is the only sector to openly provide this to staff;
- 2. Guidance on employer branding as a retention tool** – Develop a toolkit – perhaps alongside others as part of a series to improve “employer branding” by demonstrating how to offer staff benefits including bonuses, additional pension contributions, birthday days off, “ideas” schemes, cycle to work schemes, staff social events, ongoing skills progression, and health and mental health advice. These benefits demonstrate to staff and potential new entrants that the employer is invested in them and that they are valued.
- 3. Investment in staff training** –Employers should be made aware of the positive relationship between investment in staff training and retention rates, found in the research.

## The Industry

The industry which catches, farms, processes, and sells Wales’s seafood is relatively small but of immense potential for the economy, particularly in view of the imminent exit of the UK from the European Union and the additional emphasis on food security resulting from the experience of the Covid-19 pandemic. The industry is also a major employer in some coastal communities.

The seafood industry as a whole employs over 5000 people across five sectors, with the fish frier sector representing over 60% of the industry’s total employment. There are around 3,200 people employed in fish and chip shops/restaurants in Wales but many more work in other food outlets serving the output from the industry.

The Welsh fishing fleet employs some 1,200 people operating 440 vessels, of which over 90% are small-scale, defined as under 10m in length.

*Table 2 Industry employment by sector in Wales (2017-18)*

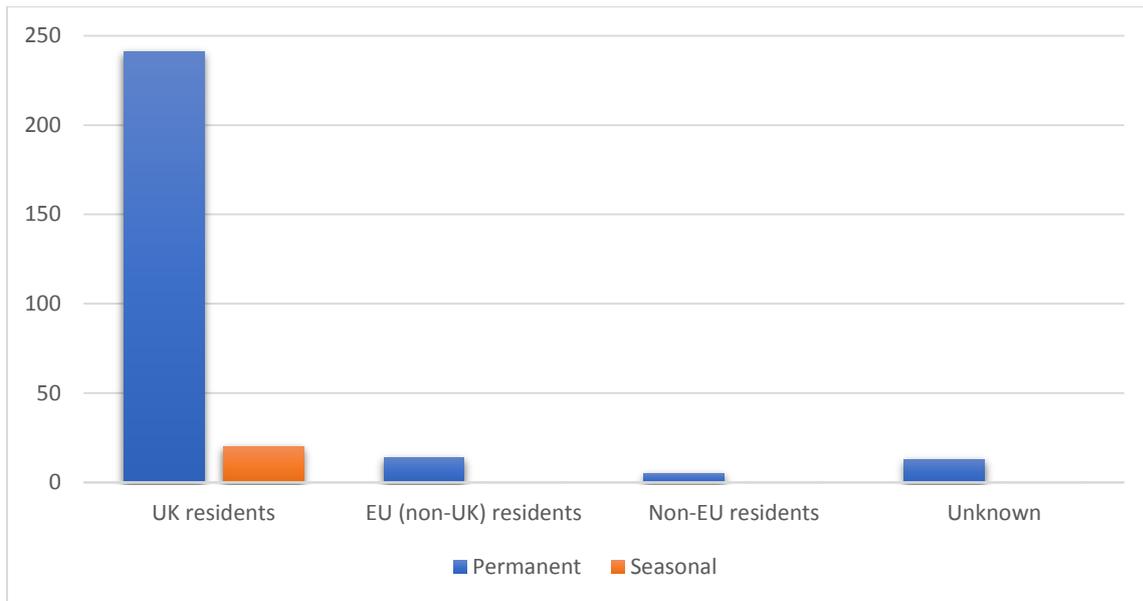
Sector	Est. Employment	% of total employment
Aquaculture	134	3%
Catching	1,200	23%
Processing	130	3%
Retail	496	10%
Fish frier	3200	62%
<b>Total</b>	<b>5160</b>	

The industry, in common with many others, is finding it difficult to attract and recruit staff – particularly young people – which has the effect of requiring higher levels of resource (human and financial) to be tied up and spent in the recruitment process.

The workforces in certain sectors, particularly catching has an average age higher than the average for the UK workforce. A further characteristic of the industry (with the exception of fish friers and retailers) is that it is highly localised – especially along specific coastlines.

Unlike other parts of the UK, in Wales the industry is not heavily dependent on non-UK labour (Figure 2)

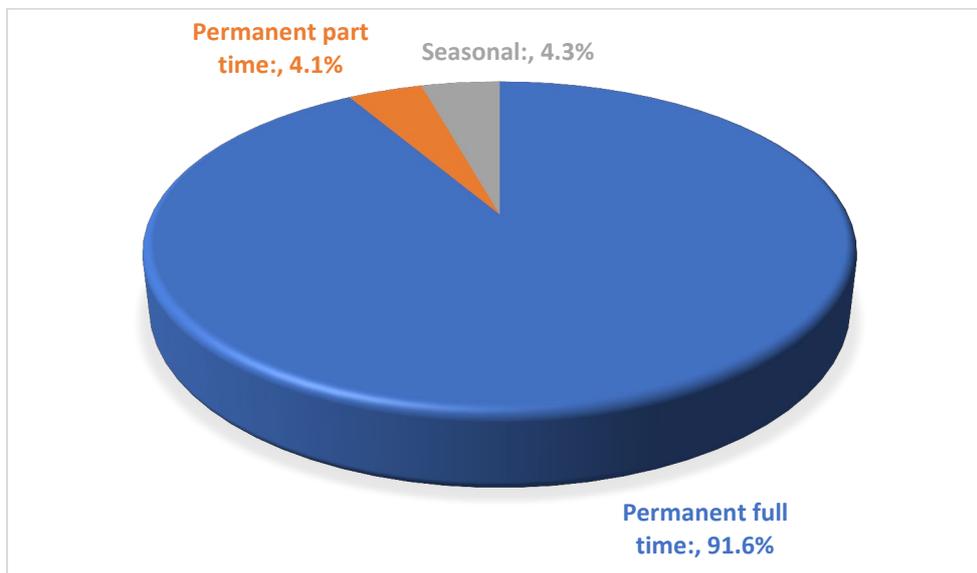
Figure 2 Staff by residency in Wales (numbers)



Source Pye Tait survey 2020

The industry as a whole is made up on mainly permanent staff (95%), of which around 4% are employed on a part-time basis (Figure 3).

Figure 3 Mode of employment in Wales %



Source Pye Tait survey 2020

## Training

There are three offshore approved training providers (ATPs) in Wales who offer a number of Seafish courses and under 16.5m Skipper courses. These ATPs are Coleg Llandrillo, Sea Sense Surveying Ltd and Welsh Fishermen's Association.

There are three onshore trainers based in Wales, but others offer training throughout the UK.

Providers offering 'onshore training' tend to be smaller organisations often just one person, whereas 'offshore' providers are generally colleges or private training providers employing a number of trainers.

Employers report that they would have to travel considerable distances to access some areas of onshore training e.g. fish frying.

Intermediate and Advanced Apprenticeships are available in the fish and shellfish industry skills at levels two and three. These apprenticeships are based on the fish and shellfish proficiency skills framework which covers fish friers, fishmongers, processors, merchants and bivalve depuration centre staff. These apprenticeships are offered by Cambrian Training and Coleg Cambria.

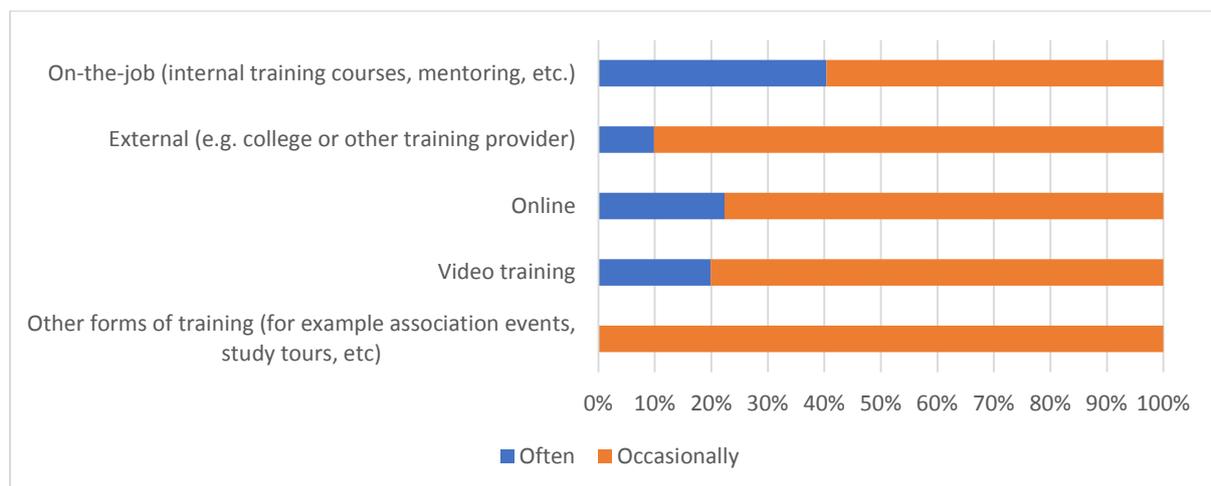
Training and qualifications in the Welsh seafood industry tend to be driven by mandatory requirements – for such areas as health & safety, sea survival, firefighting, and first aid – and by difficulties in releasing staff for training or costs of training. Consequently, a great deal of training is conducted on the job through mentoring and tutoring by senior staff or employers.

In depth interviews, employers and stakeholders stressed that the industry needs to focus on ensuring the workforce is equipped with digital and technical skills such as inputting data digitally instead of hand-writing, ordering stock online rather than over the phone, software and digital devices, understanding databases and how to use them and analysing customer data.

*In our kitchens we have invested heavily in technology. Staff in this industry have to acknowledge that as we move forward practical skills have to be matched by computer/tech skills and they will have to adapt to different regiments.*

### Fish frier, North West Wales

Figure 4 Mode of training – seafood industry in Wales (permanent staff)



Source Pye Tait survey 2020

As with other UK sectors employers tend to value experience above formal training and qualifications. It is important that such statements and the views of employers with respect to experience are not misinterpreted. Employers are not saying the training is not important but that

the learning which comes with time on the job and the regular and constant informal coaching and mentoring of senior staff constitutes an extremely important element of an individual's knowledge and skillset.

### Age Profile

The age profile for the industry as a whole is shown in Figure 5.

For the surveyed element of the Seafood industry in Wales the proportion of employed people who are over the age of 45 is 51%, (for the entire UK workforce, the equivalent proportion is 41.3% - 2019), with 31% being over the age of 55.

Taken in its entirety the industry in Wales has an average age higher than the average for the UK workforce, but this average picture takes no account of the situation in specific sectors, specific roles within sectors, or given regions or localities. Some sectors have an older workforce than others, for example the survey showed that some 83% of catching employees are over 45 years but just over 60% of the fish frier sector are under 44 years. Some survey respondents perceive that the ageing catching workforce is a particular problem.

*As the average age of a fisherman is forty to sixty, we need to address this as soon as possible.*

### Retailer South Wales

Respondents highlighted that due to Wales' rural areas and a lack of local "attractive" opportunities for young people, this population are moving away to larger cities or to other areas of the UK to pursue more attractive work opportunities or to study at university.

One independent fishmonger stated that they rarely sell fish to anyone under the age of 50.

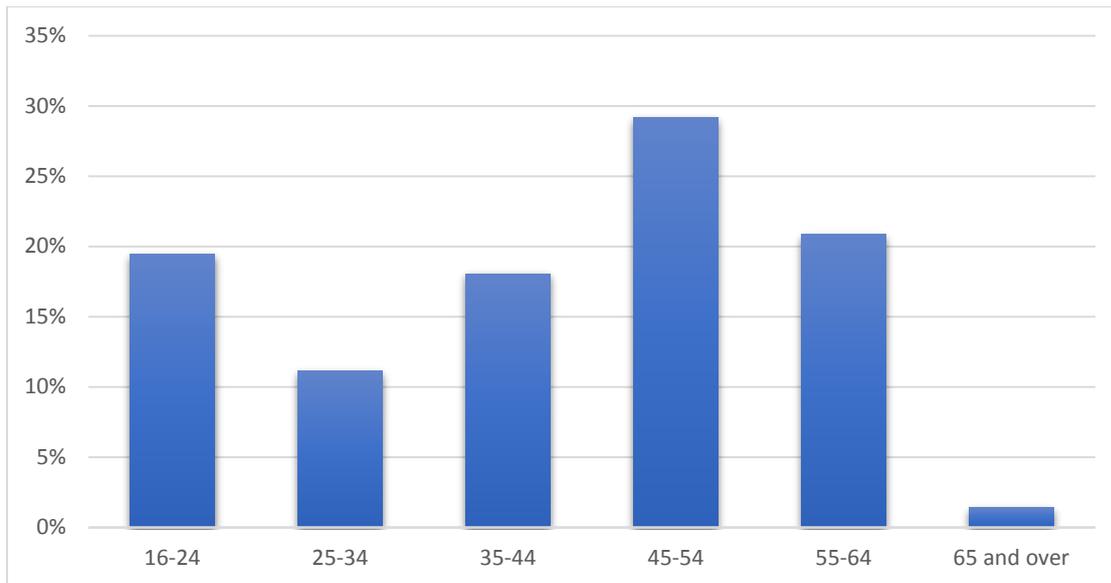
The Welsh industry is characterised by high proportions of micro and small businesses which may have large pockets of "ageing" employees due to the fact that small businesses tend to be run by their founders and that, quite often, the succession possibilities for the business are problematic. Employers were not asked detailed questions around this issue but research by the authors in other industries such as construction, hospitality, retail, etc. indicates that smaller businesses tend not to have formal succession plans, are extremely dependent upon the skills and energy of their founders, and sometimes do not have family members (or enthusiastic family members) to take over from the founders.

*There are no young people wanting to enter this industry and there is an increasing problem with an ageing workforce going out fishing.*

### Processor, North Wales

A negative industry image is often mentioned with the difficulty of recruiting younger people, but this is not merely a matter of marketing the job, salary expectations, and progression pathways. It is also necessary to establish in the minds of young people the status of the job roles to which they could aspire; and status today usually relates to the perceived educational or qualifications level of that role.

Figure 5 Age profile of seafood sector in Wales



Source Pye Tait survey 2020

## Recruitment

Our survey of employers shows that much recruitment in the industry is by word of mouth. This is partly a reflection of the relatively low numbers of people required and partly a result of the high degree of localisation in the seafood industry. Communities tend to generate new recruits to a certain extent. Some fish friers and retail employers advertise job roles via posters in shop windows. Certain locations were cited as being difficult to recruit permanent and seasonal staff.

*Challenges with recruitment come down to the rural population which is economically challenged. People tend to leave for university and not come back.*

**Fish frier, North West Wales**

Catching employers highlighted difficulties caused by regulations which make it difficult for them to take young people on vessels.

*There are so many restrictions with Health and Safety that it is almost impossible to take young people out to sea. Should some of the rules be relaxed, whilst making sure at all times people are safe, this might encourage businesses to look at new recruits.*

**Catcher, South Wales**

## Retention

Each sector of the industry exhibits its own unique profile where the issue of staff retention is concerned. These are discussed in the sector sections where employers have quantified the extent to which they have experienced vacancies and hard-to-fill vacancies. Taken as a whole, Wales' seafood industry does not appear to experience high levels of vacancies.

During the in-depth interviews we asked employers and stakeholders a number of questions around the subject of staff retention; about its importance as an issue, actions employers were taking to enhance retention levels, about career pathways and progression routes, about training and its impact on retention, and about whether there were any notable differences between “stayers” and “leavers”.

Employers and stakeholders commented on the issue of retaining a younger population in certain areas of Wales before they leave to go to university or pursue other opportunities. It is believed by some employers and stakeholders that younger people have different aspirations and expect more in terms of pay and progression which affects retention. The image industry and nature of the work can also be discouraging for younger people (e.g. catching fish in all weather conditions, handling smelly produce in the cold and uncomfortable processing factory, etc.).

For employers, retention rates also vary depending on the size and scale of the business. One employer who has a small business has lost staff because of an inability to pay more or offer company benefits, although this is something they would like to look into in order to have someone take over the business in the future.

*We've had quality, well-loved staff we tried to keep hold of but we got to the maximum of what we could give them so they've naturally moved on to a more affluent or bigger town or city to get that income.*

**Fishmonger, West Wales**

An employer with a young business said that retaining young people was an industry-wide issue however, they stated that their own workforce's average age is approximately 25. This is, they believe, due to the fact that they invest heavily in their staff by paying for training days and trips away, regularly reviewing staff pay and increasing it often as well as offering a clear progression plan for all staff irrespective of role or background.

### Active initiatives

Employers value hard working and quality staff and say that investing in their employees is a good way to retain them for the future.

One employer encourages staff to develop their skills by organising in-house training days with industry experts. For example, paying £700 for a sushi chef from London to visit their kitchen staff to showcase new skills and different ways of working with their produce. They also offer all staff a number of benefits and value employee feedback on how the business is run.

*Everyone has a reward package that incentivises staff, they buy in to what we do. We ensure that bonuses trickle down the department so everyone in the kitchen and front of house gets a return. We have social events, monthly newsletters and we have a happiness survey where we ask our staff to judge our performance as employers. This gives them the opportunity to feedback points they're not happy with.*

**Fish frier, North Wales**

### Career pathways and progression routes

Employers and stakeholders agree that having a clear career pathway or progression route would be beneficial for supporting and retaining staff. Some larger businesses are already able to put in a career development programme in place for their staff with one business owner supporting cleaners to progress to kitchen managers and pot washers to head chefs. Some smaller businesses find it more difficult to offer a development programme for staff as they cannot invest in training, may not have opportunities to progress into or employ seasonal staff who leave after a certain number of months.

One small business owner in the retail sector stated that they are hoping to take on an apprentice next year and would like to see this individual progress to one day taking over the business. The individual lined up for the apprentice is an adult with a family and they are concerned the apprenticeship wage will not be enough for them in the long run.

A stakeholder from the catching sector claimed that career progression in this sector is a “natural thing” for deckhands to become skippers and own their own boats, if that is something they desire.

*That probably is one place where we could get better and look further into. It would be good if providers can offer accessible continuation training. However, there are financial barriers for young people getting their own boat these days.*

**Stakeholder, South West Wales**

### Characteristics of stayers and leavers

Employers described those who stay in the company as those who buy into the business and their shared vision, are positive about the job, willing to give that little bit more and are genuinely interested in their role and seeing the business succeed. Smaller business owners state that they have also lost staff with “stayer” characteristics due to financial reasons who have left to find a better rate of pay elsewhere.

*Some guys are happy to just work on the boat but those who want to be a skipper and own their own boat will usually have ambition.*

**Stakeholder, South West Wales**

One employer noted a difference between people who are happy to turn up to work every day but have other commitments in life to those who drive the business, are committed and are invested in its future. To run a successful business, they rely on both types of these stayers.

Stakeholders and employers described those as leavers as either not fully understanding the demanding nature of the role, such as in the catching sector, and may leave within a number of weeks or months to those who see the job as a stepping stone to something else, for example in the retail sector. Both stakeholders and employers commented on the fact there is an issue with younger people leaving in search of more exciting jobs with better pay and opportunities to progress.

Does training affect retention?

Employers believe that training does affect retention rates and by investing in staff they too will invest in the business. A bigger employer may have more resources to invest in staff progression compared to a smaller business. One fishmonger was concerned about the costs of retaining quality staff but was determined to offer as much on the job training as possible to proactively invest in their staff.

*I can only afford to send myself to the training courses. If I can learn I can then share these skills and knowledge and that's a good way to manage things as well as the best use of my time.*

### **Retail, West Wales**

Those employers that can afford to send staff on training courses or hire trainers to deliver on-site training believe that doing so benefits staff members and the business as a whole. Where there have been difficulties locating training providers or courses, some employers turn to the private sector and seek innovative ways of engaging and training their staff.

## Sectors

### Aquaculture

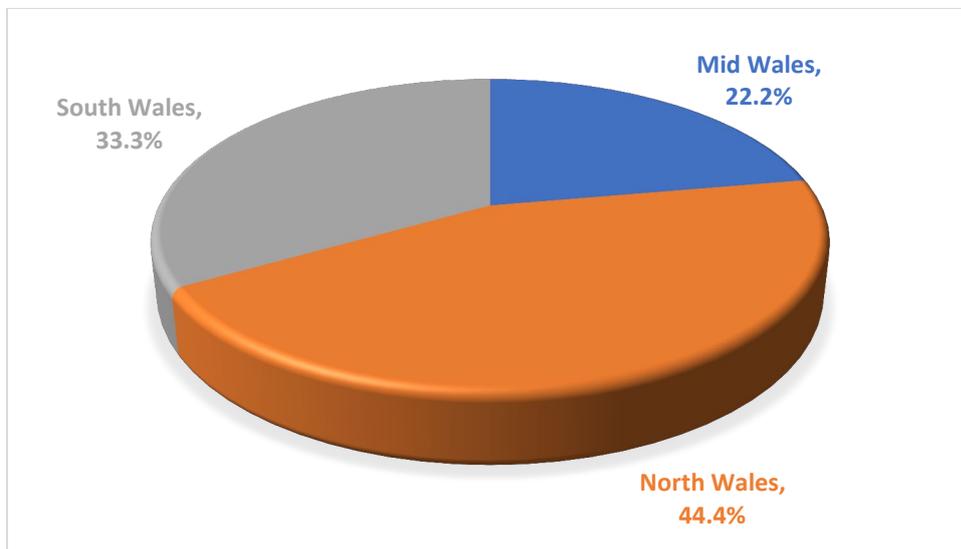
#### Introduction

Although a relatively small sector in employment terms, aquaculture is a growing one and requires very high levels of skill in its core workforce.

Our survey covered aquaculture companies headquartered in Wales (Figure 6).

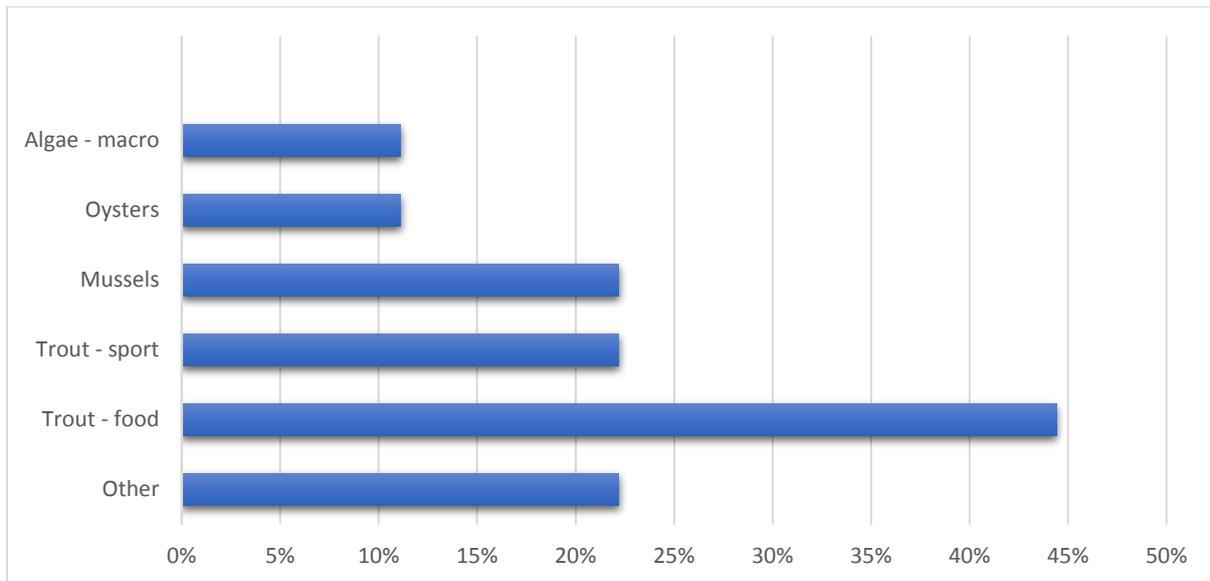
Just under 45% of the responding businesses farm trout for food, 22% trout for sport, 11% oysters and 22% mussels. Other activities include Freshwater fish, Bream, Roach and operating a smokery (Figure 7).

Figure 6 Spread of aquaculture respondents by Welsh region (%)



Source Pye Tait survey 2020

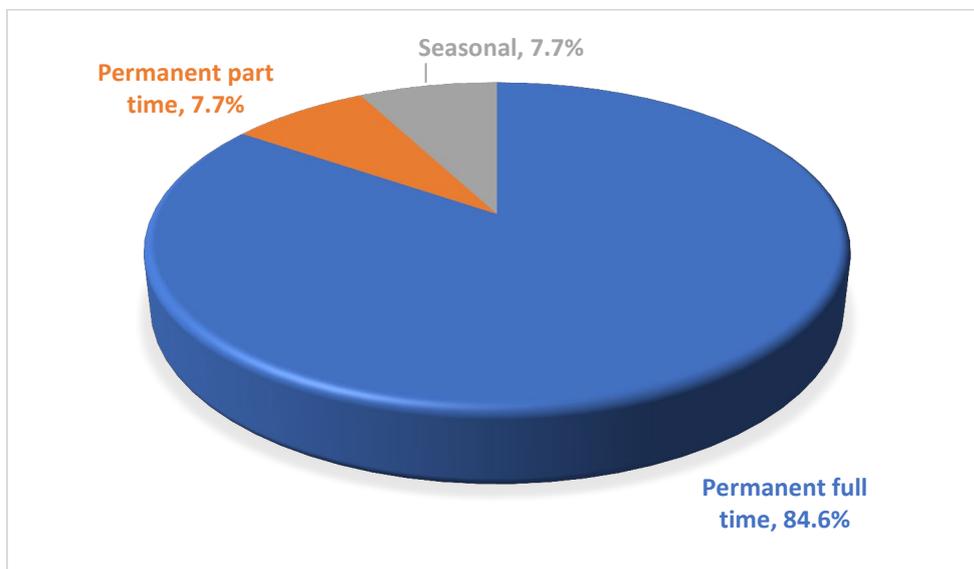
Figure 7 Species farmed in Wales' aquaculture sector



Source Pye Tait survey 2020

Over three quarters of the 39 employees reported by respondents are employed on permanent full-time contracts with a further 7.7% on permanent part-time arrangements (Figure 8).

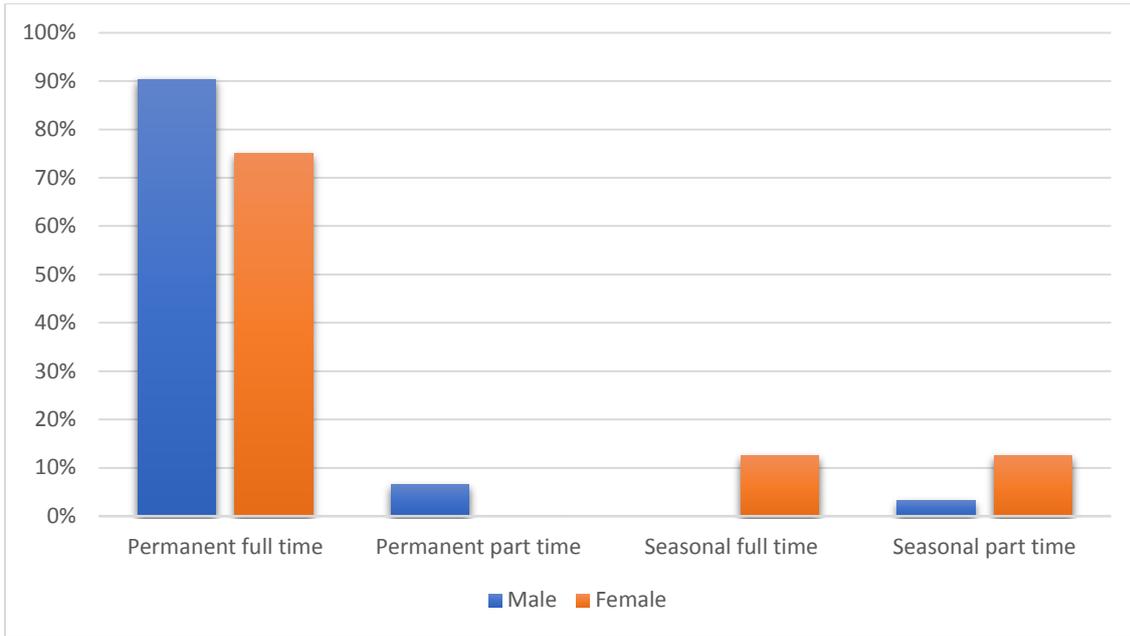
Figure 8 Employed workers by mode of employment in Wales' aquaculture sector (%)



Source Pye Tait survey 2020

90% of male employees (28 employees) and female (six) employees are employed on full time permanent contracts (Figure 9).

Figure 9 Employment made by gender in Wales' aquaculture sector

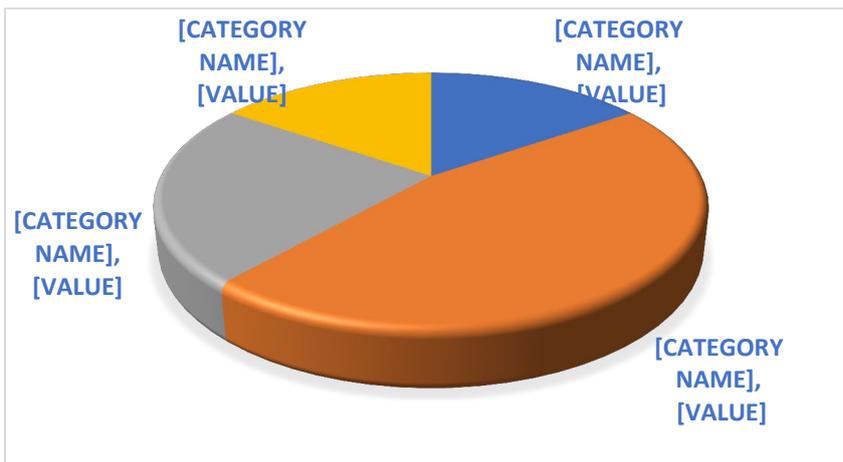


Source Pye Tait survey 2020

All aquaculture sector workers, permanent and seasonal, are UK residents.

Respondents from the aquaculture sector gave ages for 13 employees. 23% are over 45 years and 15.4% are under the age of 35.

Figure 10 Aquaculture age profile in Wales



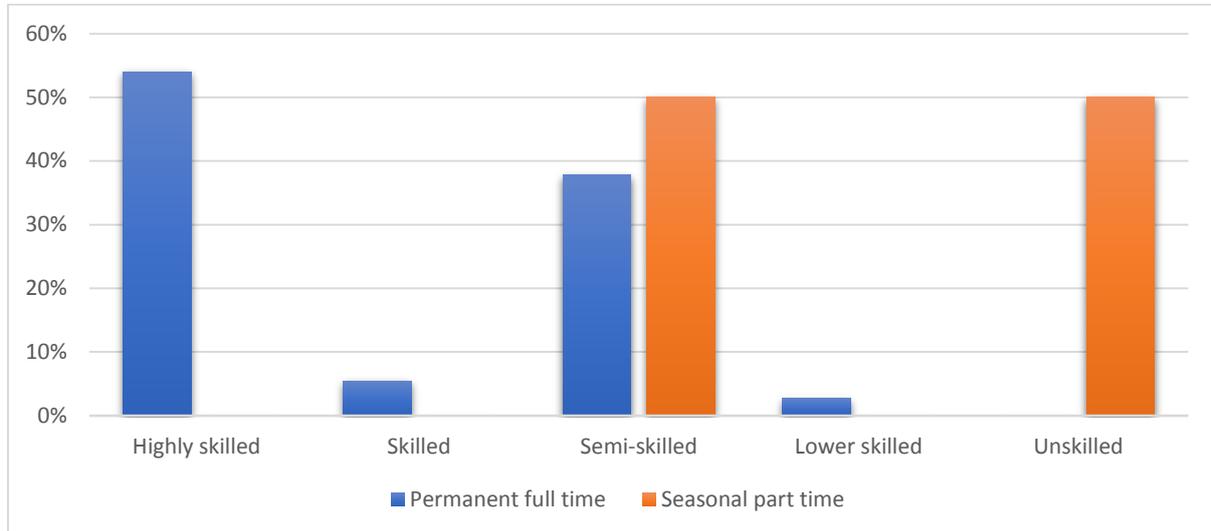
Source Pye Tait survey 2020

## Skills

The level of skills required in the aquaculture sector is moderately high – 60% of permanent staff required to be either highly skilled or skilled.

Almost all part time seasonal staff are semi-skilled or unskilled.

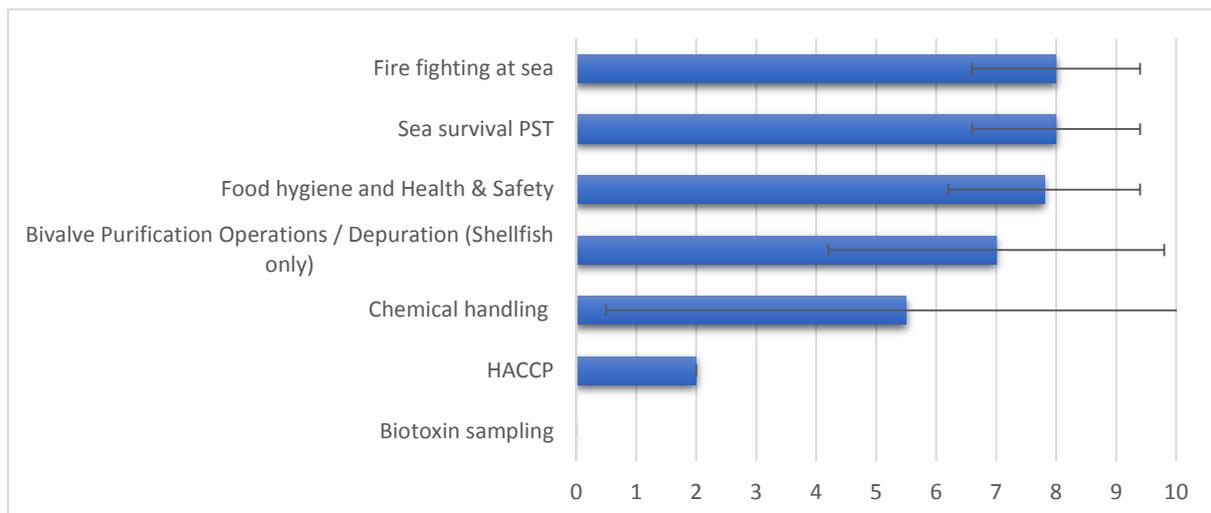
Figure 11 Skill levels by mode of employment in Wales' aquaculture sector (%)



Source Pye Tait survey 2020

Figure 12 illustrates the perceptions employers in the sector as to the level of skill operatives currently in their workforces. A score of zero represents no skill at all and a score of 10 indicates that the employer feels the current workforce is very highly competent in the specific skill.

Figure 12 Current skills amongst operative level staff in Wales' aquaculture sector

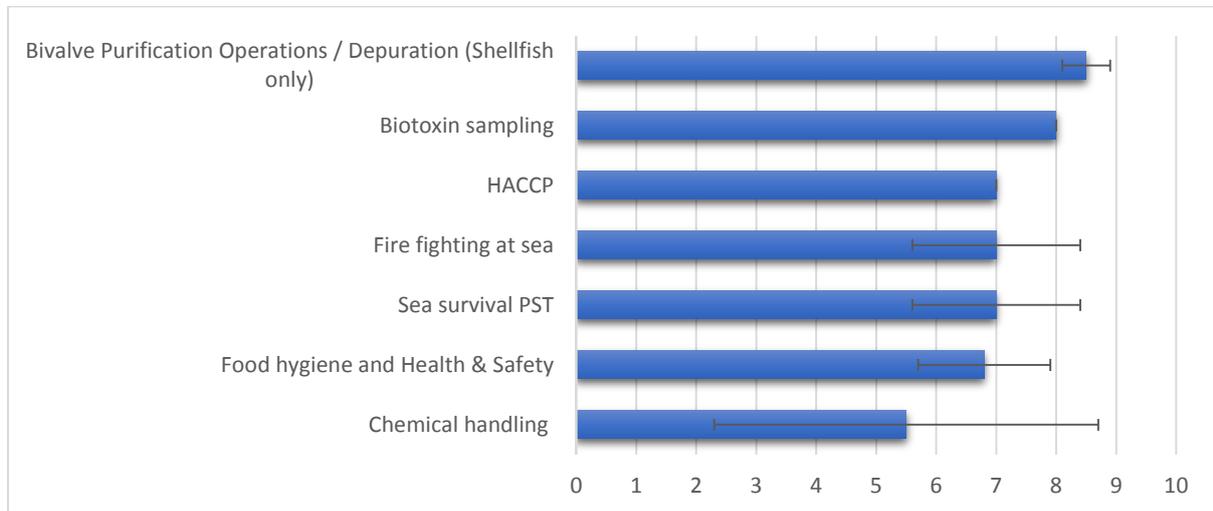


Source Pye Tait survey 2020. The black arrows indicate the measure of the standard error of the mean

Employers rate most highly skills in mandatory training subjects such as firefighting, survival and health and safety.

With respect to future demand for the same skills (Figure 13) employers in aquaculture tend to be optimistic. All skills scored above five indicating a perception that demand for them would increase.

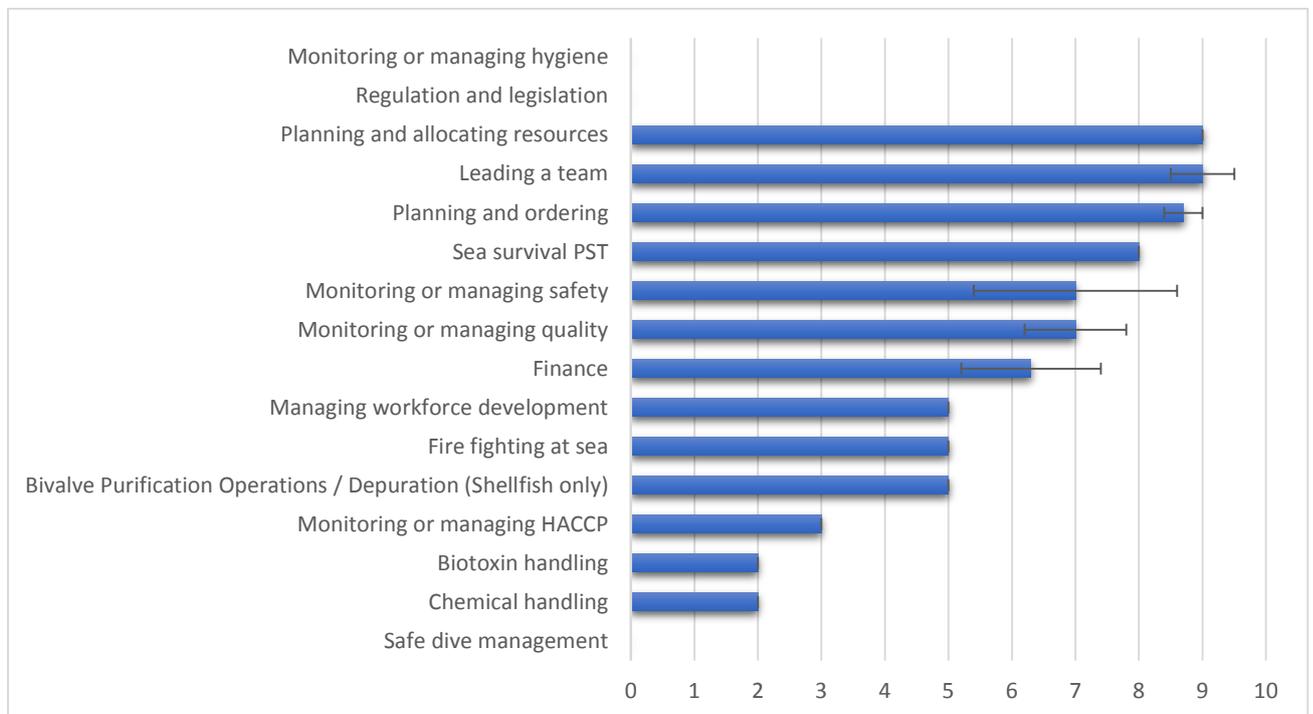
Figure 13 Future demand for aquaculture skills in Wales



Source Pye Tait survey 2020. The black arrows indicate the measure of the standard error of the mean

As Figure 14 shows, employers view the level of skills of supervisors and managers to be high, however Biotoxin handling, chemical handling and monitoring or managing HACCP scored low.

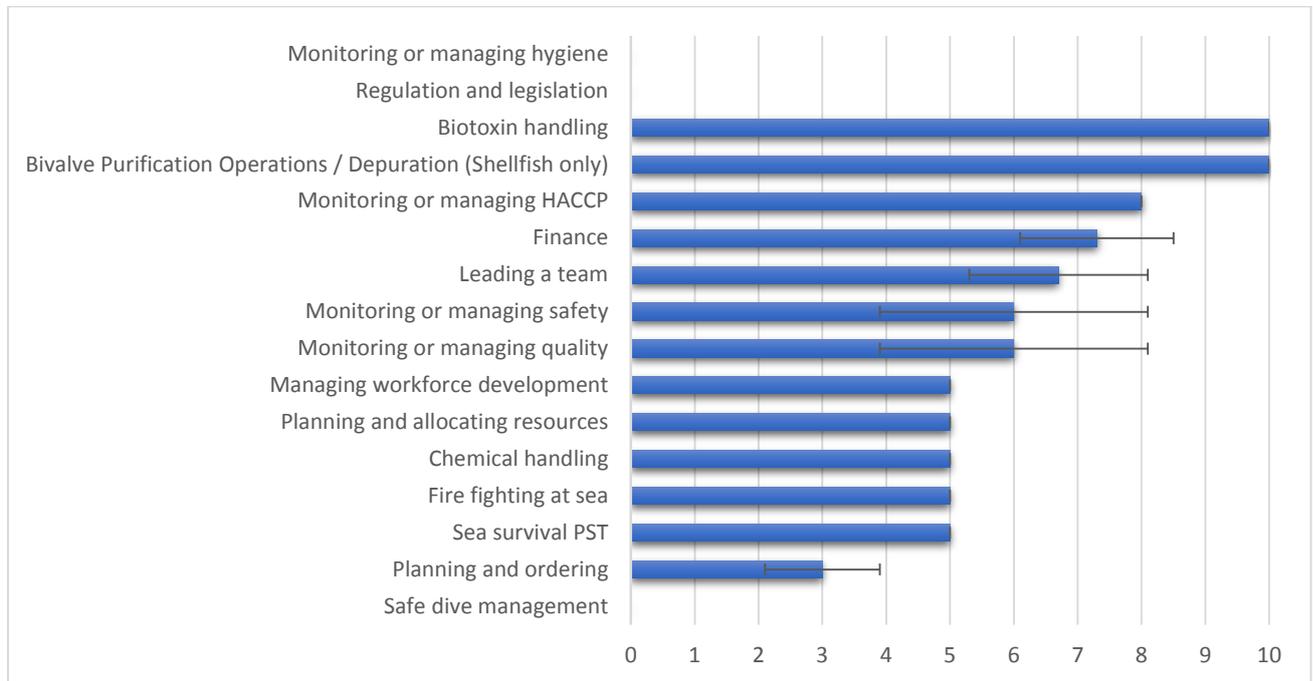
Figure 14 Current skill level of supervisors and managers in Wales' aquaculture sector



Source Pye Tait survey 2020 Not all respondents could score every skill. In some cases, therefore, there are no responses

Respondents believe that current low scored skills such as Biotoxin handling and Bivalve purification operations will increase in future demand. All skills are believed to be increasing in demand (Figure 15).

Figure 15 Future skills demand of supervisors and managers in Wales' aquaculture sector



Source Pye Tait survey 2020 Not all respondents could score every skill. In some cases, therefore, there are no responses

## Training

There are no Aquaculture apprenticeships available in Wales or England. Aquaculture apprenticeships are only offered in Scotland. Employers in this sector, however, would like to offer aquaculture apprenticeships, suggesting combining on the job training with online courses supported by colleges. Employers stated that apprenticeships in Wales are financially supported by the Welsh Government and offering apprenticeships would encourage growth in the sector and improve recruitment.

Bangor University offers a range of undergraduate and postgraduate degrees, such as Marine Biology, at the university's School of Ocean Sciences.

One aquaculture employer stated that there is no aquaculture intertidal safety training for tidal or shore workers.

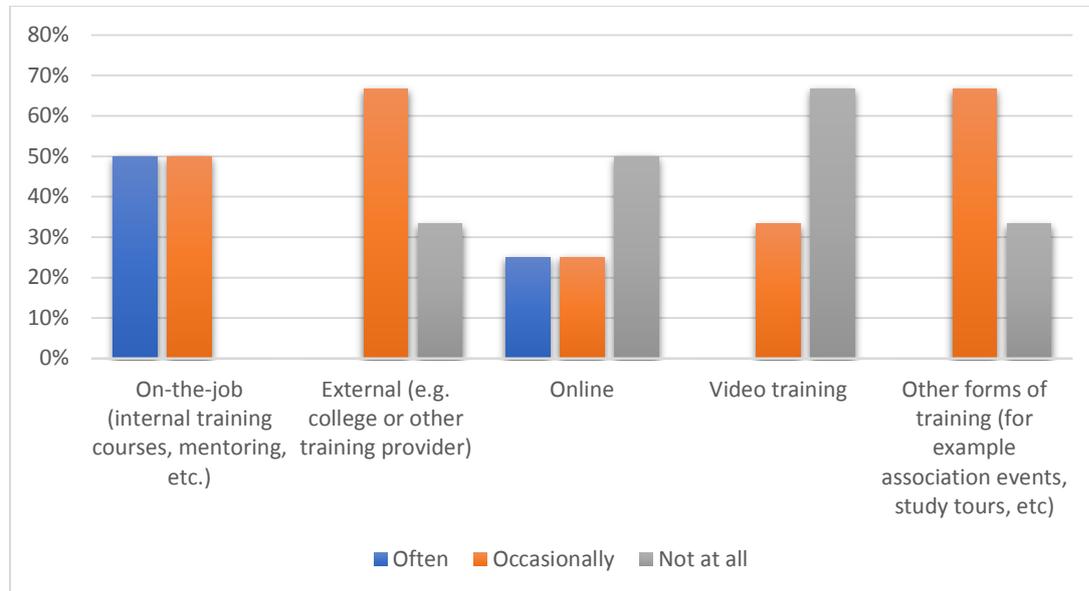
*Intertidal safety - this is an area overlooked in current safety at sea training. Many micro and SMEs are lone workers or small teams working in remote locations. It would be a good idea to have a set of published standards rather than relying on common sense.*

**Aquaculture, South Wales**

All courses in the aquaculture sector are provided almost exclusively internally, apart from powerboat training (50% in-house; 50% external provider).

Occasionally employers will provide external training (65%) with on-the-job training and online training being utilised the most, Figure 16

Figure 16 Training approaches in Wales' aquaculture sector (permanent staff)



Source Pye Tait survey 2020

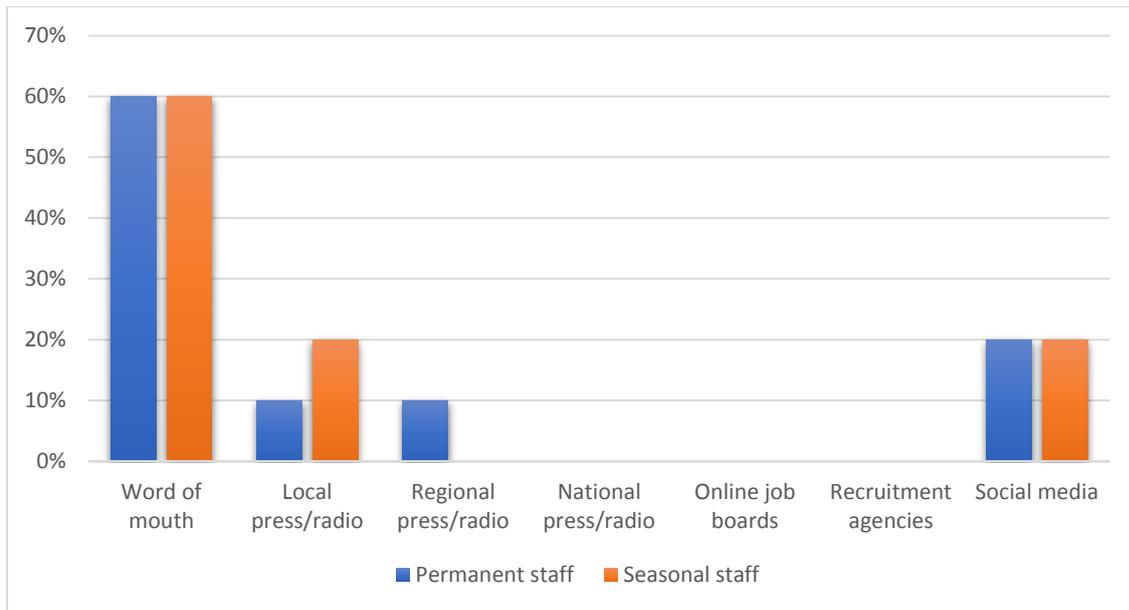
Aquaculture respondents stated that intertidal safety training, quad safety training, aquaculture (shellfish) farm management and stock control/ record keeping were all training areas that they need but is not available or easily available.

### Recruitment

The majority of vacancies over the past three years have been for skilled operatives two thirds of surveyed employers stated that skilled operatives have been the most difficult to recruit, followed by seasonal workers.

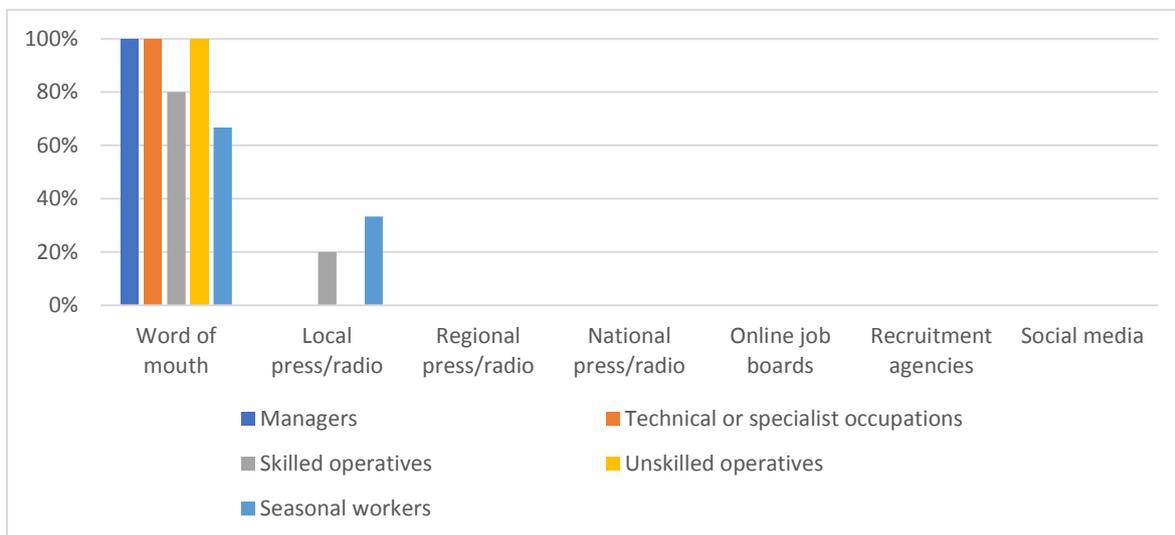
Figures 17 and 18 show the main recruitment methods used by aquaculture employers. For both permanent and seasonal staff word of mouth is the most popular recruitment method (60%), followed by social media (20%). Employers rely on local press/radio to recruit seasonal staff (20%) more than permanent staff (10%) and use regional press/radio to recruit permanent staff (10%) but not for seasonal staff.

Figure 17 Recruitment methods used in Wales' aquaculture sector



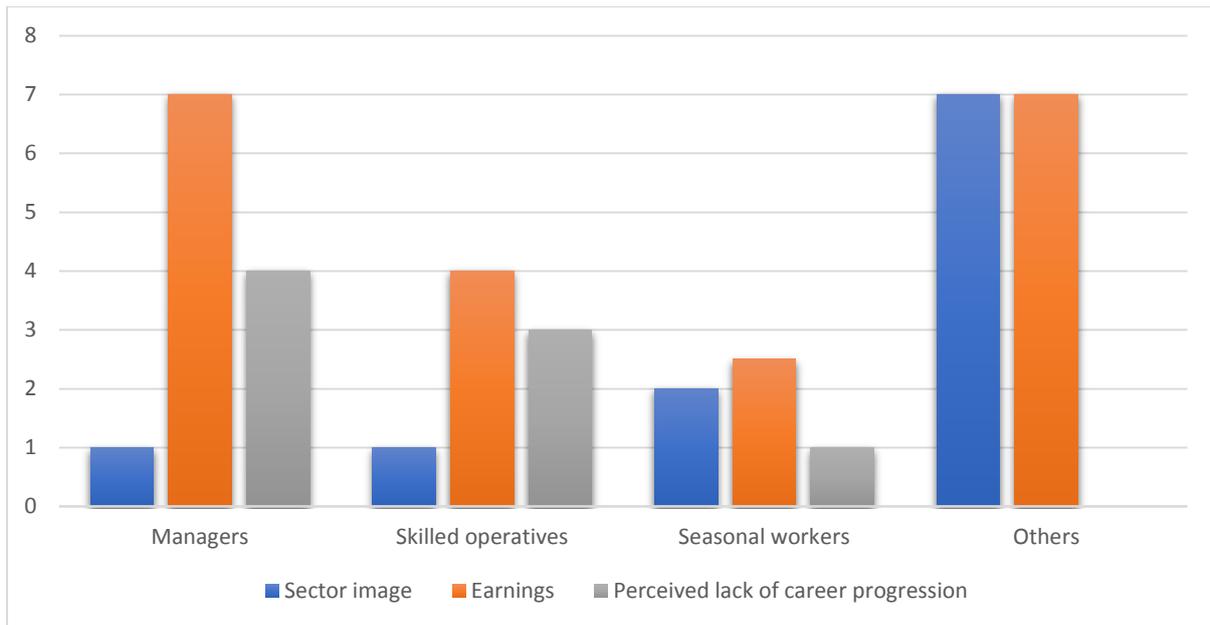
Source Pye Tait survey 2020

Figure 18 Recruitment methods used in Wales' aquaculture sector by job role



Source Pye Tait survey 2020

Figure 19 Barriers to recruitment in Wales' aquaculture sector (by job role %)



Source Pye Tait survey 2020

Employers in aquaculture regard poor earnings to be an important barrier to recruitment for all types of staff, especially managers (figure 19). The perceived lack of career progression in the sector was the second significant barrier cited by employers.

*We pay the national living wage, but bigger more corporate companies drive that down. I don't think there is much information out there about pay in the aquaculture sector. In Wales, there's only a handful of businesses.*

## Aquaculture, South West

One aquaculture employer suggested that due to remote areas situated away from colleges or large centres of activity that online training courses and/or distance learning to support on the job training would be a good way to encourage new entrants, especially younger people, to join the sector.

## Catching

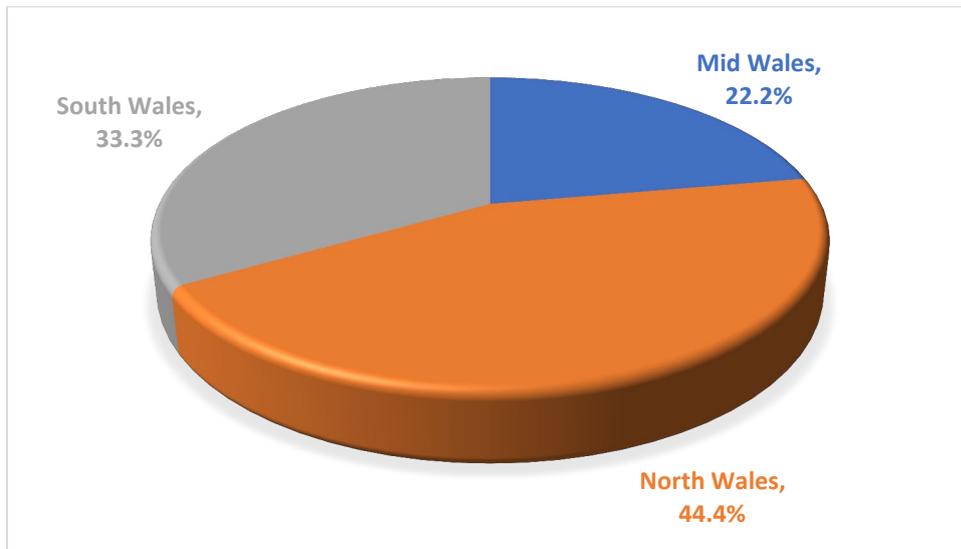
### Introduction

The survey covered fishing enterprises with headquarters in Wales in the proportions shown in Figure 20. All enterprises surveyed operate vessels less than 16.5m in length figure 21, with the vast majority using static gear i.e. pots, hooks, drift and fixed nets.

Around 42 people are employed on surveyed vessels supported by a further 18 ashore. Of the onboard staff around 14% are part-time. Some 97% of shore-based workers are permanent full-time employees.

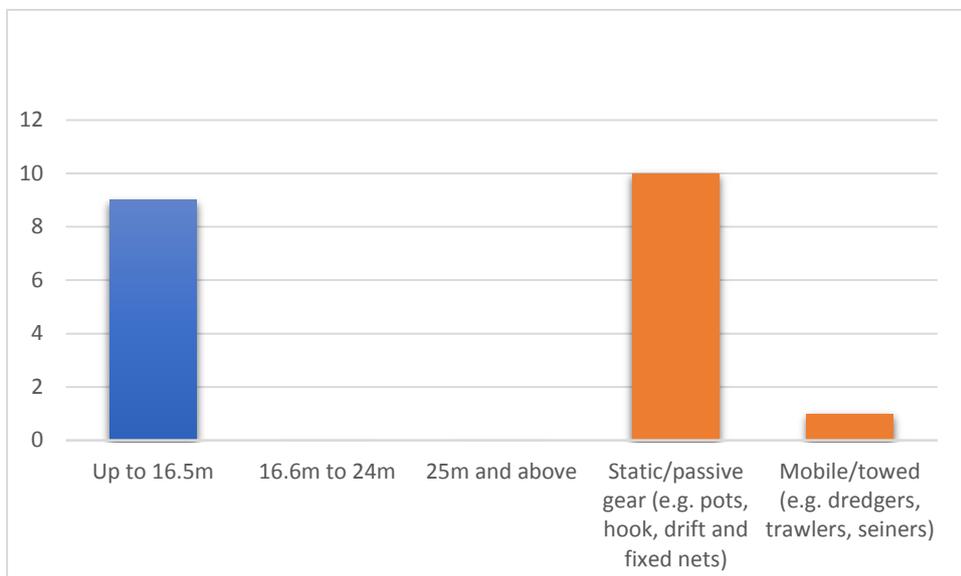
Share fishermen are employed on either permanent full-time or seasonal part-time contracts (Figure 22).

Figure 20 Head office location of surveyed catching businesses



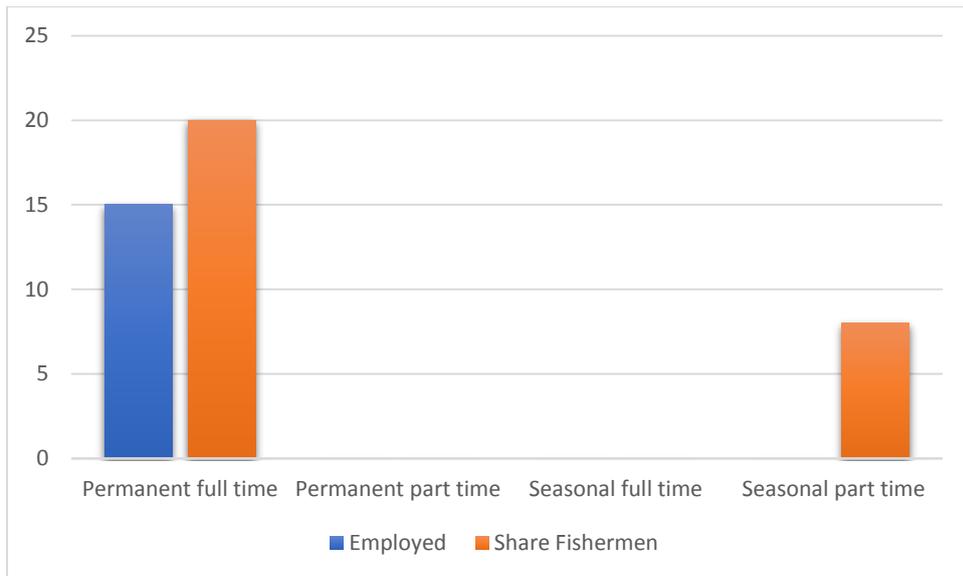
Source Pye Tait survey 2020

Figure 21 Length of vessels operating in Wales' catching sector



Source Pye Tait survey 2020

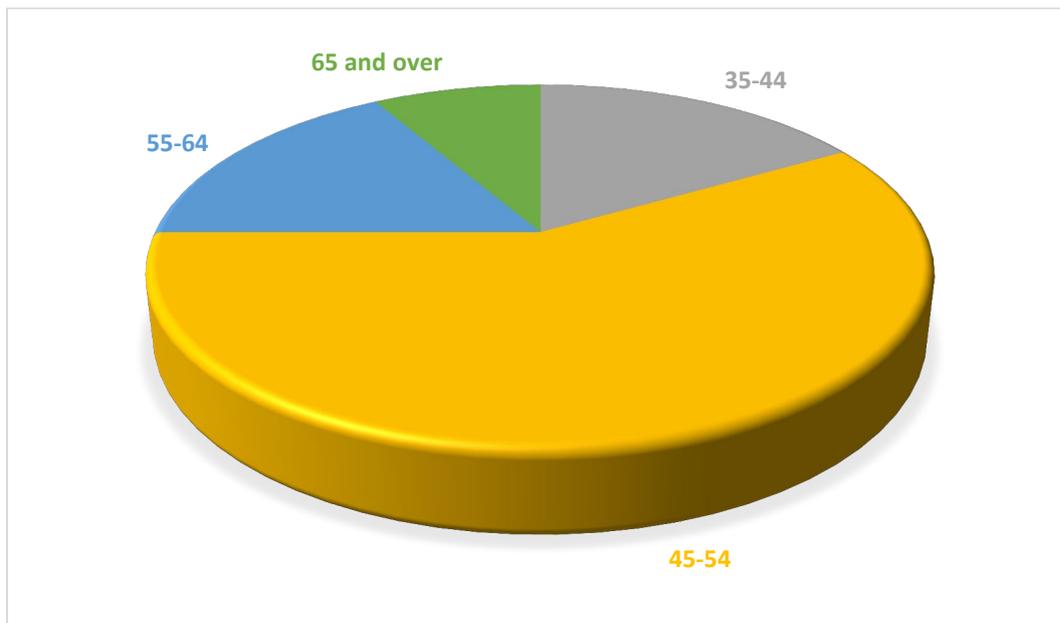
Figure 22 Number of onboard workers and share fishermen by contract type in Wales' catching sector



Source Pye Tait survey 2020

Surveyed employers state that 75% of permanent staff are UK residents, and are unable to state the residence of the remaining 25%

Figure 23 Catching age profile in Wales



Source Pye Tait survey 2020

Over 80% of catching employees surveyed are over 45 years (compared to around 43% of the UK workforce). No surveyed employers reported employing anyone under the age of 35, though some employees' ages were unknown (Figure 23)

### Skills

The question of skill level in the catching sector is fraught with difficulties. These are mainly based on the fact that most people in the sector do not have formal qualifications but instead possess a series of mandatory certificates and additional training.

These difficulties are made more intractable by the fact that the industry has traditionally been regarded as relatively unskilled – particularly with respect to deckhands who are often seen by lay-people as labourers.

Skippers, engineers and mates are generally regarded as level 3 roles and deckhands as being, at most, at level 2.

The industry has adapted and adopted – partly through Government regulation – a number of approaches but all are founded on four basic courses and certificates:

- Basic Sea Survival
- Basic Firefighting and Prevention
- Basic First Aid
- Basic Health and Safety

Skippers, mates and engineers may then have to obtain certain “Certificates of Competence” for deck officers and engineering officers – depending on their role and the size of vessel.

The Maritime Skills Alliance (MSA) provides a summary of apprenticeships available in sea fishing which states that there is no apprenticeship currently available in England, Wales, or Northern Ireland although the NAFC Marine Centre (part of the University of the Highlands and Islands) offers apprenticeships in Scotland. Level 4 courses exist for senior seafarers in areas such as medical care, management and operations but most of the courses listed on the comprehensive site are at Levels 2 and 3.

The problem for the industry is that – whereas in other economic sectors – job roles can generally be categorised at a specific RQF level, there is no overarching qualification which grants a level to a specific job role in the catching sector. Job holders tend to acquire a set of certificates and qualifications. An “electrician” for example undertakes a single course of study – usually through an apprenticeship at Level 3 – which imparts all of the knowledge and skill they will require to begin competent work. In this sense an electrician begins work at Level 3 and the role is regarded as a “Level 3” job (at least in the first instance).

Sea fishermen on the other hand collect a series of specific certificates each of which may be rated according to the RQF at Level 1, 2, 3, or 4.

The extreme difficulty of attaching a “level” to a sea-fishing role presents no day to day issues for the sector but it does have ramifications in two important areas: firstly where immigration regulations

are concerned (in which Level 3 acquires a special significance), and secondly for the overall status and career-attractiveness of the sector.

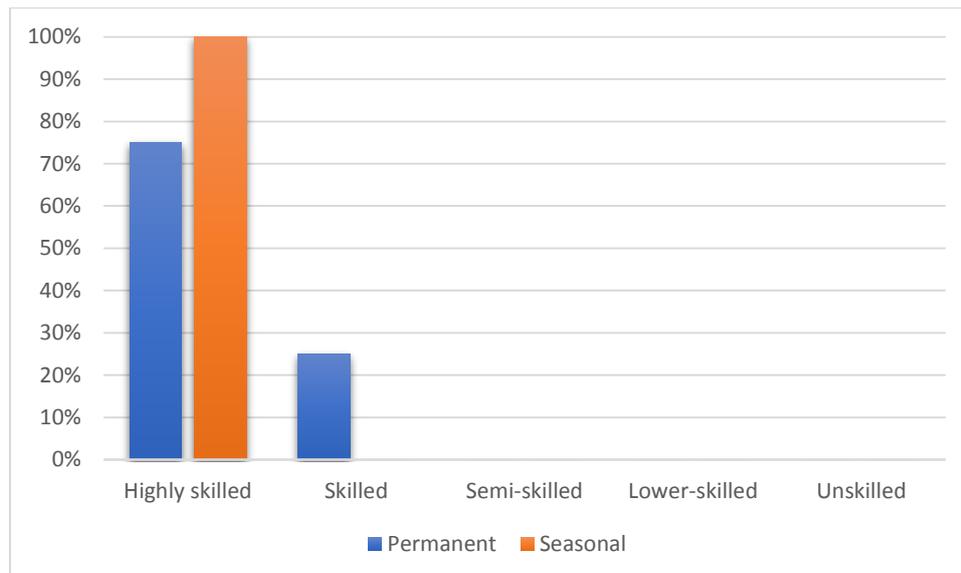
A further consideration for the level of a job role is the element of multi-skilling involved. Skippers, for example, may have a collection of certificates which individually are considered to be at level 2, 3 or 4, but the overall job role involves the deployment of numerous skills and deep and extensive underpinning knowledge which almost certainly places the role above those levels in practice.

**Since completion of the research, the Migration Advisory Committee has recommended that deckhand roles on vessels of 9 metres and above should be regarded as Level 3 and be added to the shortage occupation list.**

Deckhands, while often seen as labourers and unskilled operatives, carry out a multi-skilled job role in which knowledge and skill have to be displayed over a wide range of tasks including net handling, engine management, fish identification and selection, machinery and equipment management, team working, navigation, safety management, fish processing and packing and much else.

The results of our survey should be read in the light of these considerations. They may offer insights, for example, into why employers in the sector regard all permanent employees as 'skilled' or 'highly skilled' (Figure 24).

Figure 24 Skill levels by mode of employment in Wales' catching sector



Source Pye Tait survey 2020.

Survey respondents either reported having no skills gaps or were unable to give reasons for skills gaps. Some respondents said that their businesses are small, only requiring two to four workers and therefore they had not experienced skills gaps.

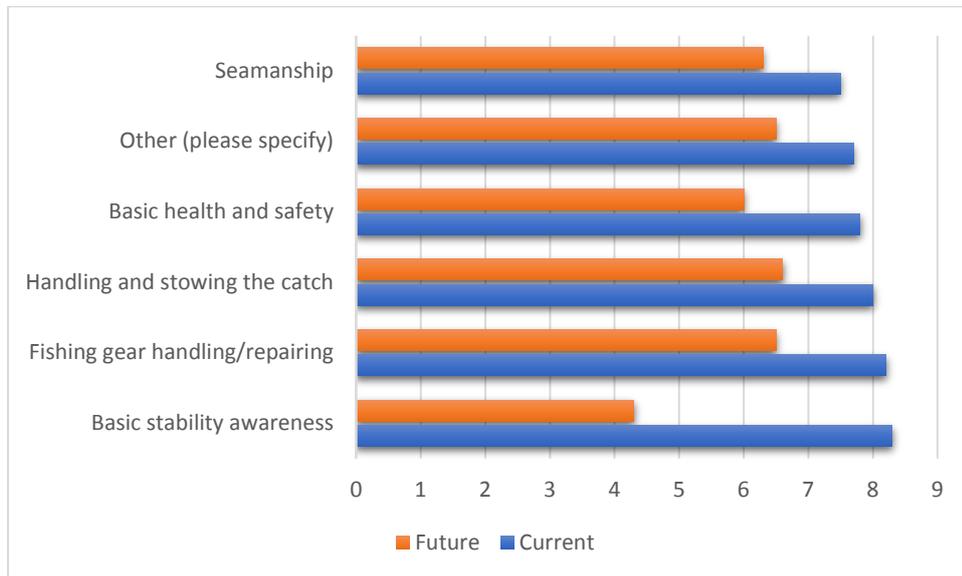
One training provider suggested that catching sector employees tend to be practical rather than academic and are generally reluctant to be involved in any classroom-based learning.

*Some are quite nervous being in an educational environment. Tough old fishermen get scared when sitting at a desk.*

**Trainer, West Wales**

Employers regard operatives (generally deckhands) as being well skilled (scores of seven and over out of ten) in the key catching skill areas (Figure 25) but see the future demand for those skills decreasing.

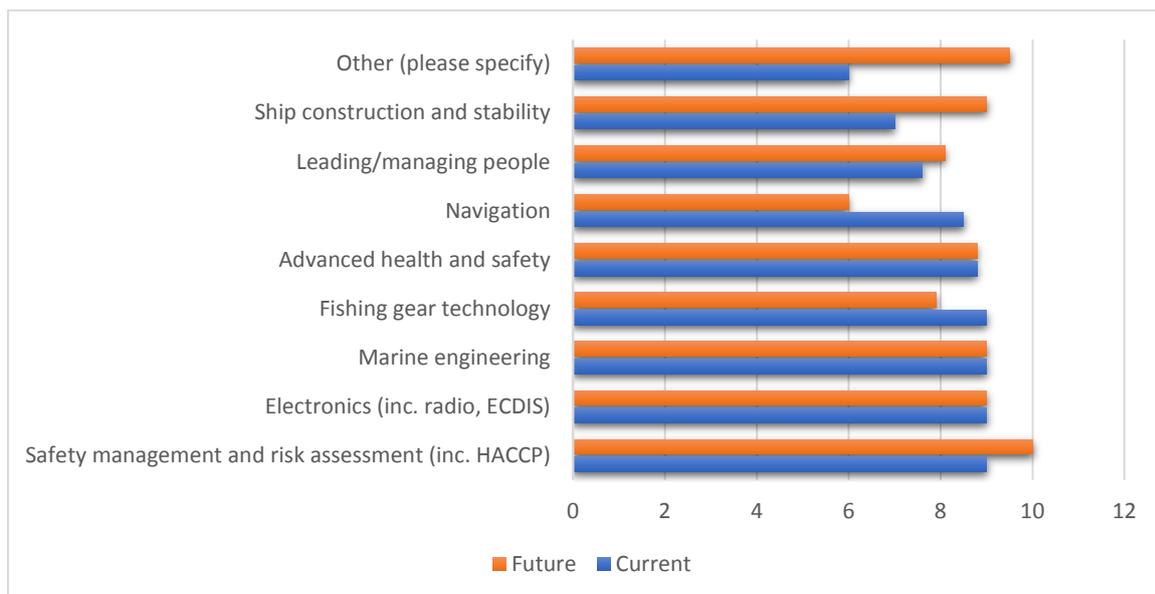
Figure 25 Current operative skills and future demand for skills in Wales' catching sector



Source Pye Tait survey 2020

Current skills such as safety management and risk assessment, electronics and navigation all scored above eight out of ten whereas leading people attracts lower scores (Figure 26). The future demand for skills for ship construction and stability, leading people and safety management and risk assessment increase with the other skills future demand either decreases or remains the same.

Figure 26 Current skills and future demand for mates and skippers in Wales' catching sector



Source Pye Tait survey 2020

One stakeholder commented on the way in which crews are multi-skilled due to the nature of the seasonal industry. In South Wales, for example, crew will fish for bass during the bass season and then go cockle picking for the next season.

### Training

There are three Seafish-approved off-shore training providers based in Wales offering various training courses – Coleg Llandrillo, Sea Sense Surveying Ltd and Welsh Fishermen’s Association. Courses are also delivered full time and part time at Pembrokeshire College and at Coleg Llandrillo.

Table 3 Training available for the catching sector in Wales

Broad Subject Area	Number of courses
Health & Safety	3
Survival/rescue	3
Fire Fighting	3
First Aid	3
Stability/Stability Awareness	3
Bridge Watchkeeping/Navigation	3
Radio/GMDSS (Global Maritime Distress and Safety System)	3
Engine watchkeeping	3
Marine Engineering levels 2 & 3	2
Enhanced Marine Engineering levels 2 & 3	1
NVQ 2 Boatbuilding and Support Services	1
NVQ 2 Engineering - Performing Engineering Operations, Marine	1
RYA Coastal Skipper/Yachtmaster Theory	1
RYA Day Skipper Shorebased	1
MCA Approved Engine Maintenance	1
Outboard Engine Maintenance	1

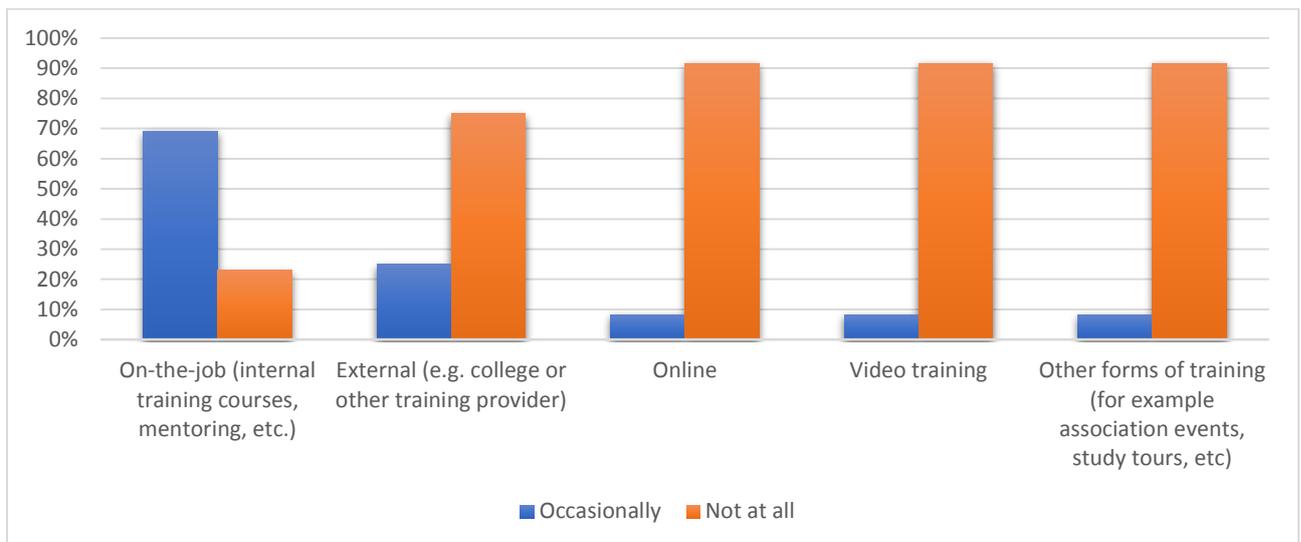
In addition to mandatory courses, Coleg Llandrillo also offers the Seafish three-week *Introduction to Commercial Fishing* (ICF) course. This course is designed for anyone interested in a career in the fishing industry. Coleg Llandrillo also offer an apprenticeship in Marine Engineering. The marine framework for this apprenticeship covers job roles such as Marine Mechanical Engineer, Marine Electrical Engineer, Rigger, Boat Builder and Yard Hand.

With regards to non-mandatory training, one trainer explained that it depends greatly on the attitude of the person as to whether they complete these. There is unwillingness to spend time and money on courses where there is no obvious financial return.

*Often, the candidates are of lower educational background and as such are not interested in “classroom” based learning (which is often why they are in fishing). Promotion of the courses as extensions to improve careers and earning potentials will give them more of an incentive to undertake them if they think that it may improve income.*

**Trainer, South West**

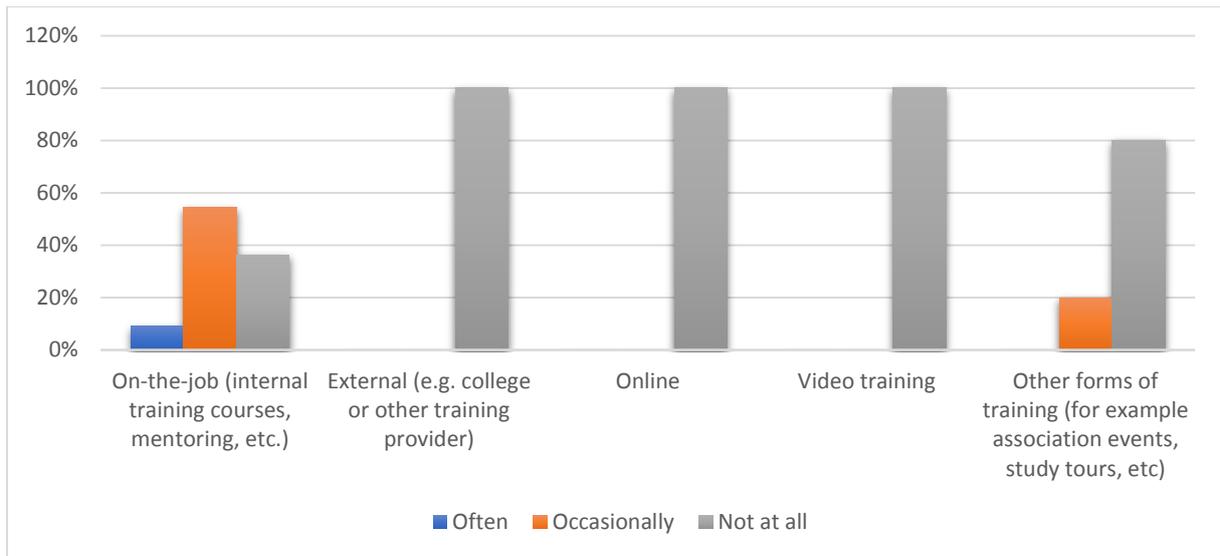
Figure 27 Training approaches used for permanent staff in Wales’ catching sector



Source Pye Tait survey 2020

For permanent staff, employers usually train staff on-the-job with less than 10% using online or video training. Seasonal staff are also occasionally trained on-the-job with no online, video or external training offered. (Figures 27 and 28)

Figure 28 Training approaches used for seasonal staff in Wales' catching sector

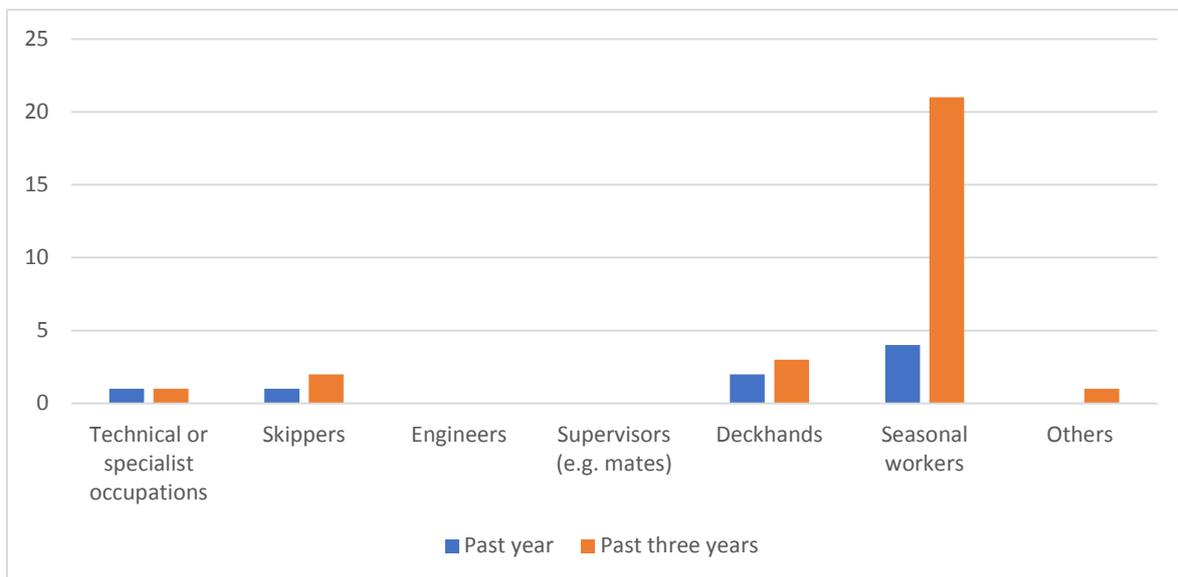


Source Pye Tait survey 2020

## Recruitment

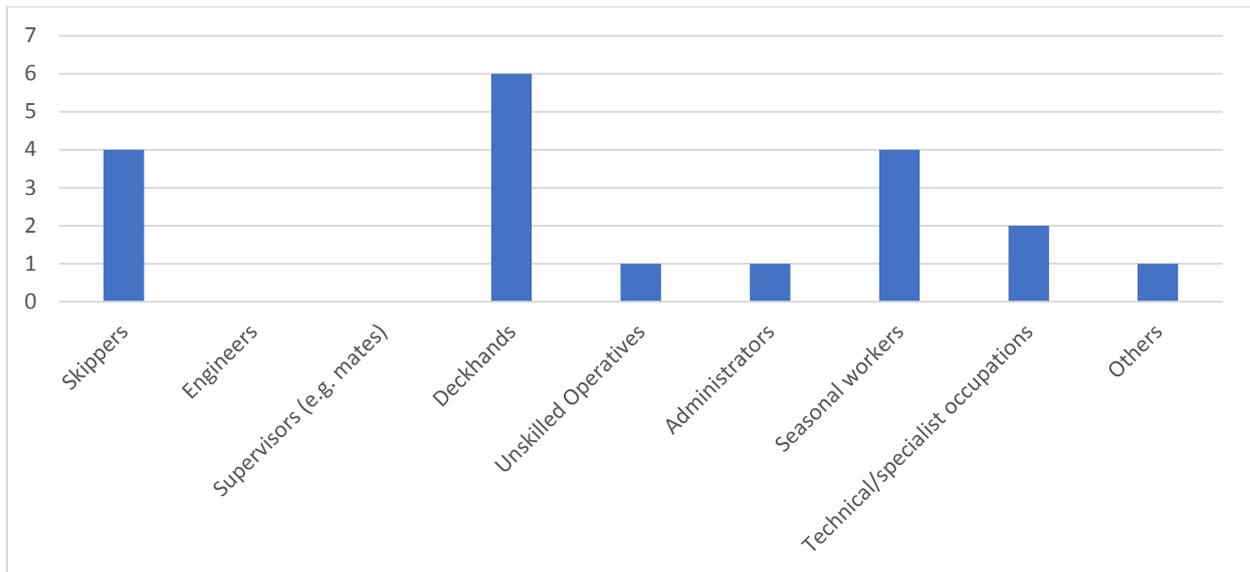
The vast majority of vacancies in the past year have been for seasonal workers followed by deckhands. This is reflected over the past three years also.

Figure 29 Number of vacancies in the past year and past three years in Wales' catching sector



Source Pye Tait survey 2020. Not all respondents felt they could score every skill or provide specific responses. In some cases, therefore, there are no responses

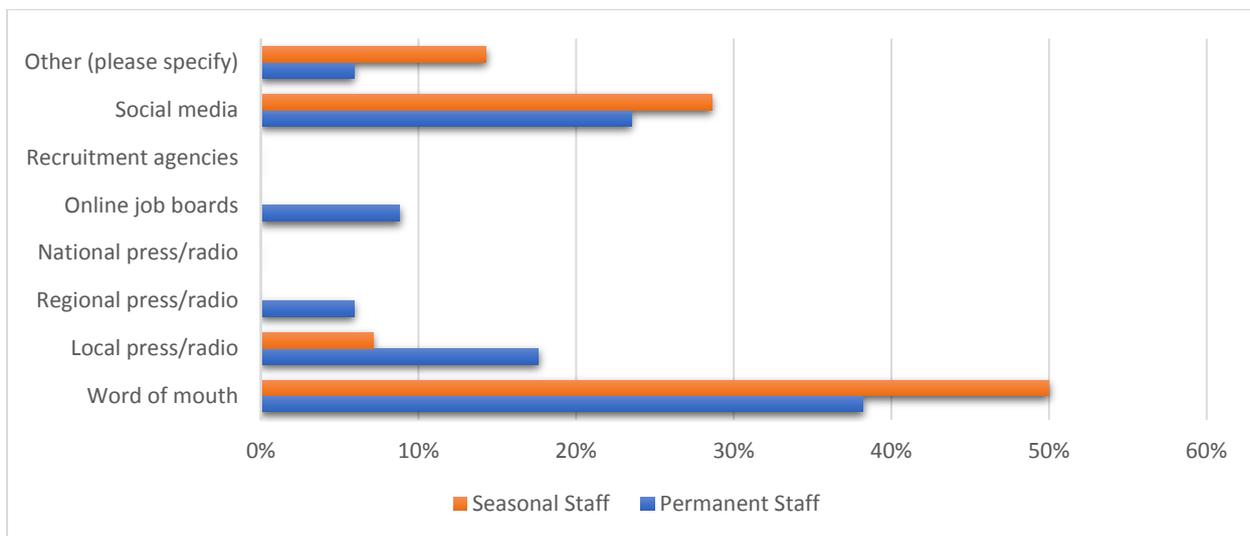
Figure 30 Hard to fill vacancies in Wales' catching sector



Source Pye Tait survey 2020.

Employers were asked about any vacancies which they find hard to fill i.e. taking longer than three months. Most commonly, deckhand roles were hard to fill, followed by skippers and seasonal workers. (Figure 30)

Figure 31 Methods of recruitment by staff type in Wales' catching sector



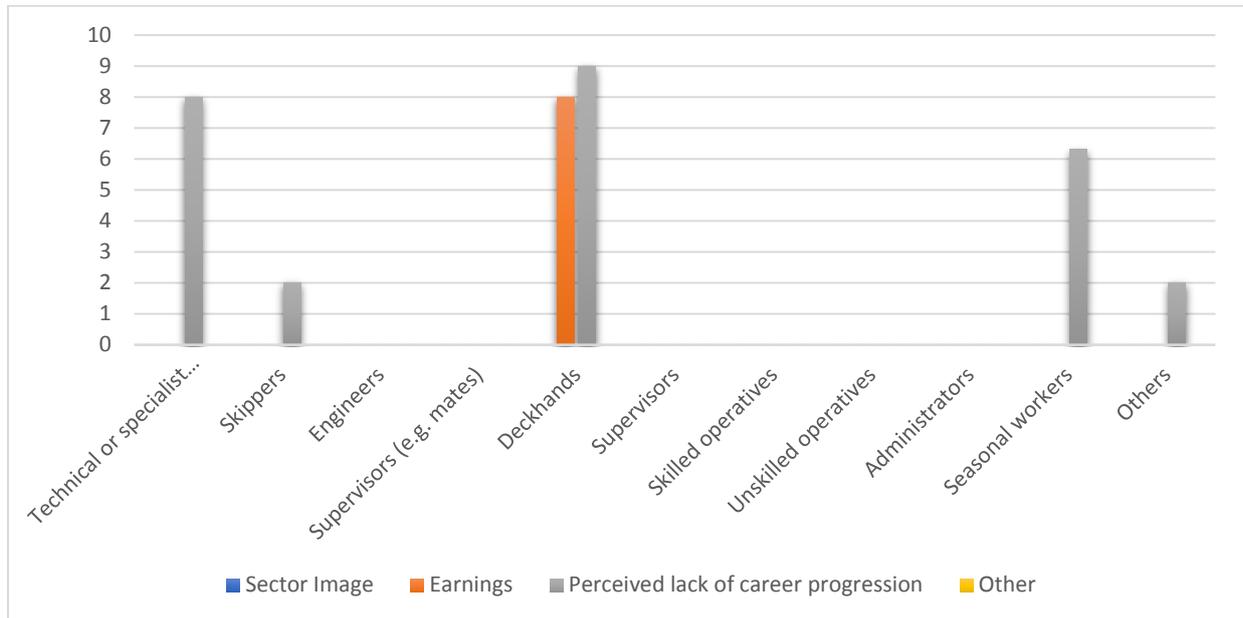
Source Pye Tait survey 2020. Not all respondents felt they could provide specific responses. In some cases, therefore, there are no responses

The preferred method of recruitment for both permanent and seasonal staff is word-of-mouth, with 50% of seasonal staff recruited this way. Social media is the next most common way of recruiting staff for the sector. (Figure 31)

Survey respondents could only comment on the barriers to recruitment for a number of job roles. The biggest barrier to recruiting deckhands is earnings (scoring eight out of ten). The perceived lack

of career progression was scored six and above for technical/specialist occupations, deckhands and seasonal workers.

Figure 32 Barriers to recruitment by job role in Wales' catching sector (scores)



Source Pye Tait survey 2020. Not all respondents felt they could provide specific responses for all roles. In some cases, therefore, there are no responses

One stakeholder claimed that it may be difficult to find a job working on a boat for those outside the industry due to the small number of vessels and the fact that recruitment is largely by word of mouth. Another barrier is the negative image of the sector.

It is also believed that those who are willing to work hard, who enjoy the job and want to make a decent living will always find work available for them in Wales.

One stakeholder pointed to structural problems in the industry, inhibiting progression, suggesting that young people would find it difficult to progress to being boat owners due to any financial returns being outweighed by the costs of buying a boat and difficulties acquiring a licence.

Some stakeholders and trainers were unaware of any foreign crew members working in the catching sector in Wales claiming that the majority of skippers and deckhands are Welsh nationals.

## Fish Frier

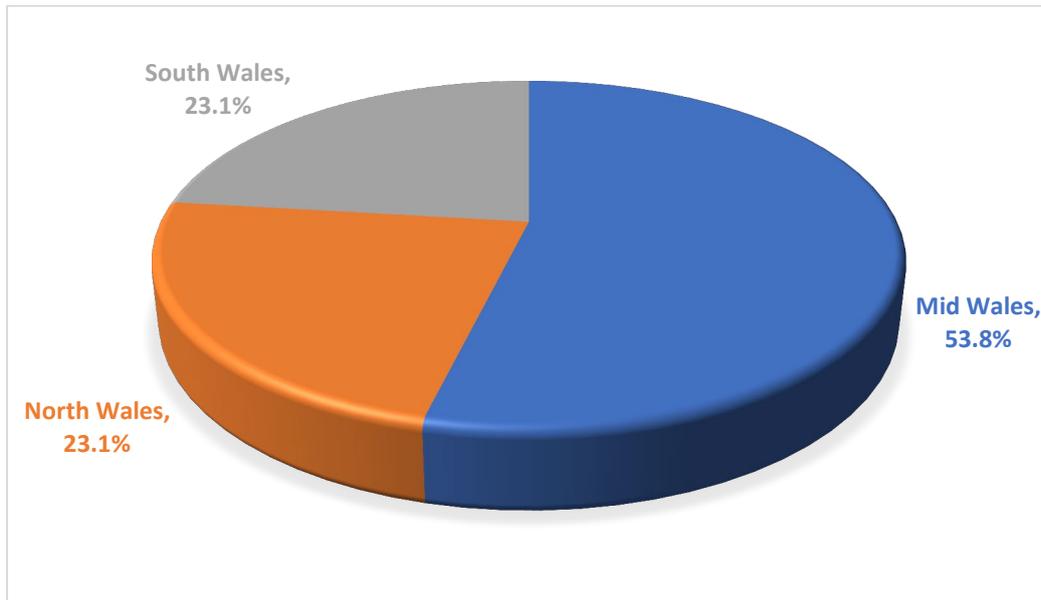
### Introduction

Approximately 3200 people are employed by Welsh fish frier enterprises<sup>4</sup>; businesses are micro or small. For the employer survey, Pye Tait was able to contact and interview 13 fish friers, other businesses and stakeholders took part in depth interviews and a nominal group exercise Locations

<sup>4</sup> Figures from National Federation of Fish friers

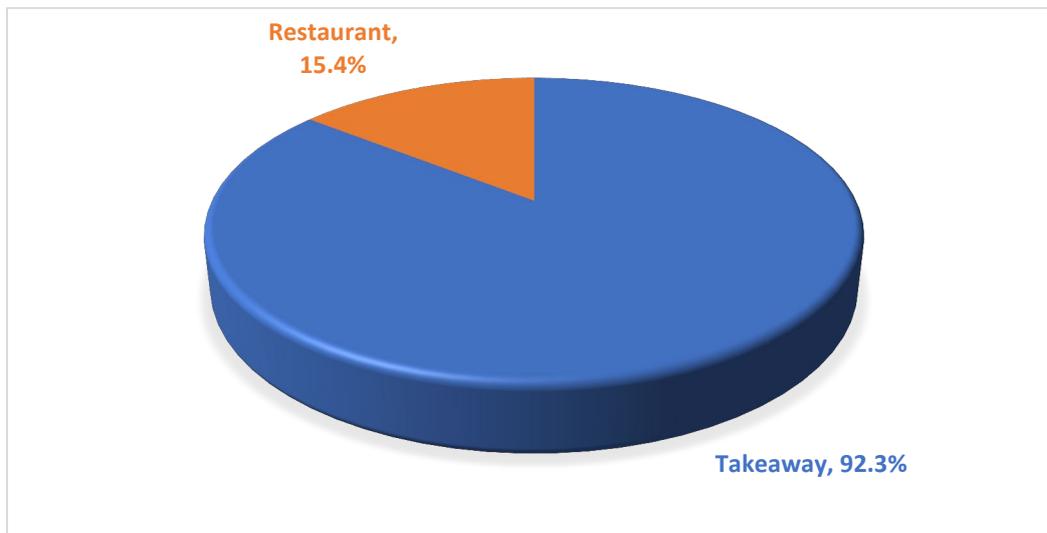
of surveyed businesses are shown in Figure 33. Over 90% of the respondents surveyed were take-away businesses and 15% were restaurants (Figure 34).

Figure 33 Location of fish frier businesses surveyed in Wales



Source Pye Tait survey 2020

Figure 34 Type of fish frier business surveyed in Wales

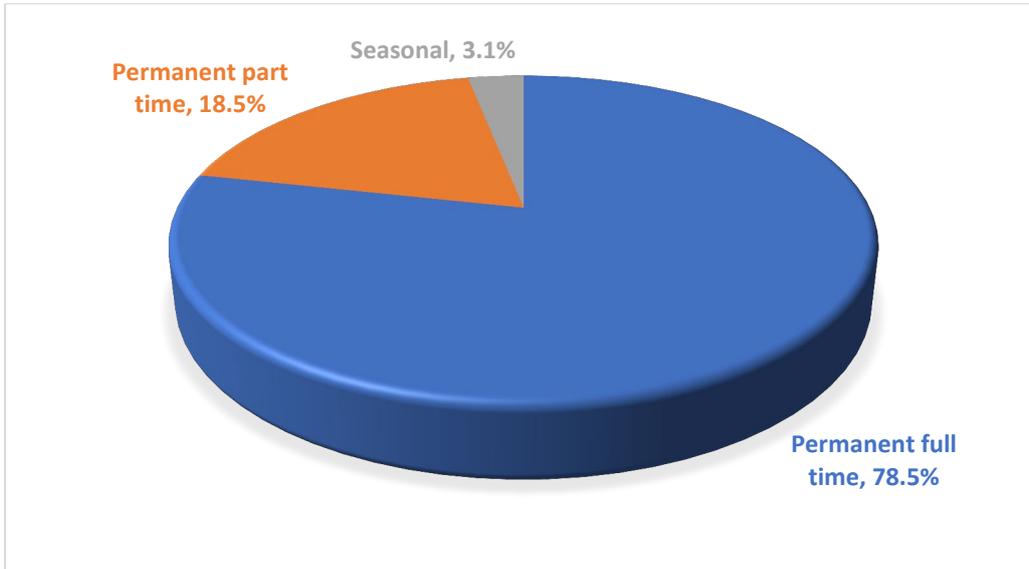


Source Pye Tait survey 2020

Just under 80% of staff are employed on a full-time permanent basis with just under a quarter being part-time (Figure 35).

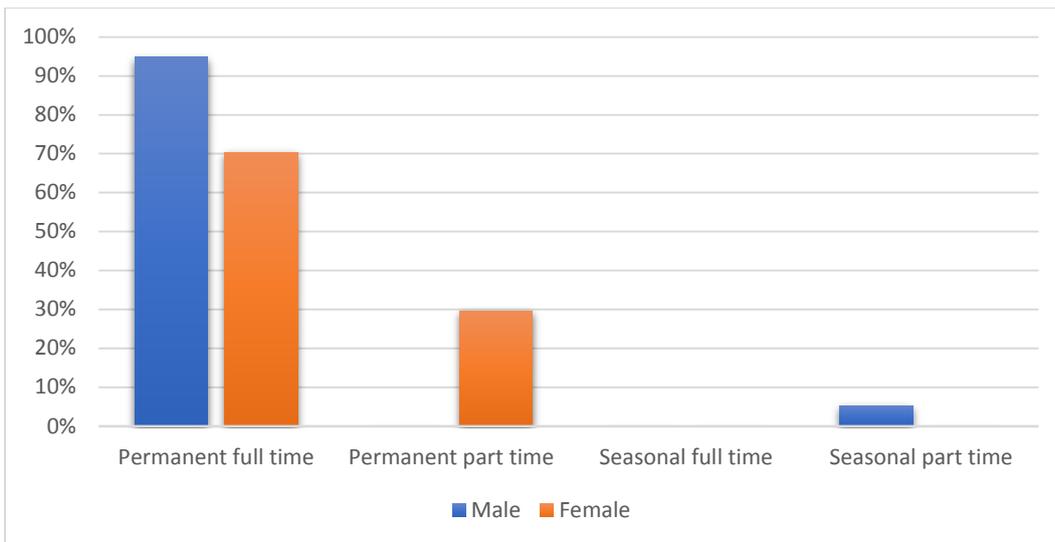
Some 90% of males in the industry are employed on a full-time, permanent basis compared to just under 70% of females (Figure 36).

Figure 35 Employment mode in Wales' fish frier sector (%)



Source Pye Tait survey 2020

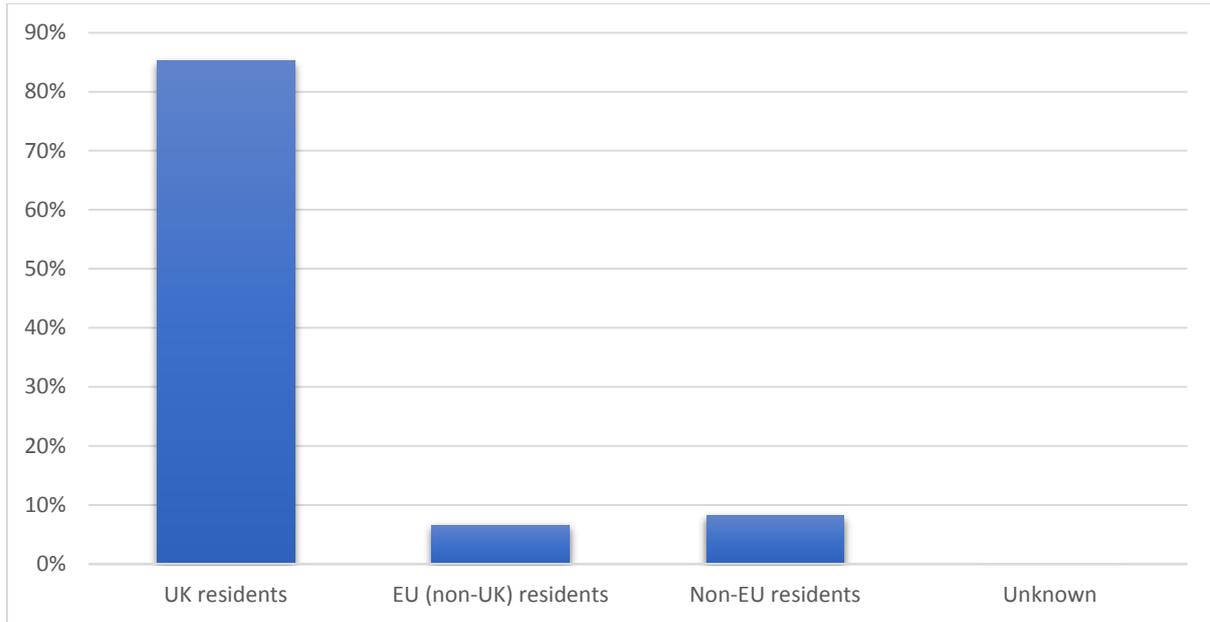
Figure 36 Employment mode by gender in Wales' fish frier sector



Source Pye Tait survey 2020

The majority (85%) of permanent full-time staff are UK residents; both EU (non-UK) residents and non-EU residents, amount to just under 15%. (Figure 37)

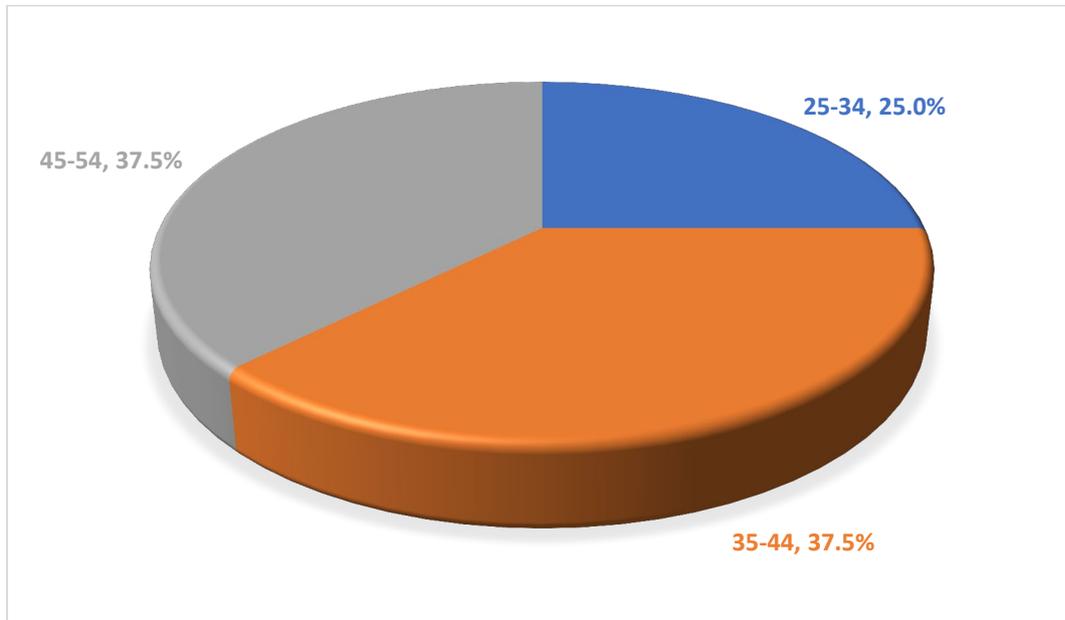
Figure 37 Residence of the fish frier sector in Wales (permanent staff)



Source Pye Tait survey 2020

The sector as surveyed exhibits an age profile which is 37.5% over the age of 45 years and 62.5% under 35. A relatively young age profile compared to the national average. (Figure 38)

Figure 38 Fish frier age profile in Wales



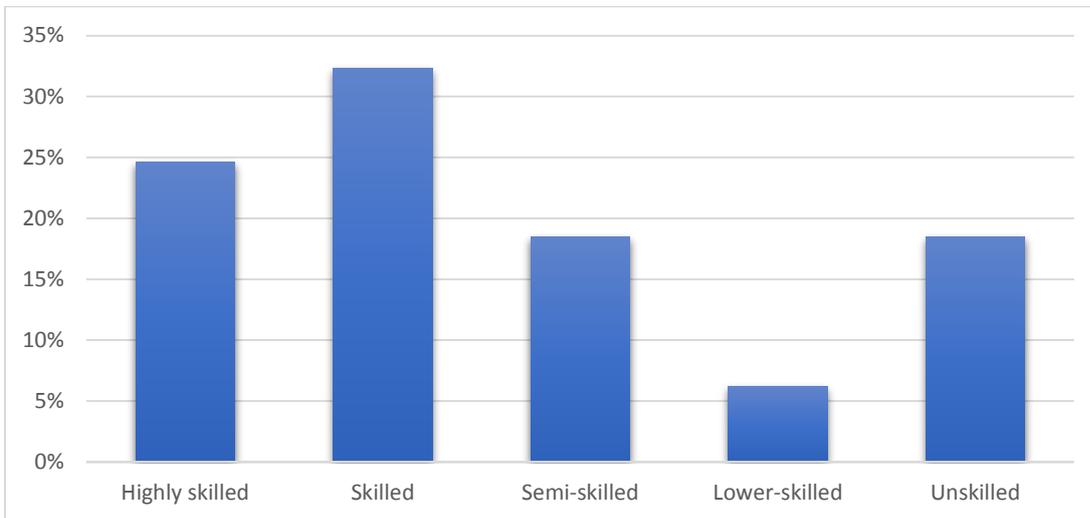
Source Pye Tait survey 2020

## Skills

## Skills, Recruitment and Retention in the Seafood industry in Wales

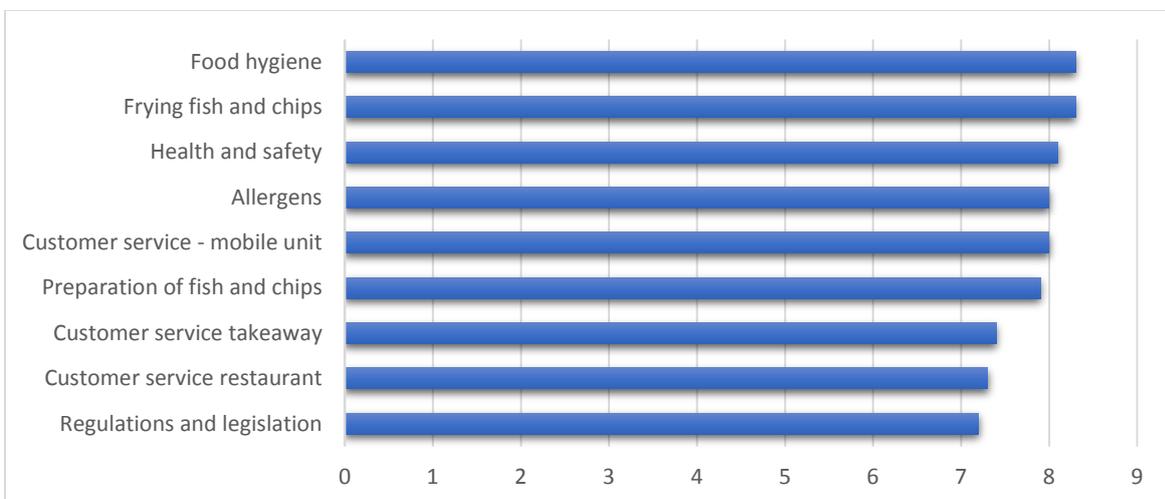
Employers in the fish frier sector regard over a quarter of their permanent staff as being “skilled” and just under a quarter as highly skilled. The remaining 38% of the permanent workforce is seen as being semi-skilled, lower skilled or unskilled. (Figure 39)

Figure 39 Permanent staff by skill level in England’s fish frier sector.



Source Pye Tait survey 2020

Figure 40 Current skill level in Wales’ fish frier sector

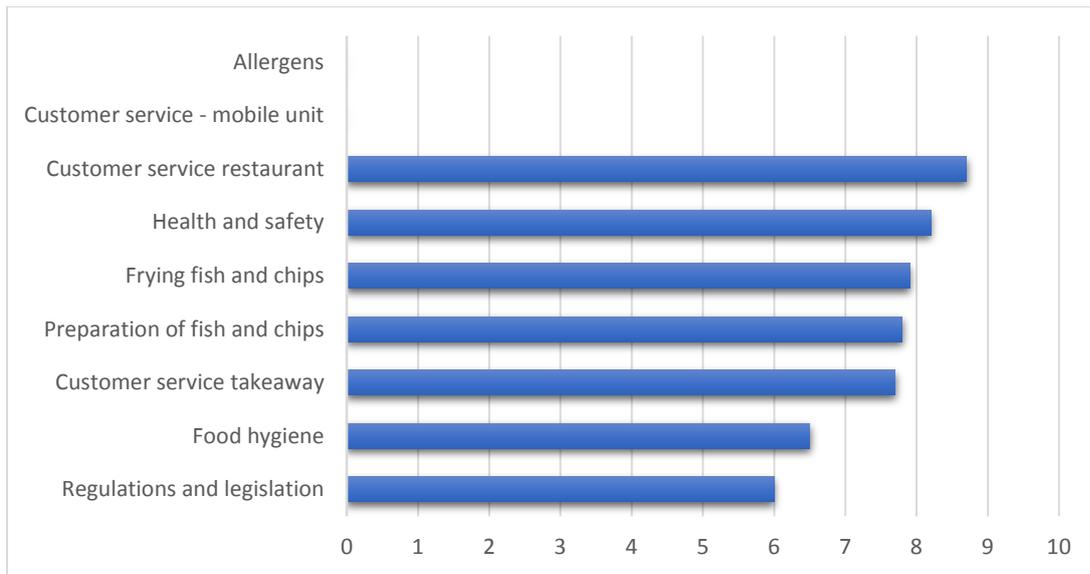


Source Pye Tait survey 2020

Employers regard their current operative workforces as being good to very good in skill terms. All skills scored over 7 with food hygiene and frying fish and chips as the highest rated skills over 8. (Figure 40)

Customer service (restaurant is considered to be the most in-demand skill for the future of the sector but all of the listed skills (excluding allergens and customers service – mobile unit) scored over five – that is employers believe that the demand for these skills will increase.

Figure 41 Future demand for fish frier skills in Wales

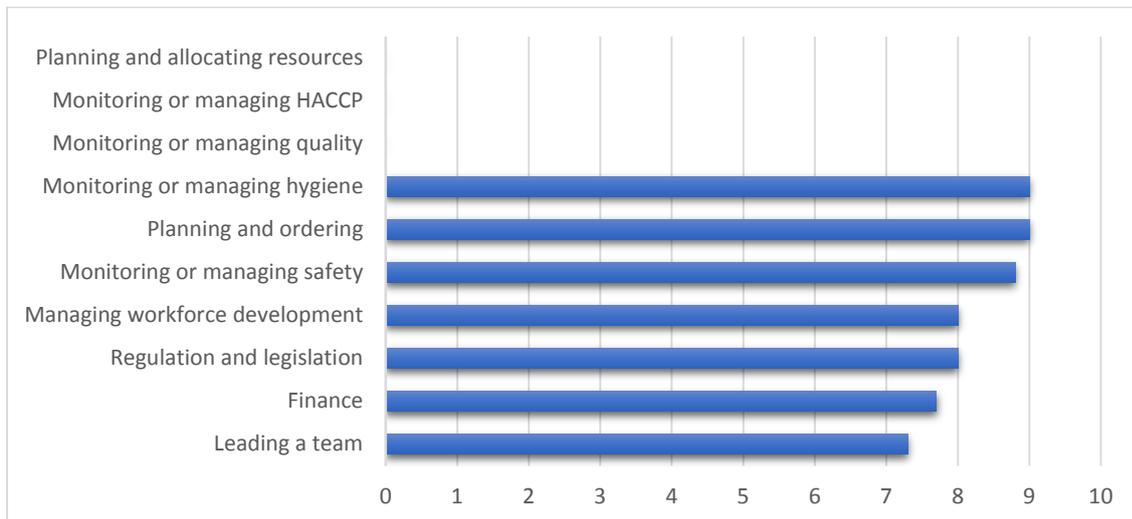


Source Pye Tait survey 2020 Not all respondents felt they could score every skill or provide specific responses. In some cases, therefore, there are no responses

Almost all of the current skills of supervisors and managers scored eight or over (very good) with all others scoring over seven (good). The lowest-rated skills at present are team leading and finance. (Figure 42)

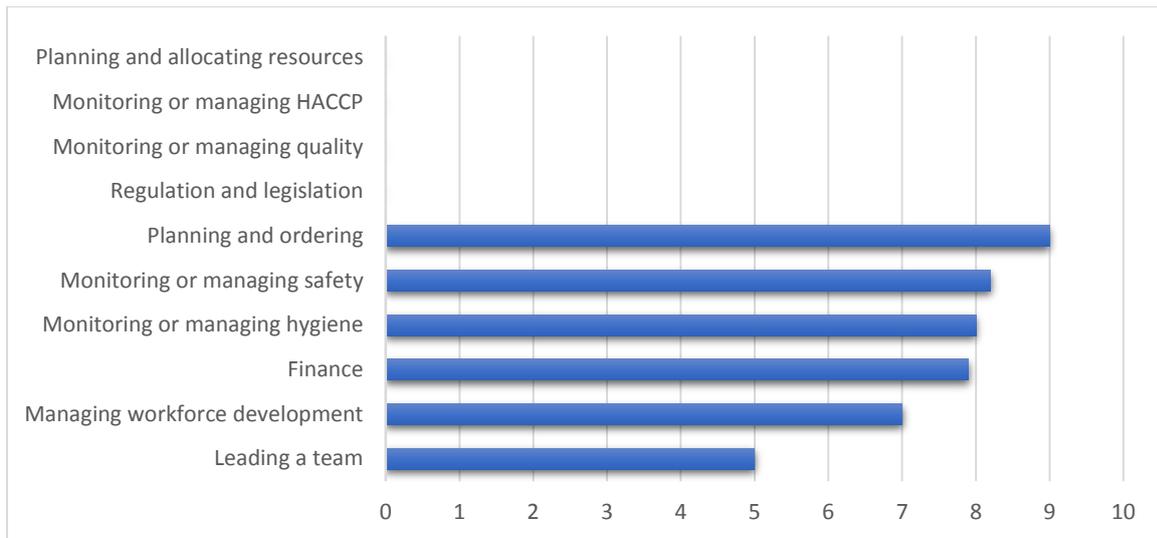
Respondents did not offer ratings for three skills with respect to future demand, but all other skills are rated over 5 increasing demand. (Figure 43)

Figure 42 Current skill level of supervisors and managers in Wales' fish frier sector



Source Pye Tait survey 2020 Not all respondents felt they could score every skill or provide specific responses. In some cases, therefore, there are no responses

Figure 43 Future skills demands for supervisors and managers in Wales' fish frier sector



Source Pye Tait survey 2020. Not all respondents felt they could score every skill or provide specific responses. In some cases, therefore, there are no responses

## Training

*Fish frying courses in the area would be extremely helpful for us.*  
**Fish frier, South Wales**

Survey respondents stated that the majority of training is delivered on the job by senior staff or business owners. This is due in part to the fact that there are no fish frying providers based in Wales. However, the National Federation for Fish Fryers (NFFF), based in Leeds, states that they can travel to deliver training on-site as part of the NFFF In Shop training course as well as offering distance learning. As part of the bespoke In Shop training course an approved trainer will spend six hours at a fish and chip business meaning trainees will be taught in a familiar environment without having to travel to Leeds.

The following courses are offered by NFFF as distance learning:

- Fish frying skills qualification – distance learning with on site assessment which covers frying skills, food hygiene, health and safety
- A distance learning customer service course

KFE, based in Market Deeping, England, offer a range a training courses at their KFE School of Frying Excellence however they are able to offer a one-day training one-to-one Excellence Course which can be delivered on-site at a fish friers premises. The on-site course is an alternative for those who wish not to travel – ‘the advantage of this is that the trainer can be on hand during your opening day if required to give you the peace of mind required.’<sup>5</sup>

<sup>5</sup> <https://www.kfeld.co.uk/wp-content/uploads/2019/12/KFE-Training-Brochure.pdf>

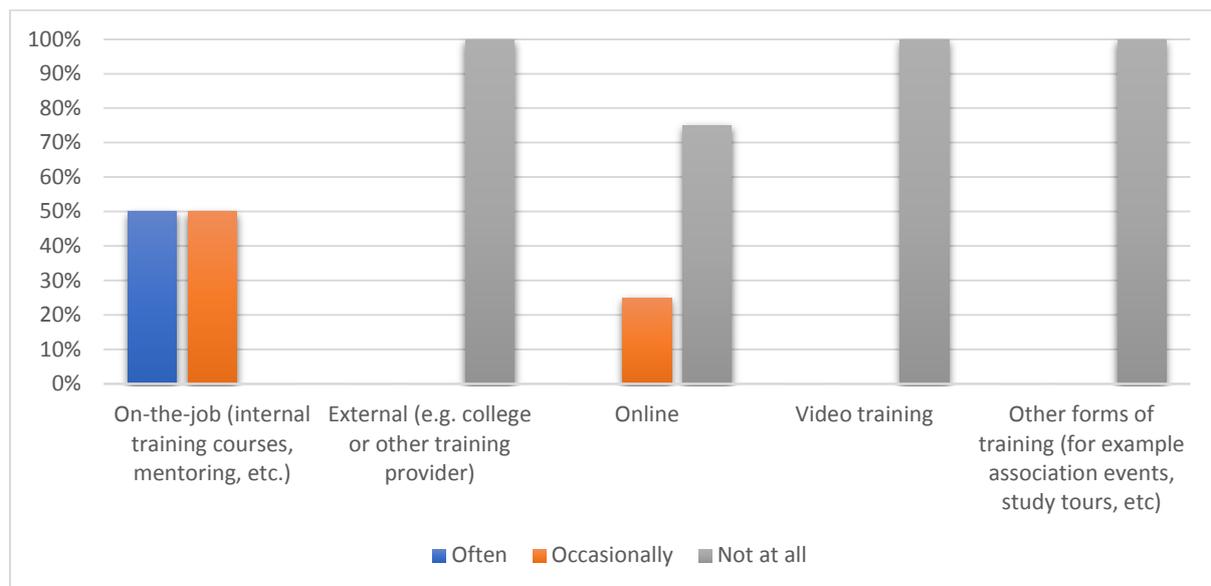
Level 2 and 3 apprenticeships for fish friers are delivered through Coleg Cambria (for North Wales) and Cambrian Training (throughout Wales). These apprenticeships can be accessed by new entrants and to upskill the existing workforce. Level 2 is aimed at those who want to develop skills and knowledge in preparing and serving fish and chips. Level 3 is aimed at advanced learners who wish to develop skills and knowledge in a variety of areas including control, managing processing operations as well as distribution, service and retail operations. Cambrian Training state that the Level 3 Apprenticeship is ideal for supervisors and managers in the fish frying sector.<sup>6</sup>

One fish frier said they send staff on the catering courses provided by Coleg Menai Llandrillo and Cywain which is part of Menter a Busnes. They also take on apprenticeships in their kitchens but are limited to how many they can take on.

*Customer service, technology and marketing is going to be very important. The fish and chip industry needs to be seen as a recognised profession.*  
**Fish frier, South Wales**

Survey respondents from the fish frier sector stated that all training for both permanent and seasonal staff was delivered in-house.

Figure 44 Use of different types of training for permanent staff in England's fish frier sector



Source Pye Tait survey 2020

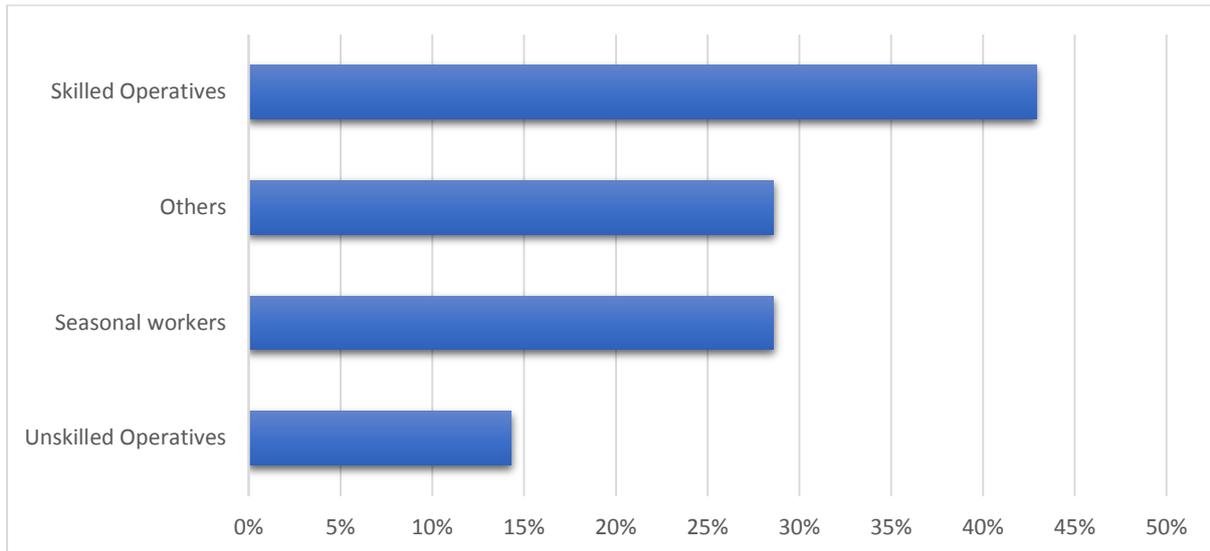
Figure 44 shows the extent to which different types of training are used by employers for permanent staff. The majority of training is delivered on-the-job and occasionally online. No fish frier employers surveyed uses external training, video training or other forms of training. For seasonal staff, all training is delivered on-the-job.

<sup>6</sup> [www.cambriantraining.com/wp/en/8834/apprenticeships-designed-to-upskill-welsh-fish-and-shellfish-businesses/#:~:text=This%20apprenticeship%20is%20ideal%20for%20supervisors%20and%20managers,Government%20with%20support%20from%20the%20European%20Social%20Fund.](http://www.cambriantraining.com/wp/en/8834/apprenticeships-designed-to-upskill-welsh-fish-and-shellfish-businesses/#:~:text=This%20apprenticeship%20is%20ideal%20for%20supervisors%20and%20managers,Government%20with%20support%20from%20the%20European%20Social%20Fund.)

## Recruitment

Just under a half of vacancies over the past year have been for unskilled staff. 15% of vacancies have been for seasonal workers. Employers have most commonly found skilled operative roles and seasonal worker roles difficult to fill i.e. taking longer than three months. (Figure 45)

Figure 45 Difficult to fill job roles in Wales' fish frier sector



Source Pye Tait survey 2020

Employers have struggled to find seasonal workers as well as finding skilled and experienced chefs with knife skills to work in fish and chip shops and restaurants. One stakeholder claimed that this was down to the lack of seafood training and vocational courses available in local colleges whereas a business owner put it down to location.

*Recruitment here is really difficult, not just in kitchens but across the board. I've struggled to find good quality skilled chefs, operations managers and finance managers. There just isn't the developed skill set in this part of the world.*

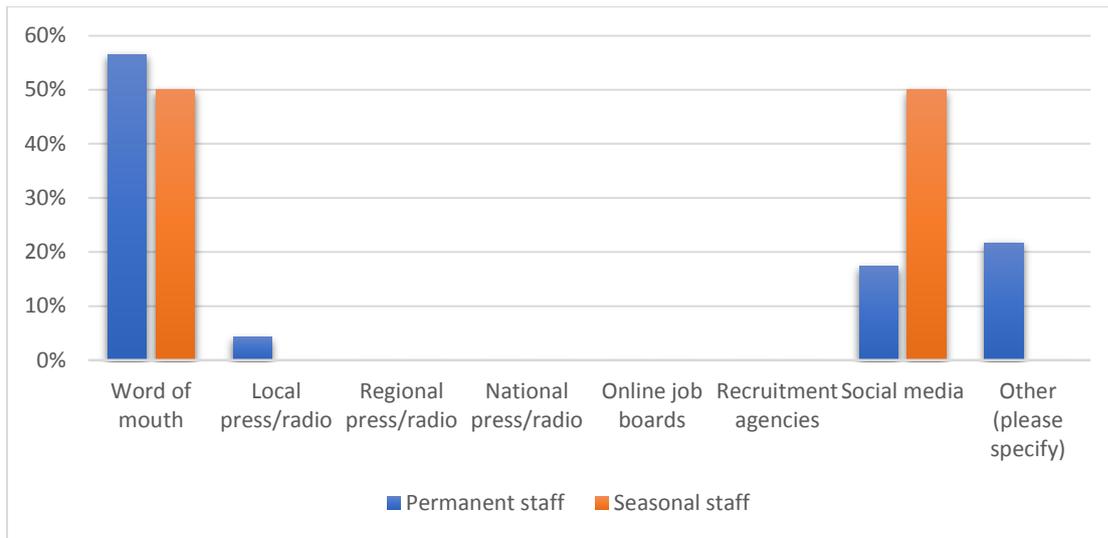
### Fish Frier, North Wales

One business owner stated that he now prefers to recruit someone with little to no kitchen experience but who has passion and enthusiasm.

Fish friers tend to use word-of-mouth to recruit both permanent and seasonal staff but social media has become more important and is now used more frequently than local press or radio. Employers also stated that they advertise jobs through posters in shop windows.

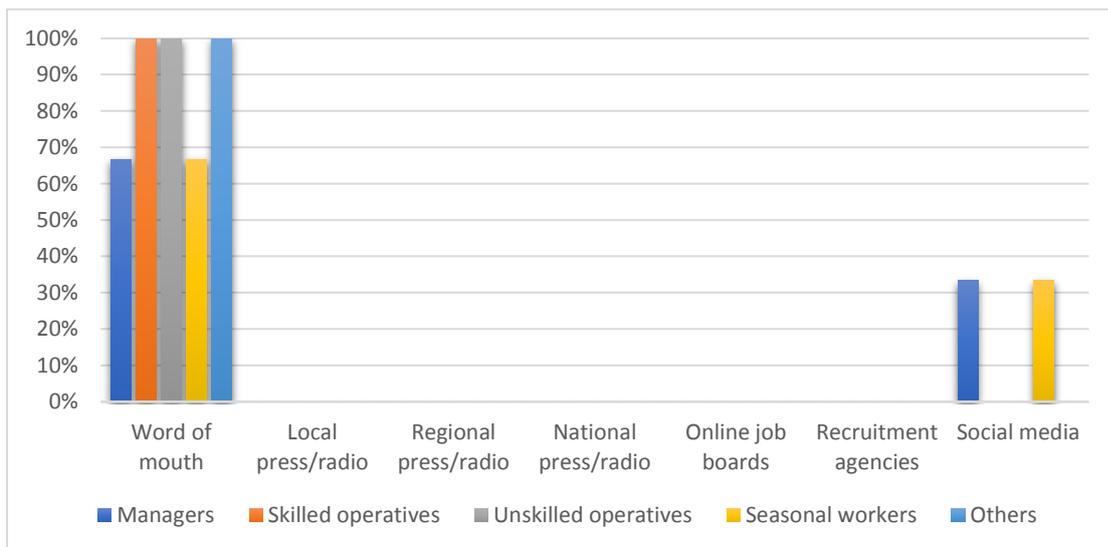
Employers use most media for managerial recruitment but tend to use word-of-mouth more for skilled, unskilled and seasonal workers.(Figures 45 and 46)

Figure 46 Recruitment methods used in Wales' fish frier sector



Source Pye Tait survey 2020

Figure 47 Preferred recruitment methods by grade of staff in Wales' fish frier sector



Source Pye Tait survey 2020

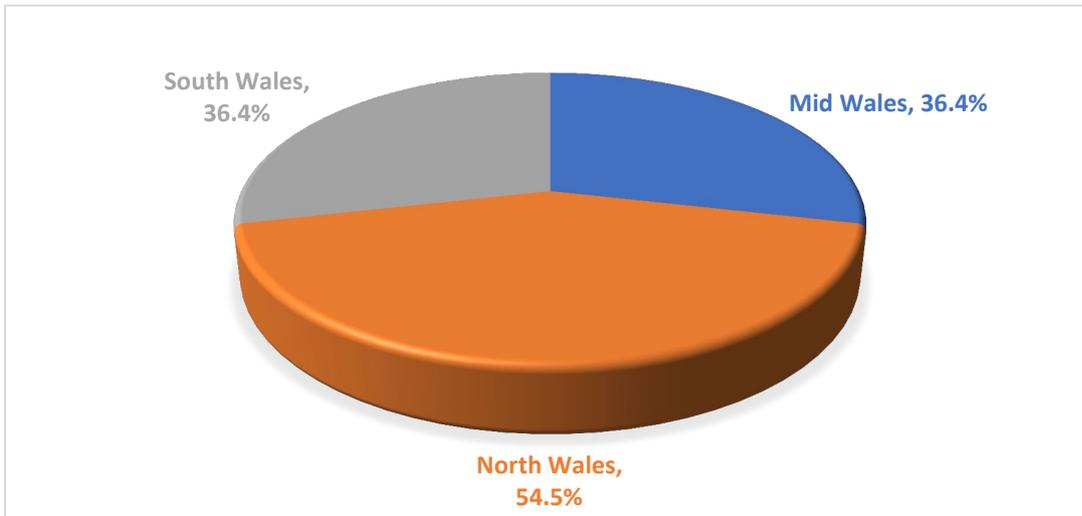
One stakeholder claimed that the fish frying sector was the only sector that they knew of in Wales that had career pathways mapped out for staff, stating that career development programmes are not implemented elsewhere in the industry.

## Processing

### Introduction

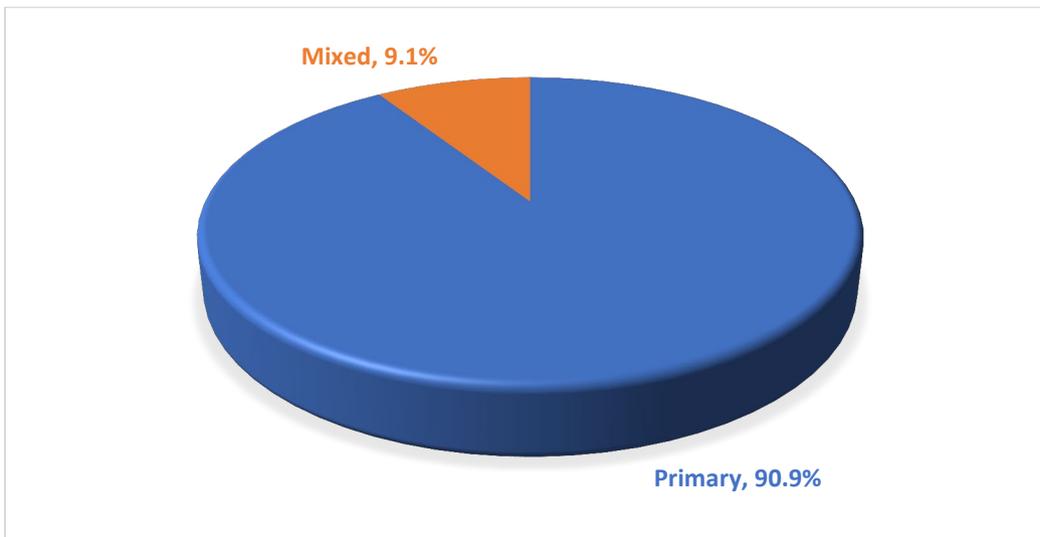
Telephone surveys were completed with 11 processor employers, others took part in the nominal group exercise or completed depth interviews. Over half of surveyed businesses are based in North Wales (Figure 48). Nine of the businesses are primary processors. (Figure 49)

Figure 48 Regions in which surveyed processing businesses operate in Wales



Source Pye Tait survey 2020

Figure 49 Type of processors surveyed

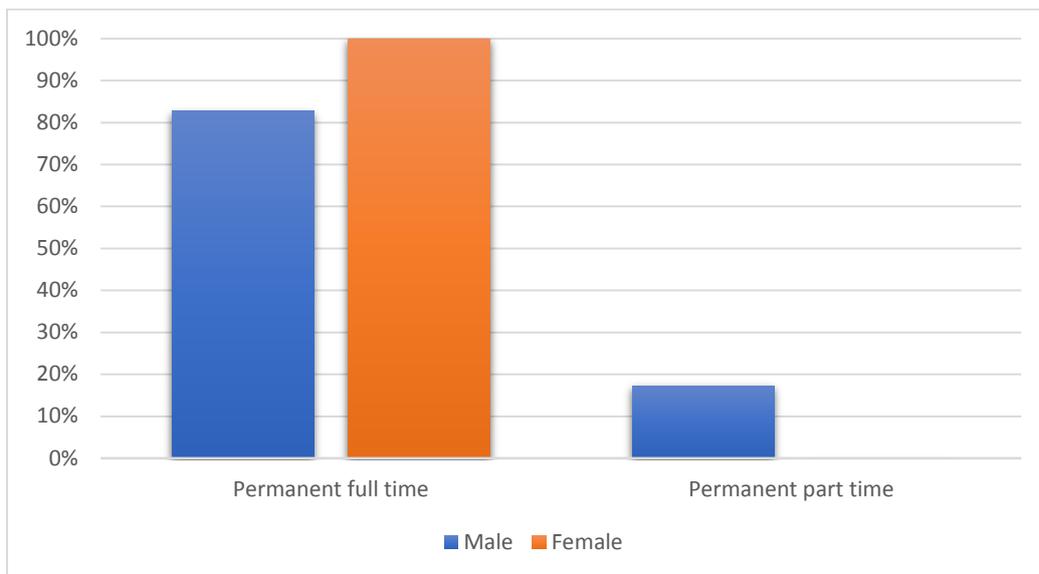


Source Pye Tait survey 2020

Employment for 99% of staff is on a permanent full-time basis with just 1% on a permanent part-time basis. Survey respondents in the processing sector did not employ seasonal workers at the time of the survey.

All women in the processing sector are employed on a permanent, full-time contract with just over 80% of men in the sector on a permanent, full-time contract. Just under 20% of permanent, part-time employment is occupied by men. (Figure 50)

Figure 50 Gender by mode of employment in Wales' processing sector

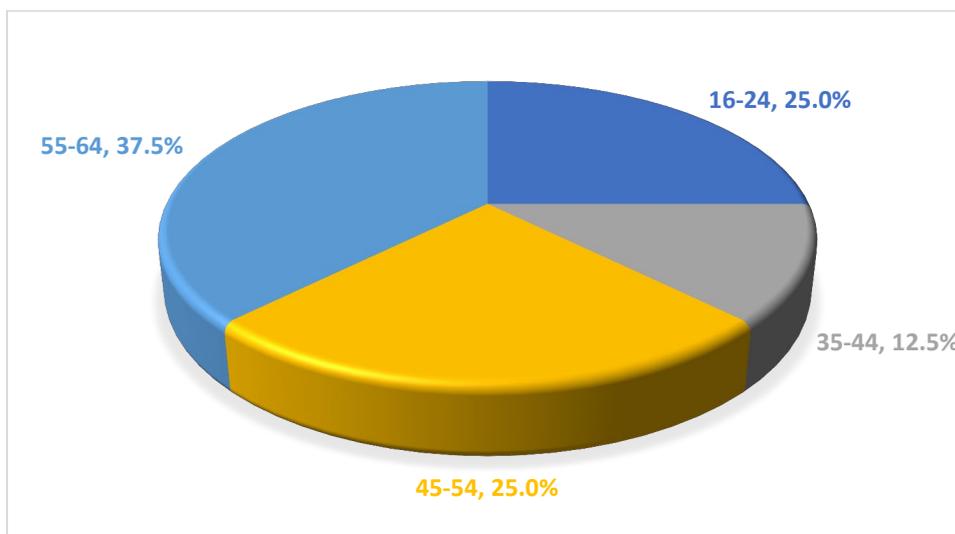


Source Pye Tait survey 2020

All permanent staff are UK residents.

The age profile for the industry does not appear to be youthful – 62.5% of employees are aged over 45 years whereas a quarter are under 25 years. These results were however obtained from 8 companies that could provide age-related information out of the total sample of 11. (Figure 51)

Figure 51 Age profile of processing staff in Wales

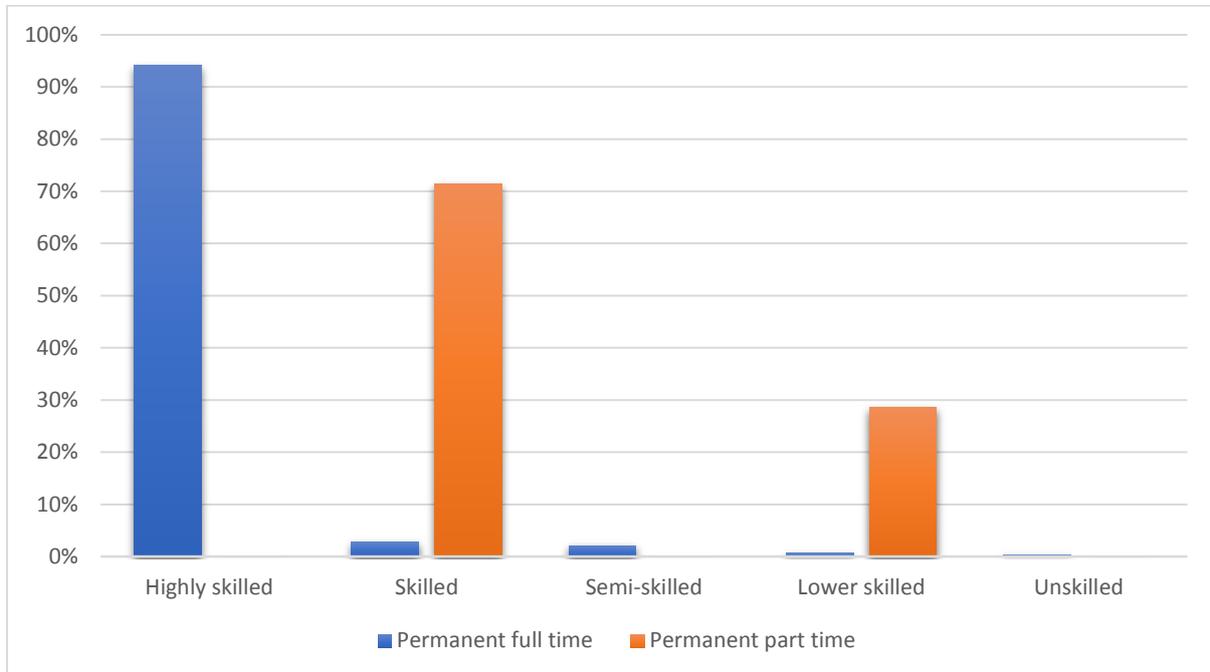


Source Pye Tait survey 2020

## Skills

Employers in the processing sector see their permanent full-time workforces as being highly skilled but their part-time permanent staff being mostly skilled and lower skilled workers. (Figure 52)

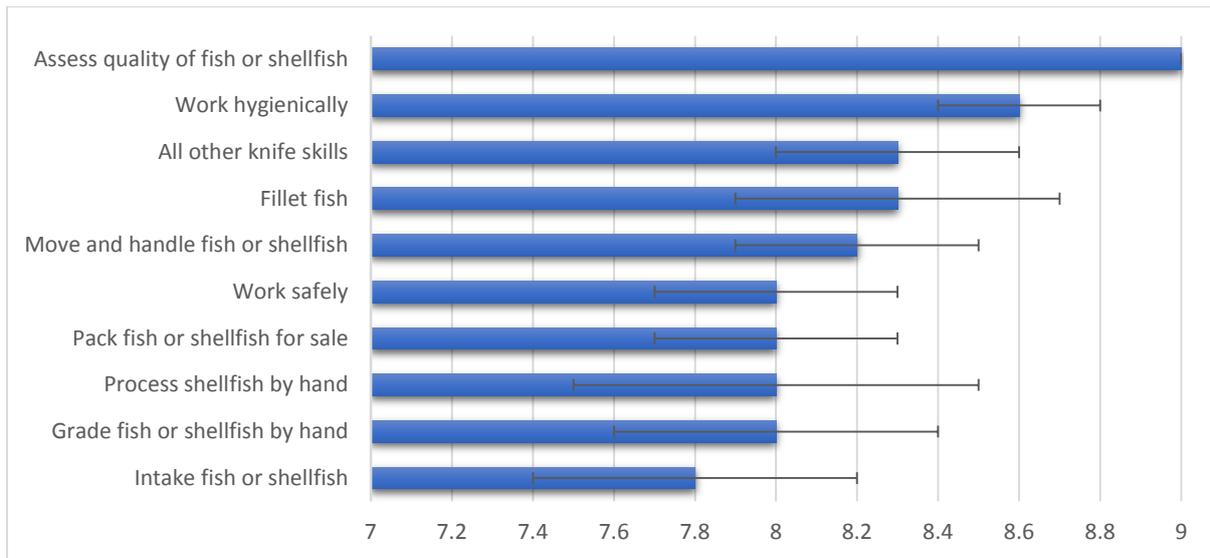
Figure 52 Skill level by mode of employment in Wales' processing sector



Source Pye Tait survey 2020

Processor respondents were generally unable to identify skills gaps in their workforce with the majority of employers stating that there were no skills gaps and their staff were highly trained. Any skills gaps are primarily seen as being caused by insufficient availability or relevance of external training.

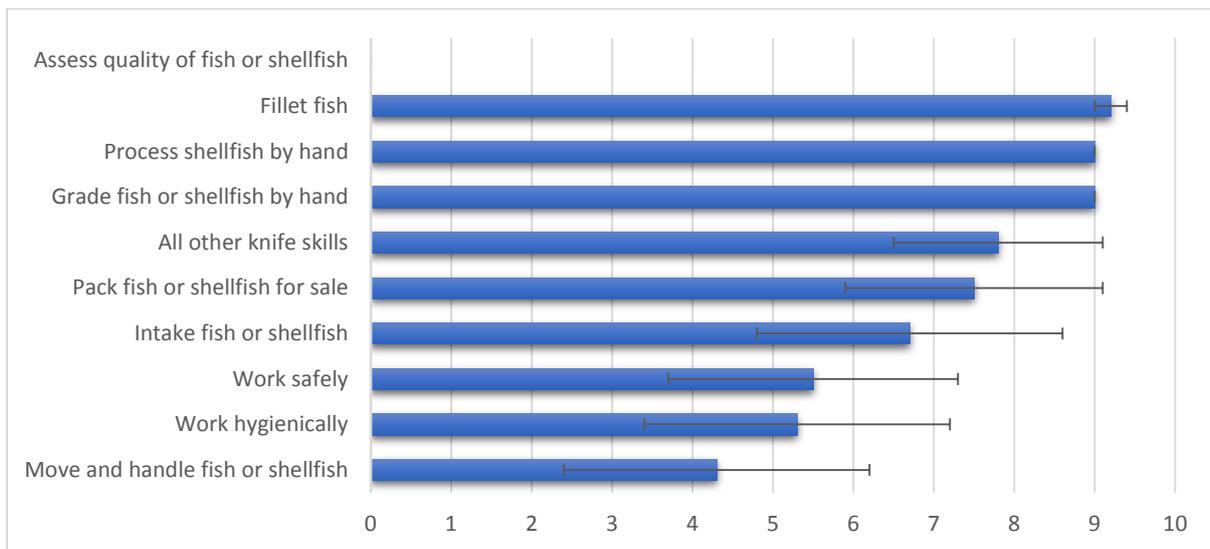
Figure 53 Current skills level of primary operatives in Wales' processing sector



Source Pye Tait survey 2020. The black arrows indicate the measure of the standard error of the mean

Current skill levels of primary operatives are regarded as very good, the majority are above eight out of ten (Figure 53). Future demand for these skills is seen as generally slightly decreasing (Figure 54)

Figure 54 Future demand of primary operatives in Wales' processing sector



Source Pye Tait survey 2020. The black arrows indicate the measure of the standard error of the mean

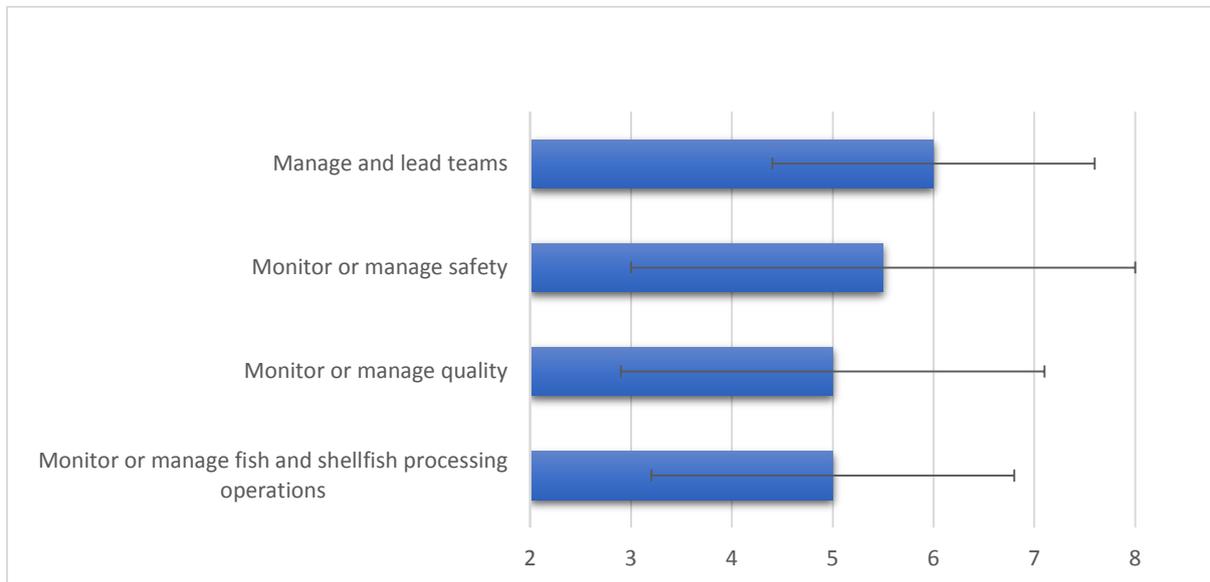
The current skills of primary supervisors and managers are felt to be very good (Figure 55), though the future demand for them is thought to be decreasing (Figure 56).

Figure 55 Current skills of primary supervisors and managers in Wales' processing sector



Source Pye Tait survey 2020. The black arrows indicate the measure of the standard error of the mean

Figure 56 Future demand for primary supervisor and manager processing skills in Wales



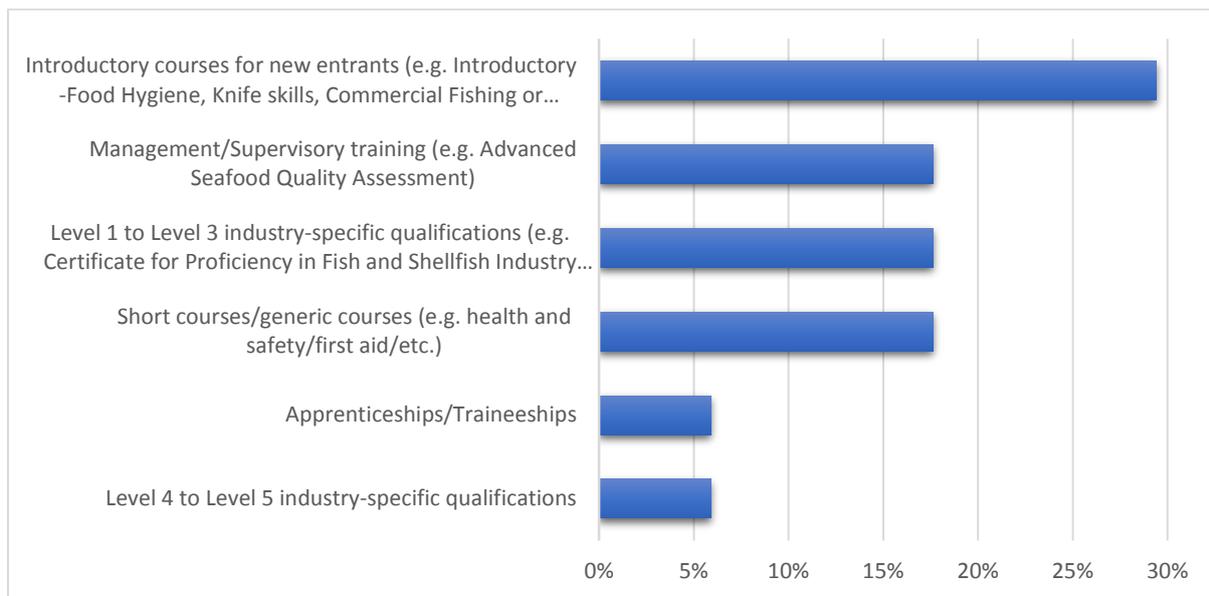
Source Pye Tait survey 2020. The black arrows indicate the measure of the standard error of the mean

## Training

In specialist terms, processor training is mainly concerned with fish filleting and shellfish care and preparation. The expense involved in providing fish for training, (which unless the provision is offered at a registered food business has to be consigned to waste) is a barrier to provision of training. Much of the specialist training is conducted in-house.

Figure 57 illustrates the sorts of training undertaken by processors over the past year by type. Just under 30% of those courses undertaken are the introductory courses for new entrants.

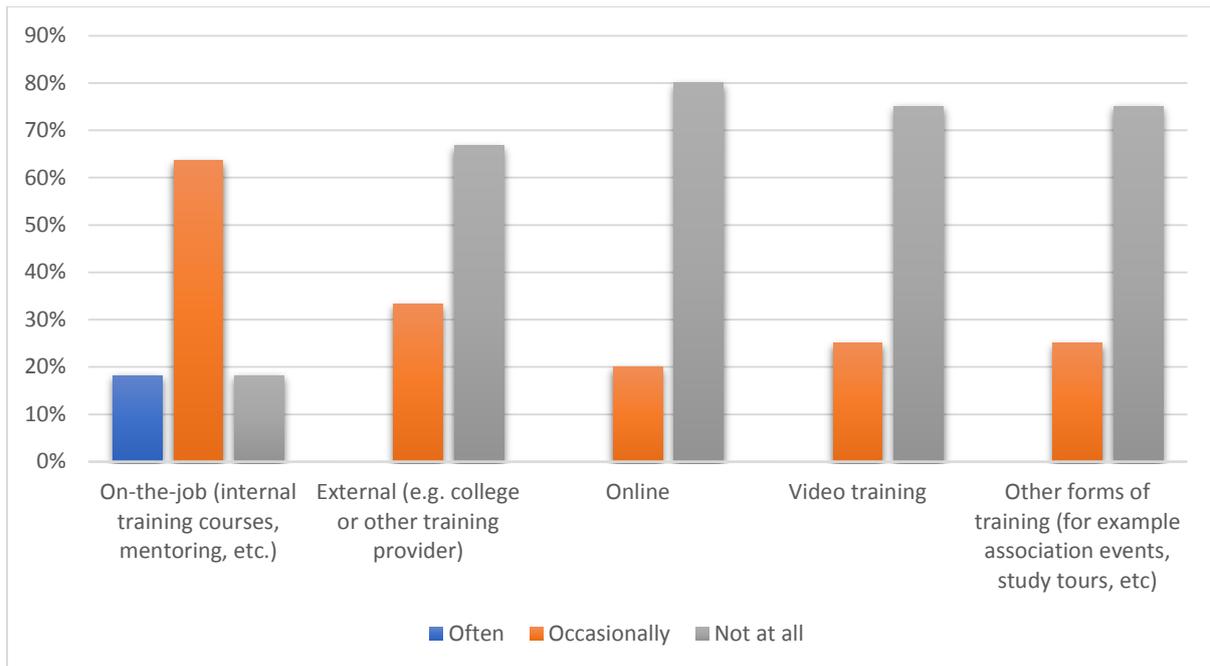
Figure 57 Courses undertaken in the past year in Wales' processing sector



Source Pye Tait survey 2020

The majority of training in the sector is conducted in-house with over 30% receiving external training occasionally. Video training is used more occasionally (25%) than online training (20%). (Figure 58)

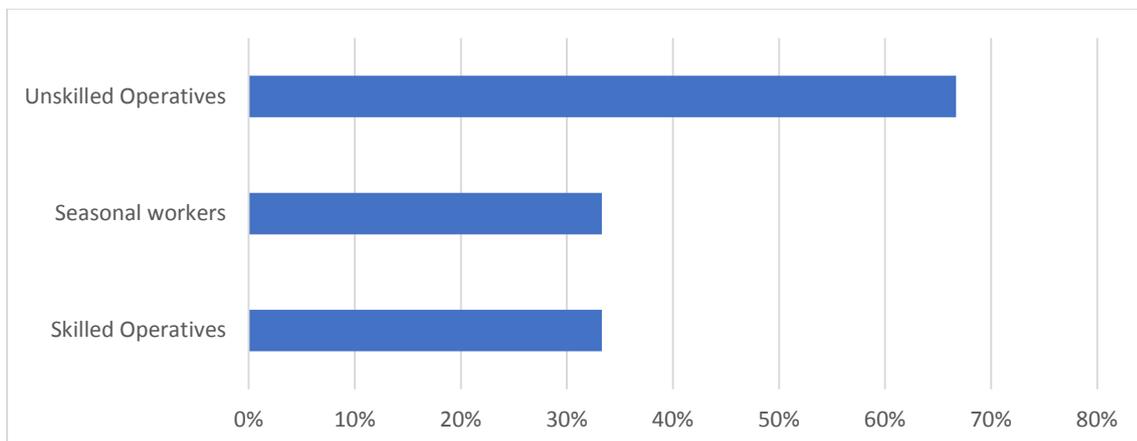
Figure 58 Use of different types of training for permanent staff in Wales' processing sector



## Recruitment

Unskilled operatives and skilled operatives are the most difficult vacancy to fill in Wales' processing sector. (Figure 59)

Figure 59 Vacant roles difficult to fill in Wales' processing sector



Source Pye Tait survey 2020

Some employers looking to grow their businesses are aiming to recruit experienced and skilled staff.

*We were looking to take on more people for our processing section of the business. This would involve taking on more experienced people who already work in seafood and fresh fishmongering, both retail and wholesale.*

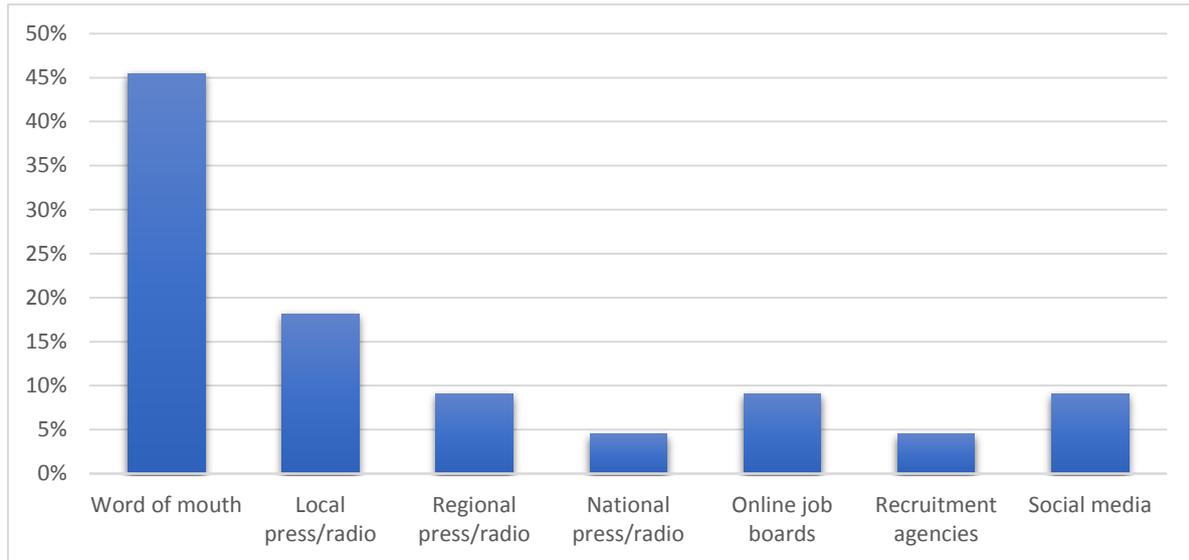
## Processor, South Wales

In common with other sectors there is a general feeling among employers that careers in processing do not appeal to young people.

*There are no young people wanting to enter this industry and an increasing problem with an ageing workforce too.*

## Processor, North Wales

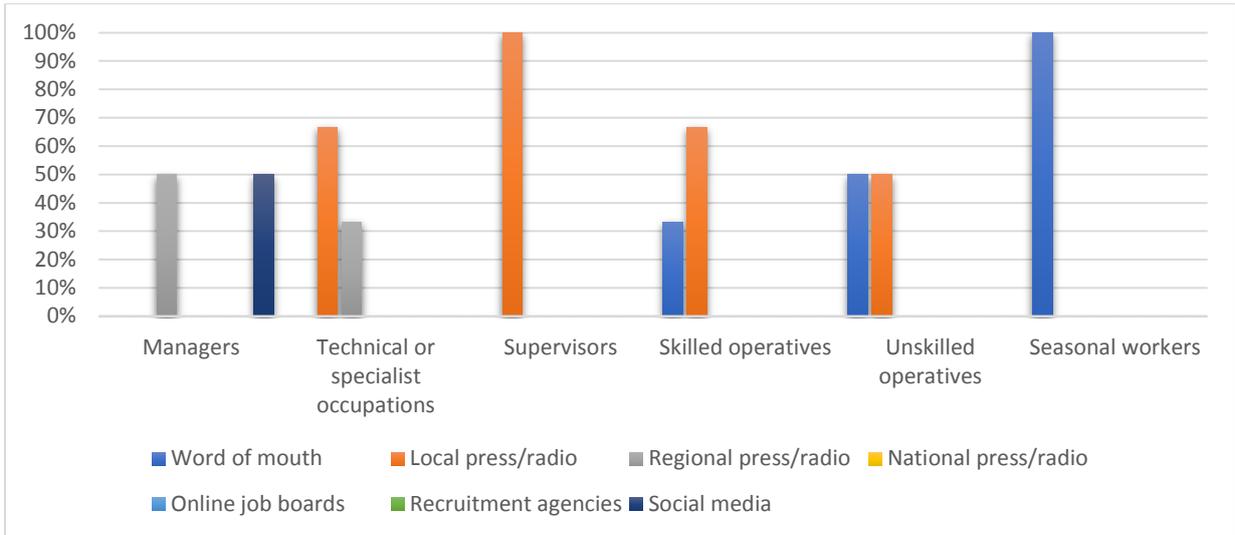
Figure 60 Recruitment methods in Wales' processing sector (permanent staff)



Source Pye Tait survey 2020

Word of mouth is the most preferred method of recruitment of permanent staff in the processing sector (45%). (Figure 60). Employers use a wide variety of recruitment methods including using social media over recruitment agencies or online job boards. Employers specific methods for different job roles.

Figure 61 Preferred method of recruitment by job role in Wales' processing sector



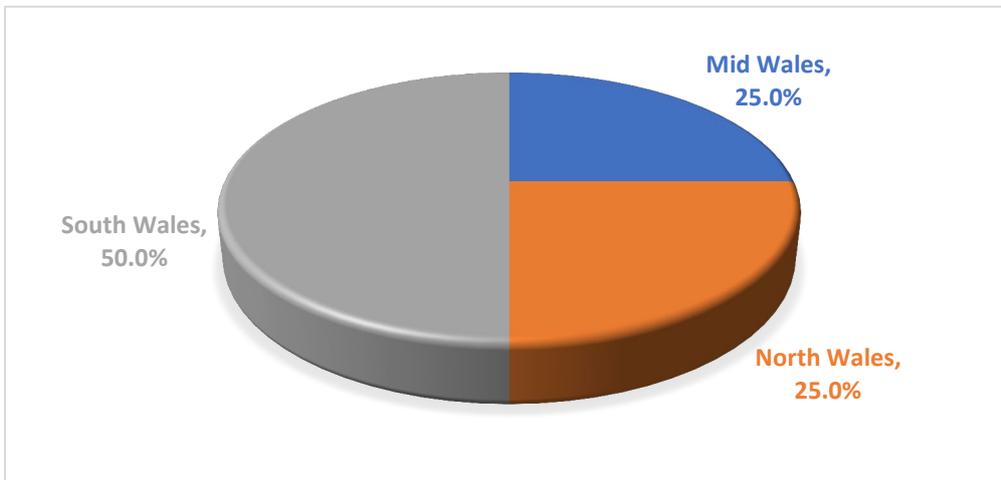
Source Pye Tait survey 2020

## Retail

### Introduction

The telephone survey covered retail fishmongers throughout Wales, with 50% of respondents being located in North Wales. (Figure 62) Over 85% of retail staff in fishmongers across Wales are employed on a permanent basis with nine out of ten employed full time.

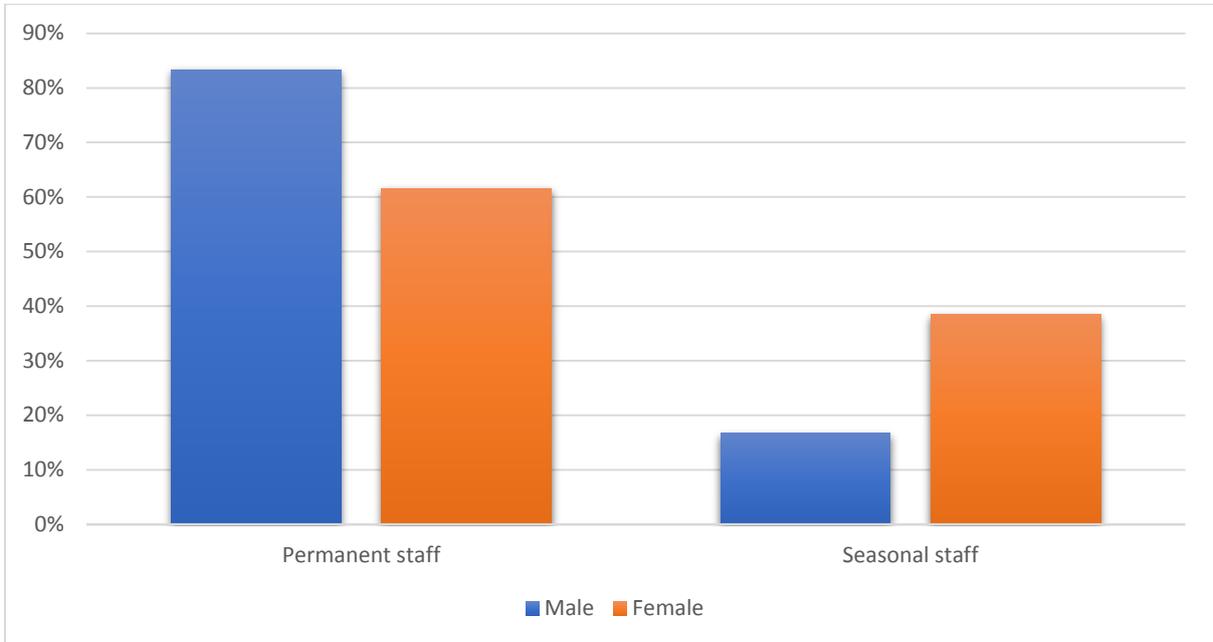
Figure 62 Regions of operation for retail businesses in Wales



Source Pye Tait survey 2020

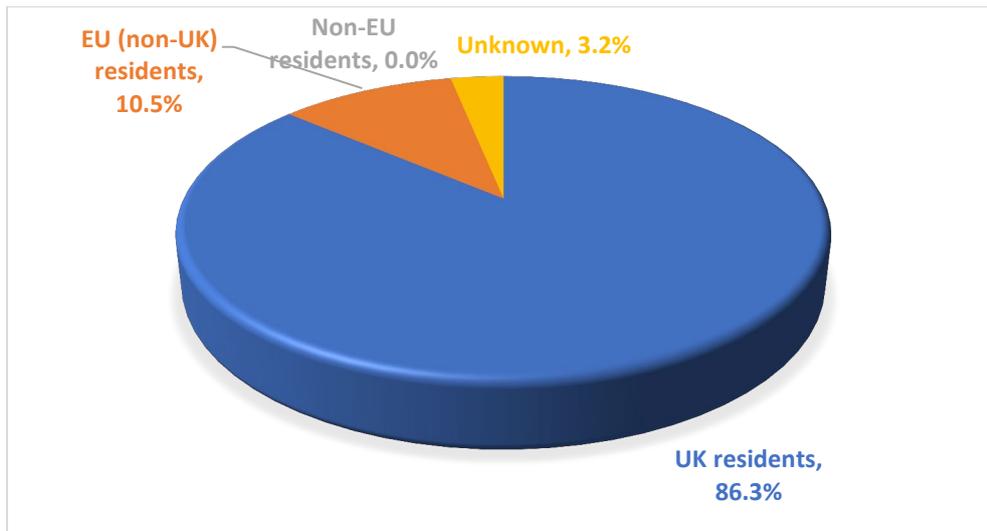
Over 80% of permanent staff in surveyed businesses are male, though there are more female seasonal staff than seasonal male staff. Over 85% are UK residents. (Figures 63 and 64)

Figure 63 Staff by gender in Wales' retail sector



Source Pye Tait survey 2020

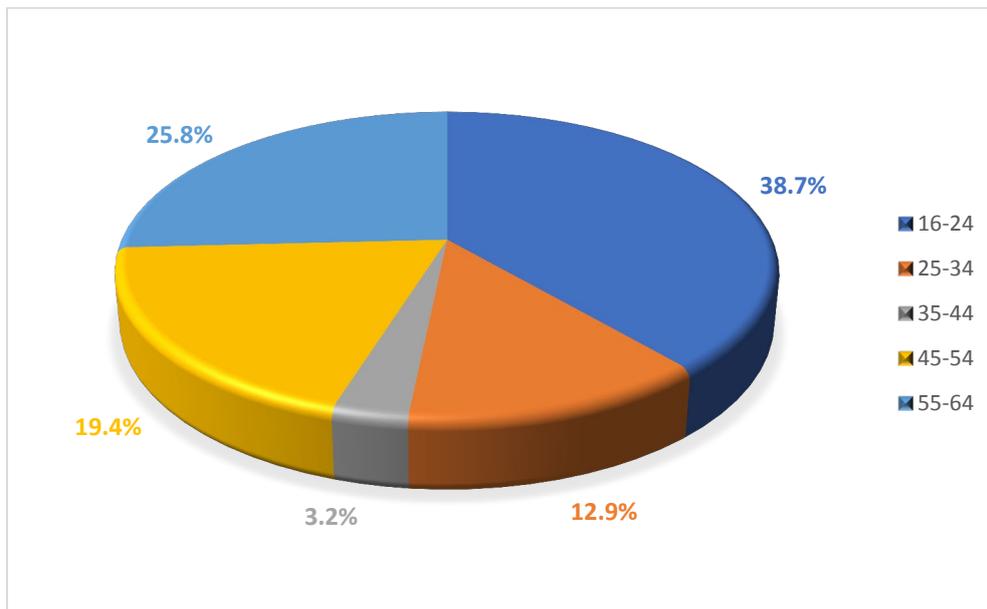
Figure 64 Residency of retail staff in Wales



Source Pye Tait survey 2020

The age profile of the surveyed respondents is 45.2% over 45 years and 51.6% are under 35 years.

Figure 65 Retail age profile in Wales



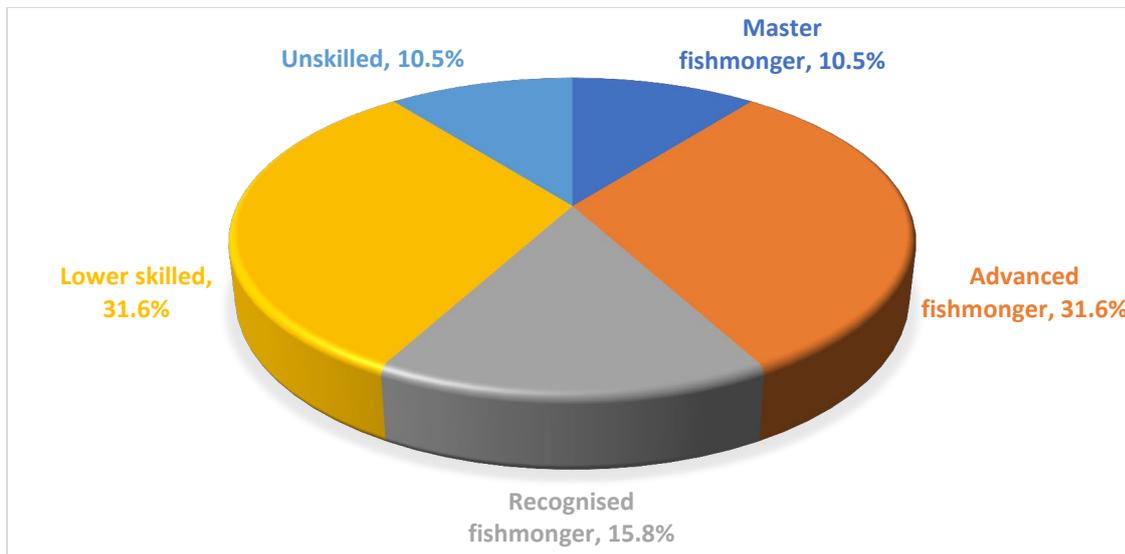
Source Pye Tait survey 2020

## Skills

The retail sector requires a specialised mix of high food skills and management and retail skills.

Three levels of top skill are used in the sector: recognised fishmonger, advanced fishmonger and master fishmonger. These three skilled categories account for over 58% of employees in surveyed businesses.

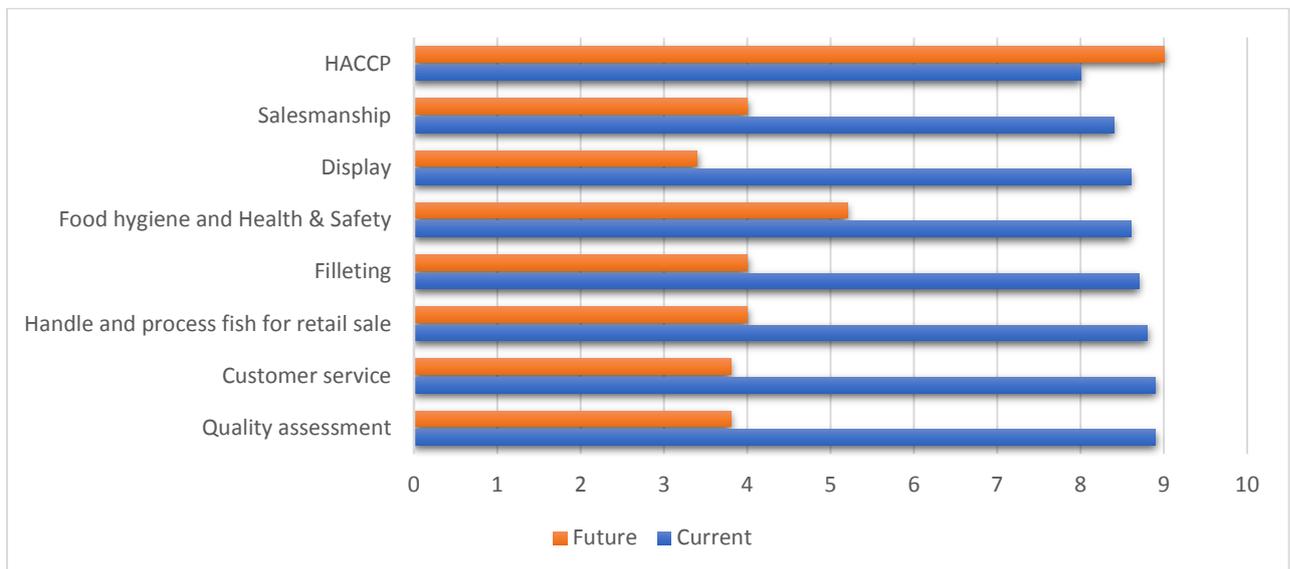
Figure 66 Permanent retail staff by skill level in Wales



Source Pye Tait survey 2020

Employers rate the current skills of their operative workforce as very good. All skills above eight out of ten. The future demand for skills is mostly seen, however, as significantly diminishing except for HACCP skills which is perceived to increase in demand, scoring nine out of ten. (Figure 67)

Figure 67 Current skills and future skills demand of the retail operative workforce in Wales



Source Pye Tait survey 2020

Current management and supervisor skills are regarded as very good, but the perception of future demand is that it will decline in most skill areas, except for monitoring or managing HACCP which is understood to remain the same.

Figure 68 Current skills and future skills demand for supervisors and managers in Wales' retail sector



Source Pye Tait survey 2020

## Training

The primary apprenticeships on offer in Wales for those wishing to enter the seafood retail, processing or fishmongering profession are the Intermediate and Advanced Apprenticeships in Fish and Shellfish, which are delivered as part of the Welsh Food and Drink apprenticeship framework. This pathway offers training to those working in fish and shellfish processing, or as sales/service support in a fish and shellfish organisation. Cambrian Training offers the apprenticeships across the whole of Wales at level 2 and 3 in Fish and Shellfish Industry Skills, as part of their wider Food Manufacturing Apprenticeship Programme.<sup>7</sup> Coleg Cambria also offers the Certificate for Proficiency in Fish & Shellfish Industry Skills, at level 1 and 2.<sup>8</sup>

The Food Technology Centres in Llangefni and Horeb are able to offer introductory and basic smoking training using a Seafish trainer from Grimsby and an AFOS Micro Kiln on temporary loan from Seafish.<sup>9</sup> The Seafood Training Academy is currently working to establish further training centres in fish smoking skills across Wales.

There appears to be no permanent provider offering training in fishmongering and fish filleting skills. Seafish offer training in fish filleting on an ad hoc basis through Seafood Training networks for Wales.<sup>10</sup>

A range of providers around Wales offer the Highfield Award in Food Safety in Catering, Manufacturing and Retail (levels 2,3 and 4). Providers include:

- The Food Technology Centre at the Coleg Menai Llangefni, Anglesey.<sup>11</sup>

<sup>7</sup> <https://www.cambriantraining.com/wp/en/apprenticeships/occupational-sectors/food-manufacture-and-butchery/>

<sup>8</sup> <https://www.cambria.ac.uk/business/training/hospitality-catering/>

<sup>9</sup> <https://seafoodacademy.org/network-wales-providers.php>

<sup>10</sup> <https://seafoodacademy.org/topics/1-topic-fish-filleting-courses.php>

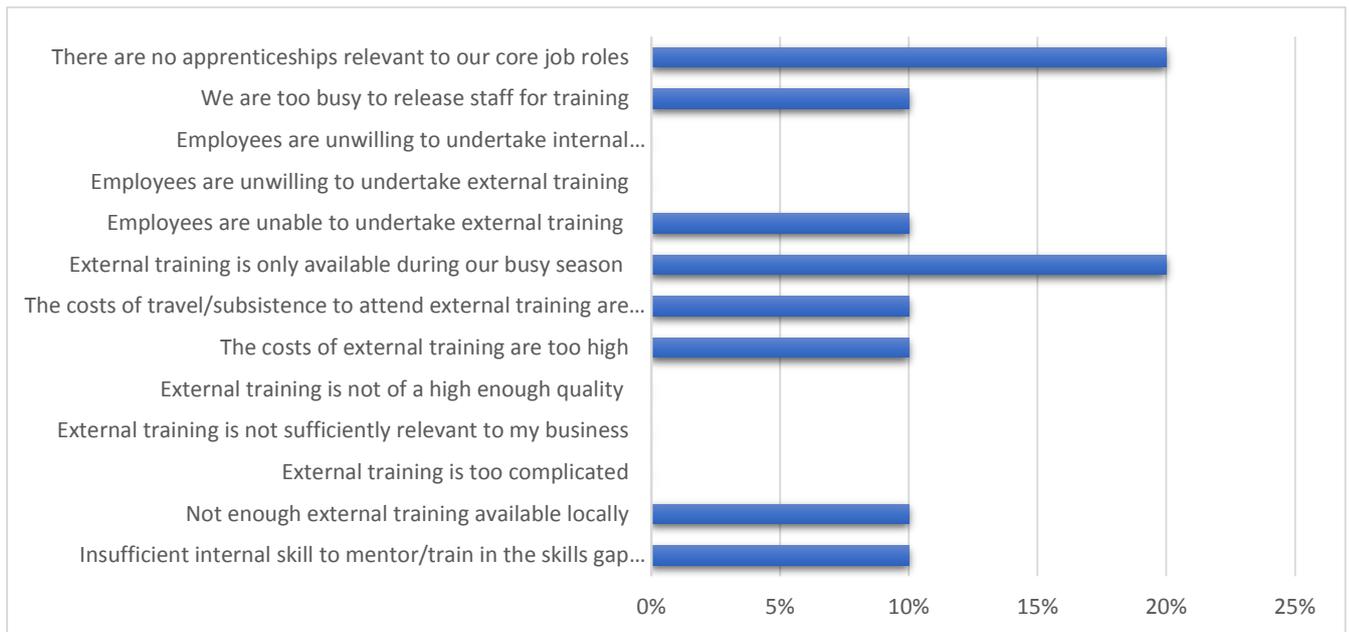
<sup>11</sup> [www.foodtech-llangefni.co.uk/training-courses/](http://www.foodtech-llangefni.co.uk/training-courses/)

- Coleg Llandrillo.<sup>12</sup>
- Food Technology Centre at Horeb.<sup>13</sup>

Welsh Seafish Industry Training Association, in Llandeilo also offers course in food safety and H&S training through open learning, primarily in South Wales.

Employers who responded to the survey pointed to a lack of relevant apprenticeships and the fact that external training is only available during busy seasons as the two major causes of skills gaps as shown in figure 69. Most training over the past year has been introductory courses (Figure 70).

Figure 69 Main reasons for skills gaps in Wales' retail sector

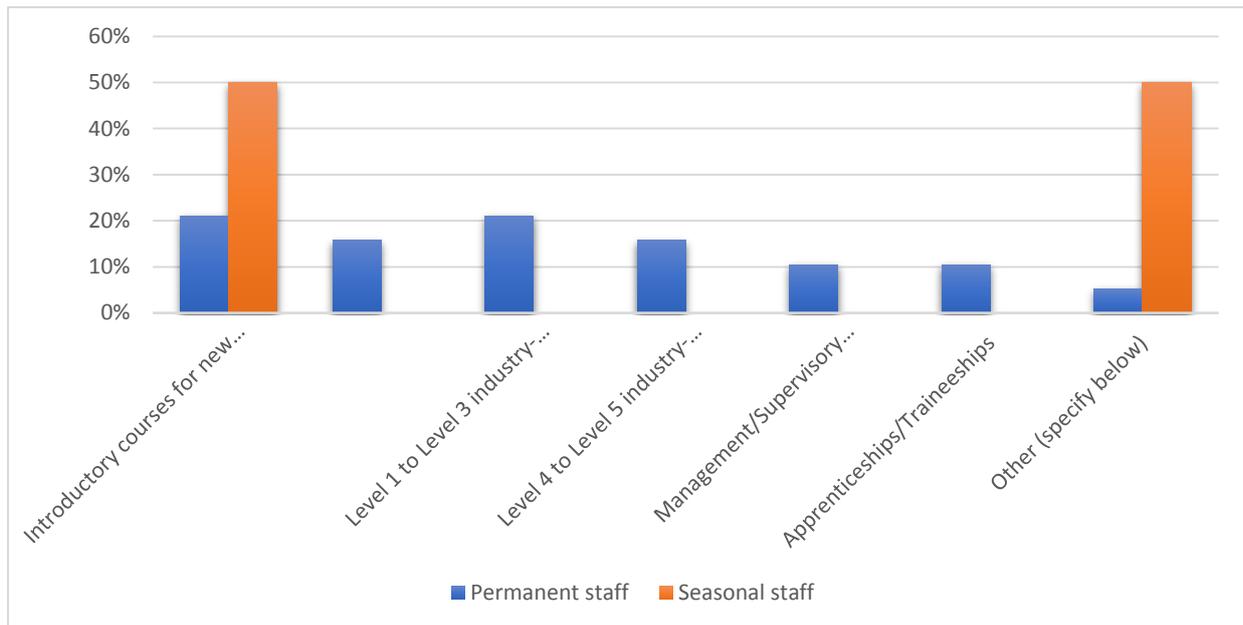


Source Pye Tait survey 2020. Not all respondents felt they could score every option. In some cases, therefore, there are no responses

<sup>12</sup> <https://www.gllm.ac.uk/courses/search/?s=food%20hygiene>

<sup>13</sup> [www.foodcentrewales.org.uk/training/](http://www.foodcentrewales.org.uk/training/)

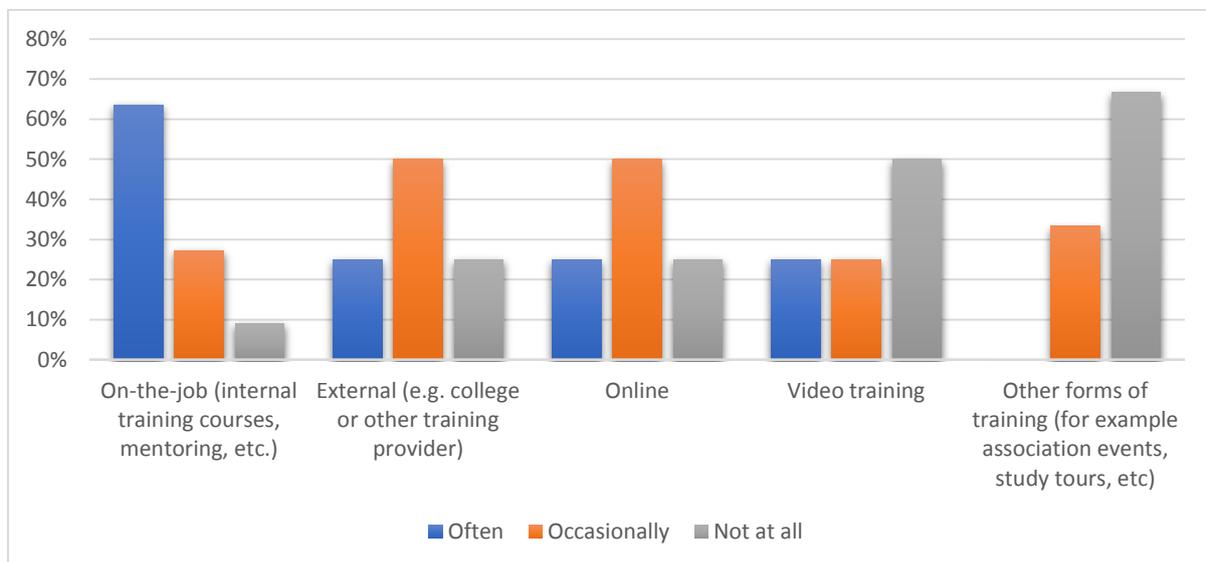
Figure 70 Training undertaken in 2018-2019 in Wales' retail sector



Source Pye Tait survey 2020

Most training being undertaken in the sector is on-the-job. (Figure 71)

Figure 71 Main training approaches in Wales' retail sector



Source Pye Tait survey 2020

Employers with small retail businesses stated that they were in need of marketing, business development and financial training to grow and develop their businesses. Some employers had received advice from Menter a Busnes but there is potential and the demand to deliver targeted training courses, especially in marketing and social media.

*I've worked as a chef for many years and prior to that I was an accountant. I know about the food industry, I have good knife skills and I know how to run my business. I'm just the world's worst salesman.*

**Fishmonger, North Wales**

## Recruitment

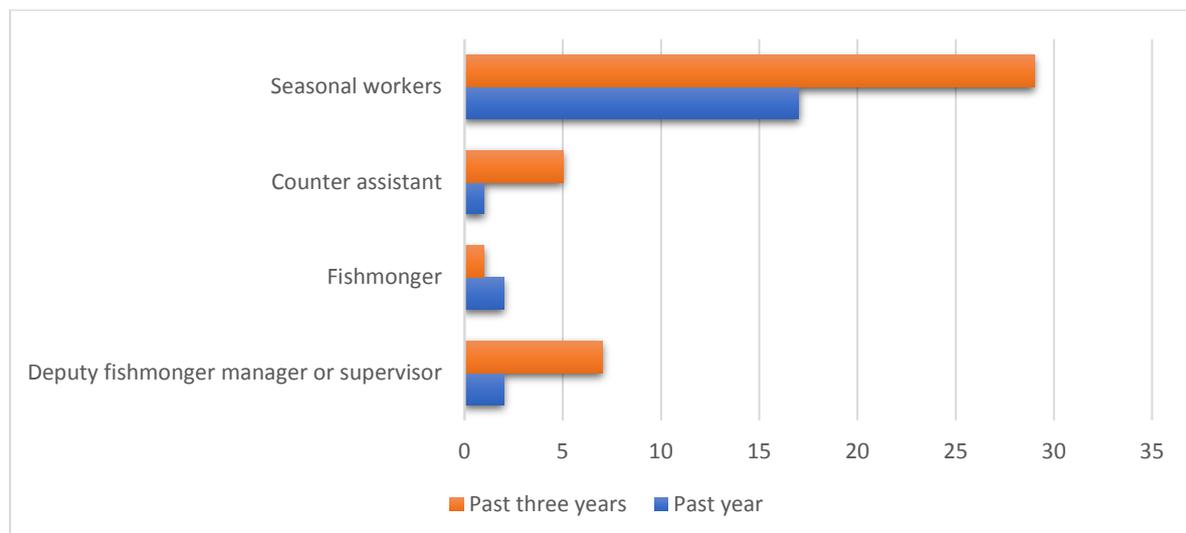
Respondents reported 22 vacancies in the past year in total from a workforce of 112; a turnover rate of just under 20%.

The majority of the vacancies were for seasonal staff, followed by fishmongers (Figure 72). A similar pattern was reported for vacancies over the past three years. This picture is not mirrored by the responses on hard to fill vacancies which shows that fishmongers form the largest group of people whose roles employers find difficult to fill. (Figure 73)

*Due to the seasonality of the area and therefore business, sustainability has an impact on recruiting and training permanent staff. Seasonal staff form the majority of our staff roles.*

**Retail, South Wales**

Figure 72 Number of vacancies in the past year and the past three years in Wales' retail sector



Source Pye Tait survey 2020

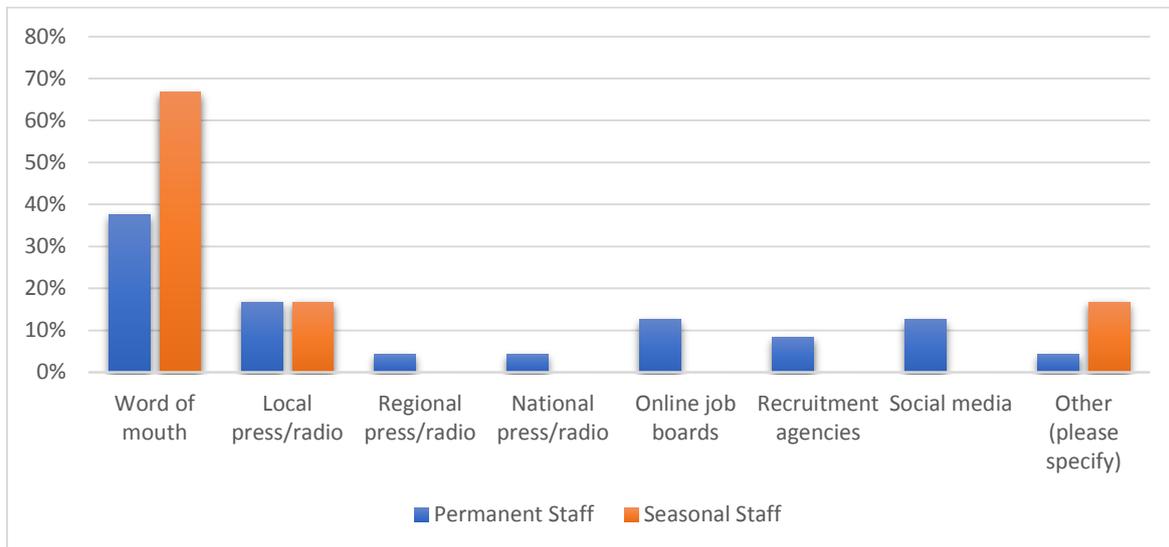
Figure 73 Hard to fill vacancies in Wales' retail sector



Source Pye Tait survey 2020. Not all respondents felt they could score every skill or provide specific responses. In some cases, therefore, there are no responses

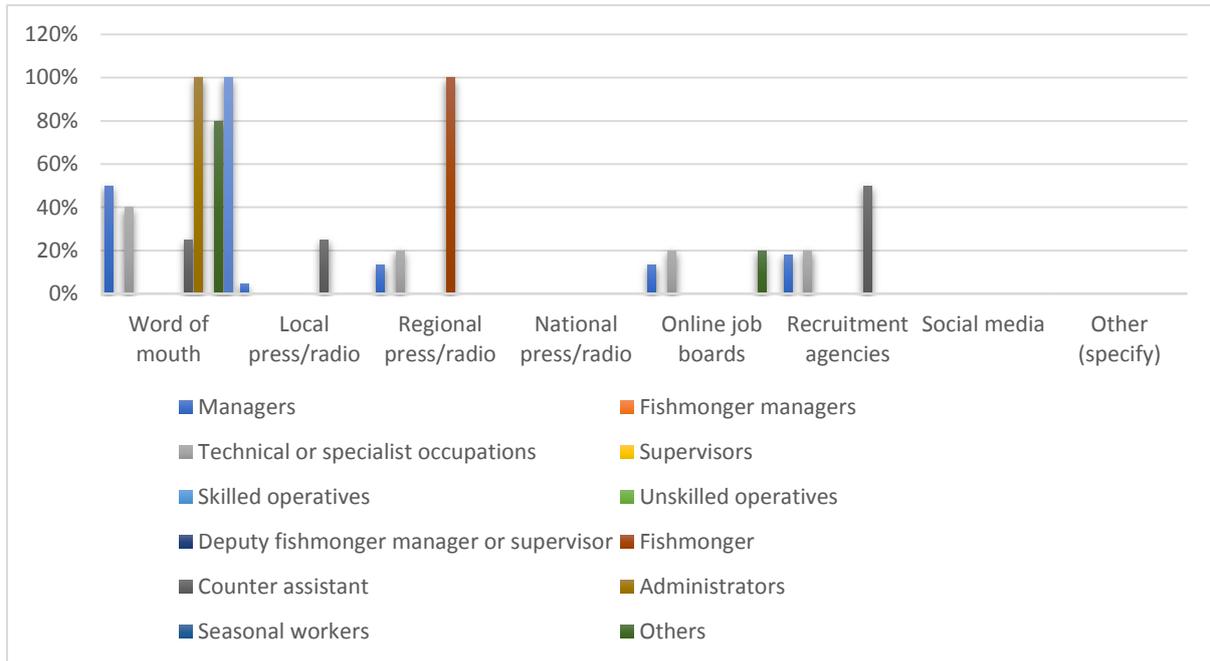
Employers use word-of-mouth to recruit almost all types of staff, especially seasonal staff, but regional press and radio is used to recruit fishmongers as well as some managerial and technical recruitment. In terms of actual recruitment methods and preferred methods – word-of-mouth is the most important. (Figures 74 and 75)

Figure 74 Recruitment methods by type of staff in Wales' retail sector



Source Pye Tait survey 2020

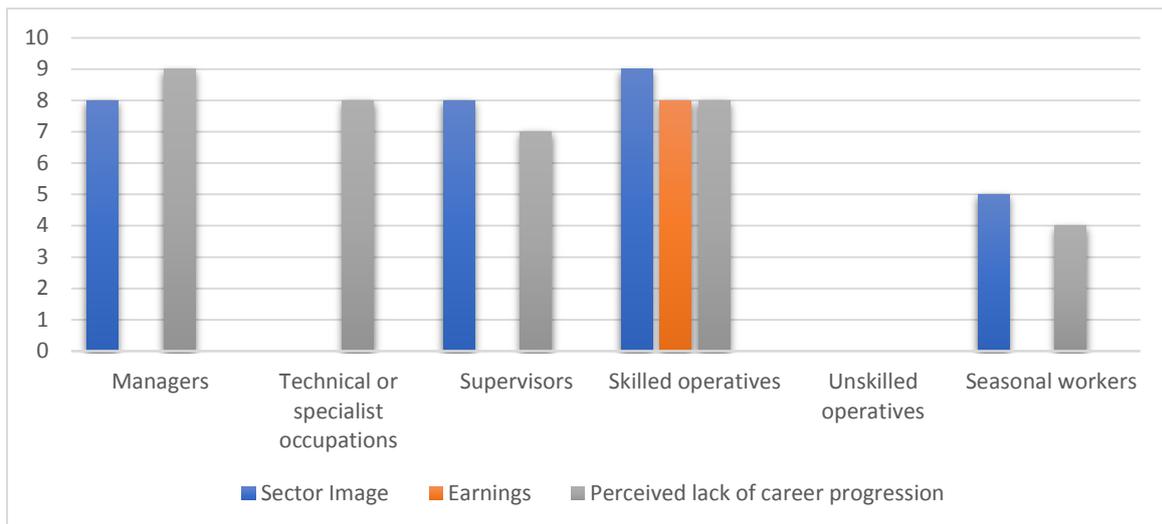
Figure 75 Preferred recruitment method in Wales' retail sector



Source Pye Tait survey 2020

Employers see a number of barriers impeding their recruitment of different types of staff. For skilled operatives, for example, “sector image”, lack of perceived career progression and earnings are all seen as major barriers. “sector image” and perceived lack of career progression are given prominence by employers as a barrier for most grades of staff.

Figure 76 Barriers to recruitment in Wales' retail sector



Source Pye Tait survey 2020

## Covid-19

### Initial Reaction

Like the rest of the UK, the Welsh seafood industry felt the shock as the Coronavirus pandemic hit the UK in March 2020. Along with the rest of the UK, the Welsh Government introduced lockdown on 23 March, this continued till 29 May, three weeks after lockdown was eased in England. The all-important Welsh tourist industry was effectively closed, with police patrolling the border and hotels and campsites only being allowed to open from 25 July.

Pye Tait's fieldwork, including a telephone survey of 58 employers in aquaculture, catching, processing, fish frier and retail started on 16 March and ran until 23 June. Primary data across a wide section of the industry were, therefore, being collected as the impacts of the Covid-19 virus were developing.

Employers in all sectors put recruitment on hold, laying off staff, concerned that their businesses would not survive the pandemic. Expansion plans and staff training immediately slipped down the list of priorities and employers who had been working on opening up new export markets ceased or postponed that work.

We found that there was wide awareness in the industry of the furlough scheme (whereby the Government pays 80% of the earnings of furloughed employees) but this was not launched until 20 April. The comments below are from telephone interviews in the during lockdown. They illustrate the sense of the enormity of what was happening and the scale of the impact of the virus on certain businesses in Wales.

*Our finances have all gone to pot. We have some fresh deliveries coming through from our wholesaler, but this could change very quickly. Apart from fish deliveries footfall in the shop has fallen drastically. Supermarkets are booming and taking all the business.*

**Retail, South Wales**

*We don't really know what the future is for the seafood industry now. We mainly catch lobsters and crayfish and sell to the Spanish markets, but the Spanish borders have been closed since Covid-19.*

**Catcher, North Wales**

*Due to Coronavirus we have had to close shop. Our customer market has dried up. We are hoping the government will provide more support.*

**Aquaculture, Mid Wales**

### Adapting

As the Coronavirus crisis deepened, processors and fishmongers were reporting difficulties in obtaining supplies of fish. Businesses with premises (which excluded most catchers) began to take up Local Authority business support grants of £10,000, as well as Business Interruption Loans.

Businesses in Wales took advantage of the £100 million loan scheme available from Development Bank of Wales which reached full subscription in just one week after being launched at the end of March 2020.

The Fisheries Grant for Wales was announced in April 2020 – this provided a targeted grant for vessel owning fishing businesses, based on the size of vessel. Vessels up to 10m were eligible one-off grants of £2,966, from 10.01m to 11.99m £8,700, and from 12m to 40m £10,000. The grant was open to all active seafood businesses with Welsh-licensed vessels and recorded sales of £10,000 or more in 2019.

Interviewees indicated these would be a short-term fix. At the same time many employers were continuing to furlough all or part of the workforce.

However, after the initial shock of the Coronavirus, Welsh businesses started to adapt and innovate in order to survive. Fishmongers, catchers, processors and some aquaculture producers began to operate home delivery services or, where they already did this, to expand them.

Fish friers began to operate click and collect services. Some fish friers were also having to learn processes for accepting electronic payments, both to support click and collect operations and to avoid handling cash in future counter sales. We spoke to fish friers who had started operating home delivery services, but there were concerns that margins wouldn't support this.

Catchers operating smaller vessels, supplying a mainly local market, were carrying on fishing. Some catchers were suggesting they might take up fish processing training to enable them to sell direct in the future. There were other areas of optimism:

*Covid-19 has not really impacted on our business. Apart from exporting crabs to China we are still very much in business. We recently bought a new boat, so we are actively recruiting for good deckhands and a skipper at the moment.*

**Catcher, Mid Wales**

One training provider was also exploring the option of running training courses in filleting for fishermen who wanted to sell their catch directly to customers whilst the markets, hotels and restaurants were closed.

Nevertheless, a minority of employers in all sectors told us that they would need grant funding to enable their businesses to recover from the pandemic. Some suggested they would need financial management training to help them plan their recovery.

### **The Legacy**

There is absolutely no doubt that the Covid-19 pandemic will leave a deep and lasting legacy. There are businesses that may not survive the disruption and others that may fail during the recession which is predicted to follow it.

Many businesses have run down any cash reserves during the course of the pandemic and the struggle to stay in business. Many others will have Business Interruption Loans to pay off. There are fears that business failures may affect these companies further into the near future and will have impacts up the supply chain. Some hotels and restaurants may never re-open. Demand may change,

businesses supplying 'luxury' seafood e.g. lobsters and oysters might take longer to recover than others.

*Prior to Coronavirus I was struggling to compete with the larger organisations. I believe that once we get out of the current situation, I will have to radically change my business model and possibly become a fish smokehouse. This will need funding and support.*

**Processor, North Wales**

Expansion plans and staff training may well be put on hold for some considerable time as businesses try get to grips with the "new reality".

*Training and recruitment are the last things on my mind. Financing and keeping the business afloat is the biggest priority.*

**Catcher, Mid Wales**

### **The New Reality**

No one, not even the government, can predict what the world will look like in the next twelve months, or the next two to three years. The pandemic has had impacts and has set in train changes which will cast their shadow over the future of the seafood industry in many different ways.

There will, of course, be many business failures and redundancies. But there will also be businesses which have not only learned to adapt to the situation, but which will take those lessons into the future to build bigger and better (but different) businesses.

While fish friers and retail were badly hit, the lasting impacts may well be greatest in the processing sector where social distancing and the need for extreme care with physical production facilities may create the need not only for innovative thinking but drastic changes to the way in which productivity is maintained and improved.

In many ways the Coronavirus has led to an acceleration of change in the industry, with a move towards click and collect and online sales, home deliveries, home working, and an accelerated adjustment to and adoption of new technology. These are likely to stay in place and change the way the industry operates in profound ways.

Businesses that have successfully innovated during the pandemic appear to have been those which used new technology to leverage home working and communications. They are also those which have close relationships with their customers and were able to keep in touch, rapidly publicise home deliveries, quickly develop online sales and click and collect, often through social media and effective websites.

### **Opportunity**

Wales entered lockdown with just 2.9% unemployment, Economy Minister Ken Skates. predicts that Welsh unemployment post Covid-19 will be 'at a rate not seen for decades'.

Hence post Covid-19 the available labour pool that the Welsh seafood industry can recruit from will be much larger. Several high-profile businesses in Wales have already announced redundancies; high calibre people with the digital skills forward-looking seafood retail and fish frier businesses need, will be on the jobs market. These people may be key to driving these sectors' digital future.

Following redundancies in manufacturing, processors may more easily find people with shortage skills e.g. technicians. Similarly, those businesses looking for unskilled operatives will have a wider talent pool to choose from, and existing staff will be less likely to leave. High calibre industry changers will bring new ideas to the seafood industry and a wealth of skills.

Talented young people may consider entering local employment, rather than leaving for an uncertain future in higher education.

As lockdown measures are eased UK residents will be seeking holidays within the UK due to travel restrictions abroad. Wales is home to many popular tourist hotspots and holiday destinations which will likely be another opportunity the seafood industry can benefit from, especially those working in the retail, processing and fish frier sectors.

*Financial issues are going to play a big part in the future of our business as people may have little spare cash to spend on leisure activities. On the flip side I think people may look at spending more leisure time in the UK and that may be good for this industry.*

### **Aquaculture, South Wales**

The recovery from Covid-19 will be against a backdrop of the UK's exit from the EU. It is not possible to predict the outcome of negotiations with certainty. There is likely to be growth due to increases in domestic fishing quota which could be accompanied by tariff or other barriers limiting exports to the EU alongside retaliatory tariffs restricting EU access to the domestic market.

The prospect of growth is a powerful lure to potential employees, all sectors should capitalise on this; recruitment efforts aimed at newly redundant industry changers should stress the opportunities in the post-EU-exit seafood industry.

The availability of training to enable smooth transition from other industries would also be an attraction for those considering a move into the seafood industry.

### **Covid-19-Related Recommendations**

Perhaps the most pressing things that the industry will have to deal with over the next 12 to 24 months will be the adaptation to new ways of working. This is for two reasons – firstly because the continued presence of the virus may necessitate such methods, but mainly because they offer greater efficiencies and higher productivity.

We would therefore recommend specific Covid-19-related action to:

1. Support and underpin business development in terms of managerial and financial training.
  - Business support and development is offered already through Menter a Busnes however Seafish could expand this offering across the sectors;
  - Offer new or additional marketing courses to help businesses adjust to social media, online sales, and online communications;
  - Develop and offer new courses in customer relationship management;

- Train businesses in the effective use of a web presence including SEO and website analytics;
  - In England, KFE already provides click and collect training. This type of training needs to be introduced to help Welsh businesses across the seafood industry to help reach wider audiences.
2. There should be a focus on developing remote training resources including online courses, webinars, podcasts or live internet training and other e learning tools.
  3. In the rapidly changing situation, accurate and easily accessible information is key. There is a requirement for resources which translate government and official guidance on e.g. social distancing and approved ways of working so they are relevant to each sector of the industry, preferably in Welsh and English.
  4. Catchers and aquaculture producers will be looking at new revenue streams and new business models, selling direct to retailers or the public. £1m of the £10m Government support package was to enable fishermen to explore selling direct to local communities. There will be a demand for training in small scale processing, food hygiene, customer relations, and marketing to support this.
  5. Training should be adapted to enable industry changers to transfer to the seafood industry. This may be e.g. short courses for engineers moving into processing or just more effective mentoring aimed at operatives from other industries.
  6. The industry should develop messaging, which predicts post EU-exit growth. Employers should be encouraged to use this to appeal to high calibre industry changers.

### EU-exit

To an understandable extent the issue of the UK's exit from the EU has been overshadowed by the advent of the Covid-19 pandemic. The UK's exit from the European Union, which we joined as the European Economic Community (EEC) in 1973, is due to be formalised in December 2020. The exact effect of our departure on the seafood industry is difficult to predict, but no sector will be unaffected; fishing quotas, the availability migrant labour, and trading terms for imports and exports are all currently uncertain.

Compared to the processing and catching sectors in England, processing and catching employers in Wales rarely rely on foreign labour with the majority of their workforce being UK residents.

There is uncertainty at the time of writing as to what will happen regarding the movement of labour between the European Economic Area and the UK.

As things stand the approach to migrant labour seems to be moving towards a "points-based" system which will permit suitably qualified professionals, and workers who are filling a shortage situation, to enter on working visas. However even in the latter category it seems likely that there will be a requirement for at least Level 3 skills.

Our research found a good deal of qualitative and anecdotal feedback about the UK's exit from the EU along the lines discussed above but in answer to specific questions about the impacts almost all sectors were clear that it has had, and will have, little or no impact on business. Reticence about

future implications for the industry could be due to uncertainty about the final terms of the UK's exit from the EU, combined with a tendency for employers to adopt a 'wait and see' attitude while focusing on immediate issues.

Our depth interviews with employers, stakeholders and trainers echoed the feedback from the survey, however one employer stated that the referendum result in 2016 has severely impacted their small business. They were concerned about the survival of their business depending on whether an EU-exit deal is secured by the time the UK is set to leave the EU.

The Welsh industry does not rely on migrant labour to the same extent as the industry in England, and where recruitment is concerned almost all seafood sectors expressed little concern as to the impact of the UK's exit from the EU, almost 90% of surveyed employers stating that it has had no effect on recruitment, and around 85% predicting that it will have no effect on recruitment in the future.

For the catching sector, of more importance than restrictions on labour mobility and changing fishing quotas are any changes in the terms of trade between the EU and the newly independent UK. Over 90% of vessels registered in Wales are small-scale, defined as under 10m in length. Much of their catch is lobster and crab which are not subject to quotas. The majority of Welsh fishermen would not be able to take advantage of more exclusive access to an extended fishing area post EU-exit and would not immediately benefit if ministers decided to increase fishing quotas either. However, as most of the seafood they produce is exported to EU countries or through EU trade agreements, potential tariffs and other barriers could significantly impact market access and competitiveness.

Tariffs or other action to limit exports to the EU could be followed by the UK government imposing tariffs on EU exports of fish to the UK. This would see the Welsh industry, having limited or different export markets, and a potentially increased domestic market. The industry would be faced with the marketing challenge of switching domestic consumers from imported species to those caught in domestic waters; together with the challenge of seeking new export markets, alongside dealing with increased bureaucracy.

If the UK's exit from the EU leads to increased control over territorial waters and freedom to land greater catches than under the current Common Fisheries Policy, this will create opportunities for Welsh fishermen with larger vessels. This could also provide an incentive which will drive others to invest in suitable vessels and equipment. Increased catch volumes would lead to more demand for the domestic processing sector, and an increase market share in the UK.

The outcomes of diplomatic negotiations during 2020 (and beyond) are unknown but it is very clear that the final outcomes are unpredictable and that, consequently, the seafood industry will have to prepare itself for a number of different results. Preparing for new export markets, and increased bureaucracy are very sensible approaches which will be advantageous regardless of the UK-EU outcomes in the negotiations.