

Who grants a social licence? A study of NZ aquaculture

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OUTLINE

- About social licence
- Survey design
- Recruitment
- Results
- Discussion & Conclusions



SOCIAL LICENCE TO OPERATE (SLO)

- SLO = Acceptance or approval of a company & its operations
- A company's operations are at risk if local communities have a low opinion of the company, even if a company holds the appropriate legal permits
- Increasingly, SLO features in New Zealand's public discourse about commercial operations in the marine environment

SLO IS PROBLEMATIC

- Used rhetorically, no reference to who grants SLO or how it is measured
- **Newton et al (in review)***
 - Discourse analysis of 99 documents referring to SLO of marine industries in New Zealand
 - Government and industry dominate
 - Assign agency over SLO to industry

SLO IS PROBLEMATIC - 2

- **Parsons et al. (2014)***

- Interviews with 16 managers in Australian minerals industry

“While social licence potentially represents a shift in power relations, this shift is constrained by discursive pressures (within companies)

- to **legitimise mining** operations,
- to restrict social licence issues to the local level,
- to minimise regulatory impositions,
- to **marginalise dissent**, and
- to manage reputation”

* Parsons R, Lacey J, Moffatt K. 2014. Maintaining legitimacy of a contested practice: How the minerals industry understands its ‘social licence to operate’. *Resources Policy* 41: 83-90.

SLO IS PROBLEMATIC - 3

Murphy-Gregory (2018)*

- It is environmental groups that have been empowered:

“SLO campaigns are not primarily based upon amassing and presenting scientific evidence. Instead, they involve ENGOs strategically employing narratives populated with emotive language in their appeals to citizens’ normative values and beliefs about large-scale corporate activity and its detrimental impact on the environment.”

* Murphy-Gregory H 2018. Governance via persuasion: environmental NGOs and the social licence to operate. Environmental Politics 27(2): 320-340.

RESEARCH PREMISE & APPROACH

- Those making claims about social licence should base these on a **transparent methodology**
- This includes stating **who grants social licence**
 - Who to ask about a company's or industry's SLO

SURVEY DESIGN

- Survey questions based on Moffatt & Zhang (2014)* – what factors have strongest influence on a person's acceptance/approval of a company
- Our survey asks about a wider range of factors-
 - Negative & positive impacts – social, economic, envir'l, cultural
 - Contact quality and quantity
 - Fairness of economic benefits
 - Demographics

CULTURAL IMPACTS

11. How would you rate [the company]'s impact on:

Kaitiakitanga/stewardship

Māori ownership and access to
marine resources

Community **identity** and culture

Animal welfare/ethics

Responses on a 7 point
scale:

Very negative

Neutral

Very positive

Don't know

MEASURING SLO

19. Please rate the extent to which you ...

Have **goodwill** towards the company

Trust the company to act responsibly

Accept the company's operations

Approve of the company's operations

5 point scale:

Not at all > > > A great deal



Emphasis added

SAMPLE RECRUITMENT

- **Email** to stakeholder lists (95)
- **Ad on Facebook** targeting marine groups (142)
- Respondents asked to –
 - 1) Assess Finfish Co
 - 2) Name a company

OR

 - Rate the industry
 - Choose Shellfish or Finfish



RESULTS

Response type	SLO	StdDev	n
Company	4.08	1.00	102
Industry - all	2.95	1.34	135
Finfish	2.49	1.14	64
Shellfish	3.36	1.37	71
Total	3.44	1.33	237

SLO = 1 to 5

RECREATIONAL FISHERS

	Shellfish	Finfish	Total	n
Recreational fisher	3.65	3.56	3.59	45
Others (non-fishers)	2.80	3.28	3.14	192

SLO = 1 to 5

	Shellfish	Finfish	Total	n
<i>Relationship</i>				
Competitor	4.50	2.25	3.75	3
Customer	3.64	3.74	3.71	38
Employee/Shareholder	4.55	4.56	4.56	22
Supplier	5.00	2.31	3.21	6
Government/council	3.13	2.58	2.80	5
Local resident	2.91	3.70	3.42	109
None	3.12	2.56	2.71	47
Total	3.40	3.45	3.44	

SLO = 1 to 5

REGRESSION RESULTS

Three factors had a positive correlation with SLO scores, i.e. the higher the rating on contact quality, the higher the SLO score

- **Contact quality** – respectful, informative, pleasant, positive
- **Economic fairness** – benefits distributed fairly
- **Cultural impacts** –
 - kaitiakitanga/stewardship,
 - Māori access to resources,
 - community identity,
 - animal welfare/ethics

DISCUSSION

Who grants social licence? Whose views matter?

- Other researchers target 'stakeholders' using industry lists
i.e. people most likely to generate adverse publicity
- This group influences views of wider public
- But industry lists also exclude people
 - What about the silent majority?
 - People who care a lot but for some reason have no relationship with an aquaculture company

DISCUSSION – 2

- Surveying the general public is also problematic
 - Good evidence that many people are not well-informed
 - Previous study: 30% cannot name a product of NZ aquaculture
 - Low engagement is related to higher SLO scores
 - Public sample >> higher scores... is this a 'social licence'?
- Social media ad campaign can be used to reach a target audience
 - People who are interested, but not necessarily on industry contact list

DISCUSSION – 3

- Might need different mechanisms for indigenous groups
- Is a survey with multiple-choice questions an appropriate way to assess the quality of relationships?
- Who is asked and how they are asked, depends on why we are assessing SLO – what claim is going to be made and to what end?

CONCLUSION

What?

- Quality of interactions is the most consistent predictor of SLO
- Cultural impacts & fair distribution of benefits also affect SLO

Who?

- Known stakeholders (eg company email lists)
- Social media campaign

How?

- Surveys
- Interviews, especially with indigenous groups



Thank you!