

## V.3. AVANNAATA IN GREENLAND: A fishing-based society with tourism

By Karen Refsgaard

### Municipality structure, multi-level polices and strategies – decentralising and democratising

Avannaata is a new municipality which is becoming increasingly aware of the importance of democracy following the municipal amalgamation that took place in 2008. This led, among other things, to a division of the earlier Qaasuitsup municipality into two distinct municipalities, Avannaata and Quwertalik, in 2018. It is why Avannaata has decentralised power to villages and towns along the coast, says Mayor Palle Jeremiassen.

The municipal council has 17 members elected for a period of four years, of which four are women. In addition, Avannaata has 11 village boards for its 23 settlements. These are also elected in direct elections for four-year periods, with between two and five members each, and nine boards cover more than one settlement. The boards have financial and operational responsibility for culture and public information, sport activities, technical

issues and provision, local business development and social activities. The council sets tasks for the boards, and in turn the boards are not allowed to spend money without permission from the council. The main objective of each board is to ensure more participatory power for all the settlement's citizens. In Ilulissat their remit only covers the communications, advisory, innovation and planning sectors, plus associated political tasks. People can ask for permission to build in the four centres (you are not allowed to own land in Greenland), and the central administration is only involved in larger cases. The municipal council meets twice in person, and five times via online a year. Avannaata municipality provides support to new start-up businesses, but it relies on Greenland Business and Greenland Venture to manage applications concerning support for ongoing business development. Overarching business development plans are handled at municipality level.



Avannaata municipality and Mayor Palle Jeremiassen. Photos: Karen Refsgaard

## Demography – dispersal, gender, young people, education, fishing and climate change

### A dispersed and gender-biased settlement structure

Avannaata Kommunia (meaning the northern municipality) stretches more than 1,600 km from north to south. It is situated north of the Arctic circle and covers 522 700 km<sup>2</sup>, which is larger than Spain. The population was 10,651 in 2017. Nearly 20% of Greenland's population is dispersed across four towns (7,501 inhabitants) and 23 settlements (3,150 inhabitants) along the coast. They are mostly concentrated to the south, on the eastern part of Disco Bay, while there are no longer any settlements between the northern habitations at Baffin Bay. For details see the map below (Avannaata Spatial Planning Portal, 2018). The central administration is situated in the largest town, Ilulissat, located by the Icefjord. The municipality is characterised by the midnight sun, dog sledging, icecaps, halibut, the original seal-hunting culture, a UNESCO heritage site, sea ice, the polar nights, the northern lights and a range of settlements (Avannaata.gl, 2019).

Some 70% of the population lives in four towns (Ilulissat, Uummannaq, Upernavik and Qaanaaq) while the remaining 30% are dispersed among 23 settlements. Since 2007, the population has fallen by 5.2%, which is higher than the figure for Greenland as a whole (minus 1.4%). The loss is greatest in the small settlements. The overall decline in population has been due to net relocation and migration, while the indigenous population has been growing since 2007. Net outward migration from Greenland during the period from 2007 to 2017 was minus 7.6%, and in Avannaata it was minus 12.9%. Danish nurses and those working for the *Selvstyre* (Greenland's government) are the main source of migration to the country. It is pensioners who tend to leave, according to architect Barfoed (an interviewee in Nuuk, and the former city architect there). The result of all this is that the number of people born in Greenland and now living in Denmark has increased from 14,537 in 2010 to 16,370 in 2017 (Greenland Statistics, 2018).

In 2016 there was net relocation from other municipalities. This contributed to growth in the Avannaata population. There is an under-representation of women (47.4%) in the municipality as a whole. This is even lower in its settlements (46.3%), but higher than it is in other settlements

across Greenland (44.8%). The age distribution in Avannaata Kommunia is very similar to the general age distribution in Greenland.

As Mayor Jeremiassen says: *"In the Northern villages there is a ratio of six women to ten men, and the women are leaving in order to seek further education, while the men stay and fish. Eventually many men follow their women during their education. When the women finish their education the men move back, as they don't want to stay in the city. In Ilulissat there is a college that trains social educators and it has a surplus of women, so there is no lack of teachers and social workers here."*

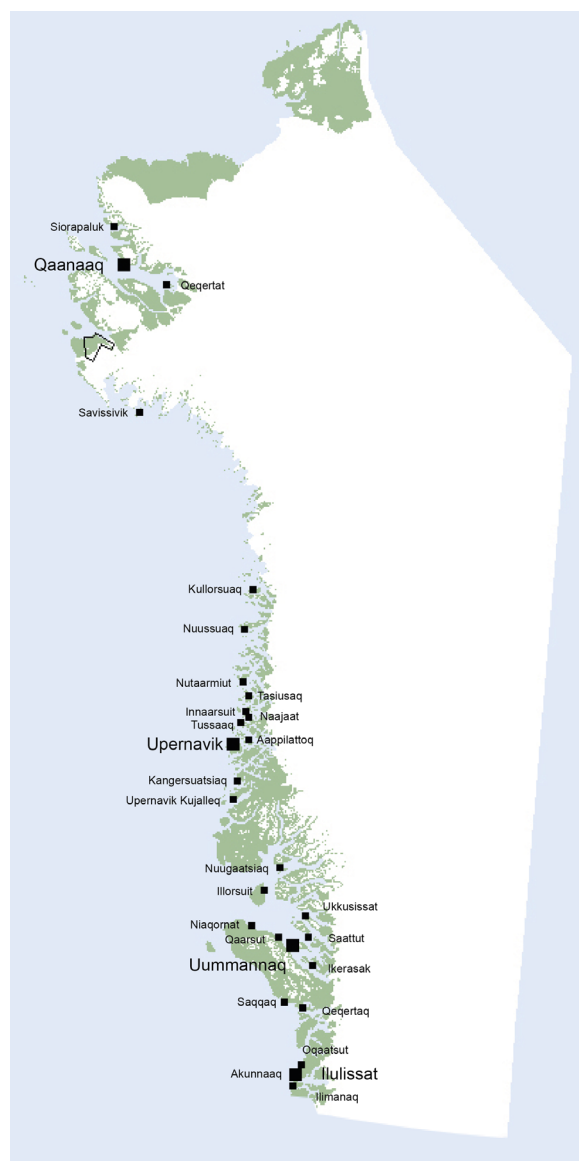


Figure V.3.1: Settlements in Avannaata municipality. Source: [http://kommuneplanian.avannaata.gl/en/vision\\_and\\_main\\_structure/overall\\_main\\_structure/town\\_pattern\\_and\\_population\\_trends/](http://kommuneplanian.avannaata.gl/en/vision_and_main_structure/overall_main_structure/town_pattern_and_population_trends/).





*Photos: From top left to bottom right: Ilimanaq village centre, houses in Ilimanaq, Ilulissat hospital, and the school in Ilimanaq. Photos: Karen Refsgaard*

The decrease in population occurred particularly after the municipal amalgamation in 2009, Mayor Jeremiassen says. This happened when some functions were taken away from Upernavik and other towns. That year a change of government meant a halt to construction along the coast effecting all building activities, and people in vocational jobs moving to Nuuk. The governmental shift also led to strict regulation of fishing quotas, resulting in, for instance, that halibut quotas in Quaasuitsup for 2009 already was being used up by June that year. In earlier years additional quotas would then have been allocated, which was not the case anymore. However, from 2013

a new change in government then again changed the regulation such that both quotas and building activities were being re-allocated along the coast, creating opportunities for fishing all year round. The population has now increased in towns (+75) and in settlements (+72) from 2016 onwards.

These demographic trends are linked to climate change, Mayor Jeremiassen argues – with fish moving further north, and with economic opportunities following suit. Today only the two most northerly villages, Siorapaluk and Savissivik, are settlements solely devoted to fishing. Ten years ago, 75% of the settlements consisted of fishing and catching communities.

### Young people, migration and education

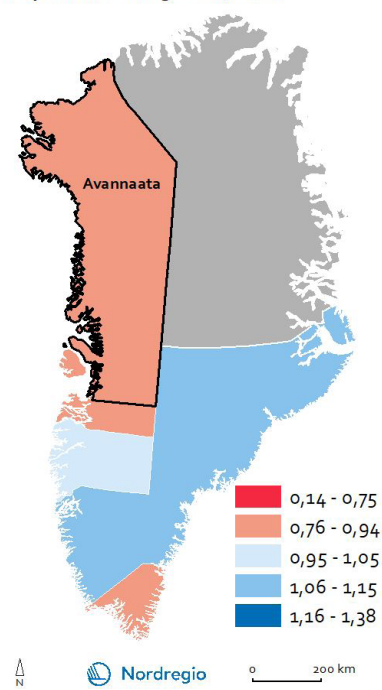
A significant problem in Ilulissat is the lack of education for young people. Youngsters aged 15–18 need to move elsewhere for upper-secondary level education. This means that there is no teenage culture in town. Traditionally, many children from the villages move from ninth grade to town schools with full live-in facilities, and quite a number go to boarding schools in Denmark. As Mayor Jeremiasen observes: *“The active and smart leave, while the remaining group have social problems – this is a big challenge. The plan is to have an upper-secondary next year, along with some training in tourism, and we are now working towards this. In terms of sports, some northern Greenlanders are very good”.*

*“We try to maintain links with our students in Denmark, not least at educational fairs. The problem is that the more education they get the less keen they are on returning, because they will have so few colleagues here – whether they are lawyers, teachers or medics. Professional networks are important.”*

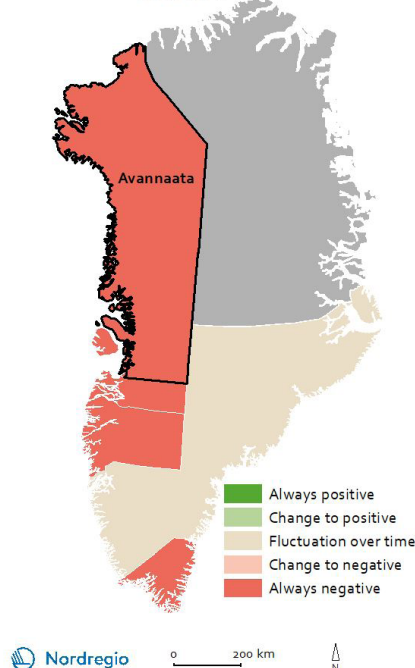
Within Greenland, some 10% of the population moves from one place to another. This has significant implications because there are no roads and contact with your original settlement is more or less lost when you move. As representatives from Greenland Business, Wennecke and Olsen puts it: *“The first thing you are confronted with when you move somewhere new is that you will soon surely be moving out again. You find that your best friends are moving away, and you will now only have contact with them through Facebook.”*

Traditionally, many of the children from the villages who move from ninth grade to town schools live in. Quite a number go to boarding schools. While Greenlandic is the language in primary and lower secondary schools, the use of Danish as a formal language in high school has a negative impact on school attendance (interviewee Olsen from Greenland Business).

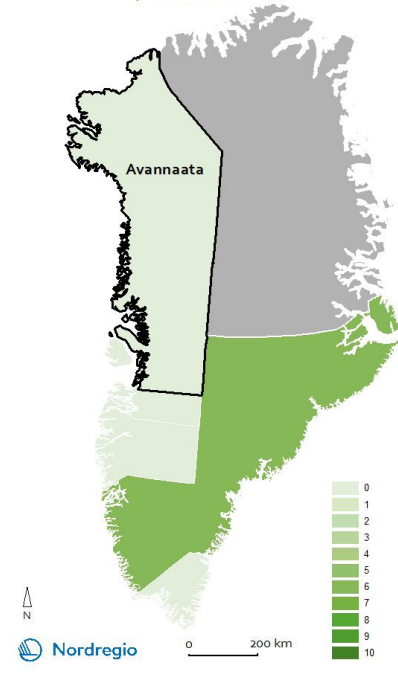
Population change 2007-2016



Net migration patterns 2007-2016

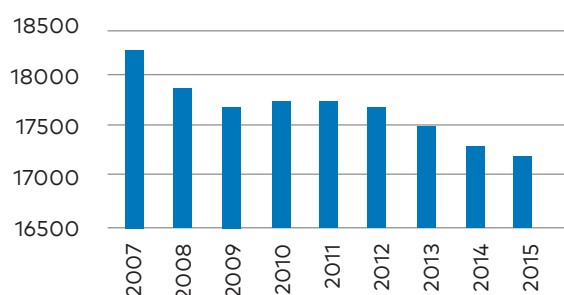
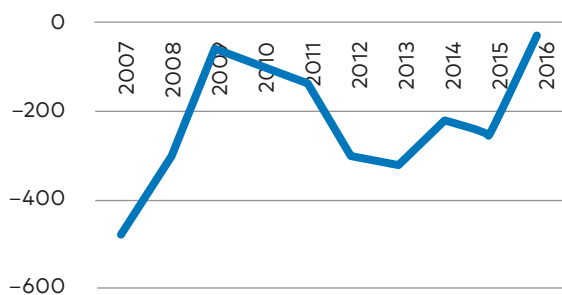


The number of positive net migration years in 2007-2016



Figures V.3.2a, V.3.2b and V.3.2c: Population, net migration and the number of years with positive net migration for the period 2007–2016 for Greenland municipalities. Source: Nordregio statistics.





Figures V.3.3a and V.3.3b: Population change and total population, Qaasuitsup municipality, 2007–2016. Source: Nordregio statistics.

### The labour market – employment, sectors and seasonal variation

The labour market in Greenland experiences major seasonal variations as a result of the climate and the large distances people have to navigate.<sup>15</sup> For all sectors except public administration (with no seasonal variation) and "other activities", activity is highest during the fourth quarter of the year, and the number of people employed peaks in the third quarter. For almost all sectors employment is lowest during the first quarter. The seasonal effect is mainly noticeable in the fishing, hunting and agricultural sectors. In 2016 there were 1,141 fewer people working in fishing, hunting and agriculture during the first quarter compared to the third quarter. The manufacturing and construction sectors also endure quite high seasonal variations.

In Qaasuitsup, the average employment rate was 61% for men and 53% for women in 2016 (Statistics Greenland, 2016). This is significantly lower than the Nordic average. However, according to Mayor Jeremiassen these bare numbers present a somewhat misleading picture: He notes: "As soon as we are down to 5% or 6% unemployment, we need to import people from outside." The mayor explains that they have tried to modify the (un)employment statistics in recent years, in order to reflect the seasonality factor more realistically. "Due to the building boom we are now short of 200 people for vocational jobs, which is delaying various kinds of construction work," he adds.

During the course of the year, unemployment is highest in the first quarter and lowest in the third or fourth quarter for all municipalities. These seasonal variations are especially notice-

able for young people. The differences are much larger in Qaasuitsup, where the fishing sector, which accounts for 30% of employment, plays a very significant role in the regional economy, compared to the 17% who are employed in fishery for the country as whole. From 2010 up to 2014, there has been a decline in average employment from around 9,150 to some 8,700. But employment was up again in 2015, to an average of just under 8,900 people (Avannaata Spatial Planning Portal, 2018).

In Qaasuitsup, 29.9% of the working population were employed in the fishing, hunting and agriculture sectors in 2016, 37% in public administration and services, and 10.9% in wholesale (Statistics Greenland). While fishing is about fish only, the term 'catching' also include seals etc. According to Mayor Jeremiassen the settlements at Kullosuaq, Qeqertat, Savissivik and Siorapaluk are catching settlements, while the rest are fishing settlements. There is also an active tourism sector.

As the mayor explains: "We lack labour and recruit a lot of foreign workers from Nordjobb – especially Chinese, Filipinos and Indonesians. They run our factories. The general worker is involved in fishing, with his or her own boat." In Upernavik district there is also a labour shortage. Even in little villages with a small fish factory employing 40 people, more than half come from abroad. Mayor Jeremiassen continues: "At present a fisher gets DKK 20–30 per kilo of fish (halibut), which is DKK 7–10 more than ten years ago, so a 500 kg catch is worth DKK 10,000. So, the whole family is in fishing, including wives. It is also the case that fish here in the north has to be caught during summer, because it is just not possible in winter. The fish factory pays DKK 95 per hour, which means that you need to work two weeks to match the income from a single catch, as well as facing higher living costs. Everybody has their own boat." Or as the deputy director for Roy-

<sup>15</sup> See <http://www.stat.gl/publ/da/GF/2018/pdf/Greenland%20in%20Figures%202018.pdf>, page 22.

al Greenland expresses it: "When a diligent person in a dinghy can earn a million kroner in a year, why work in a fish factory and earn maybe only a quarter of that?" (Atiagadliutit, August 2018).

The employment rate in Greenland is significantly lower than the Nordic average. The highest employment rate is in Sermersooq (65%) and the lowest in Kujalleq (52%).

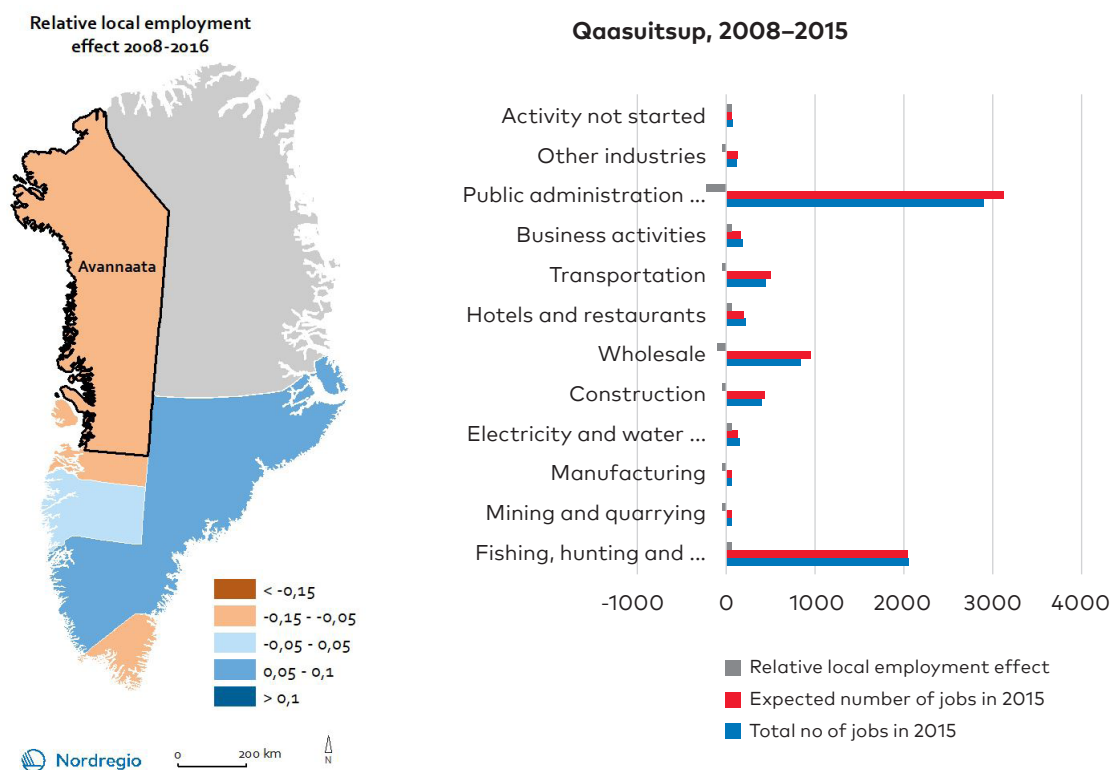


Figure V.3.4. The relative local employment effect at municipal level, and for each sector, in Qaasuitsup municipality, from 2008 to 2016. Source: Nordregio statistics.

Table V.3.1. Employment by sector, 2016 (annual average)			
Employment by sector (%)	Total	Male	Female
Fishing, hunting & agriculture	17.3	26.0	6.4
Mining and quarrying	0.3	0.4	0.2
Manufacturing	1.1	1.5	0.6
Electricity and water supply	1.5	2.2	0.5
Construction	7.5	12.4	1.5
Wholesale	11.2	10.3	12.5
Hotels and restaurants	2.9	2.3	3.6
Transportation	9.4	12.7	5.3
Business activities	5.0	5.4	4.5
Public administration and service	39.2	22.6	60.1
Other industries	3.5	3.0	4.2
Activity not stated	1.0	1.2	0.7

Data source: Statistics Greenland.

### Seasonal variation in employment, average 2013–2016

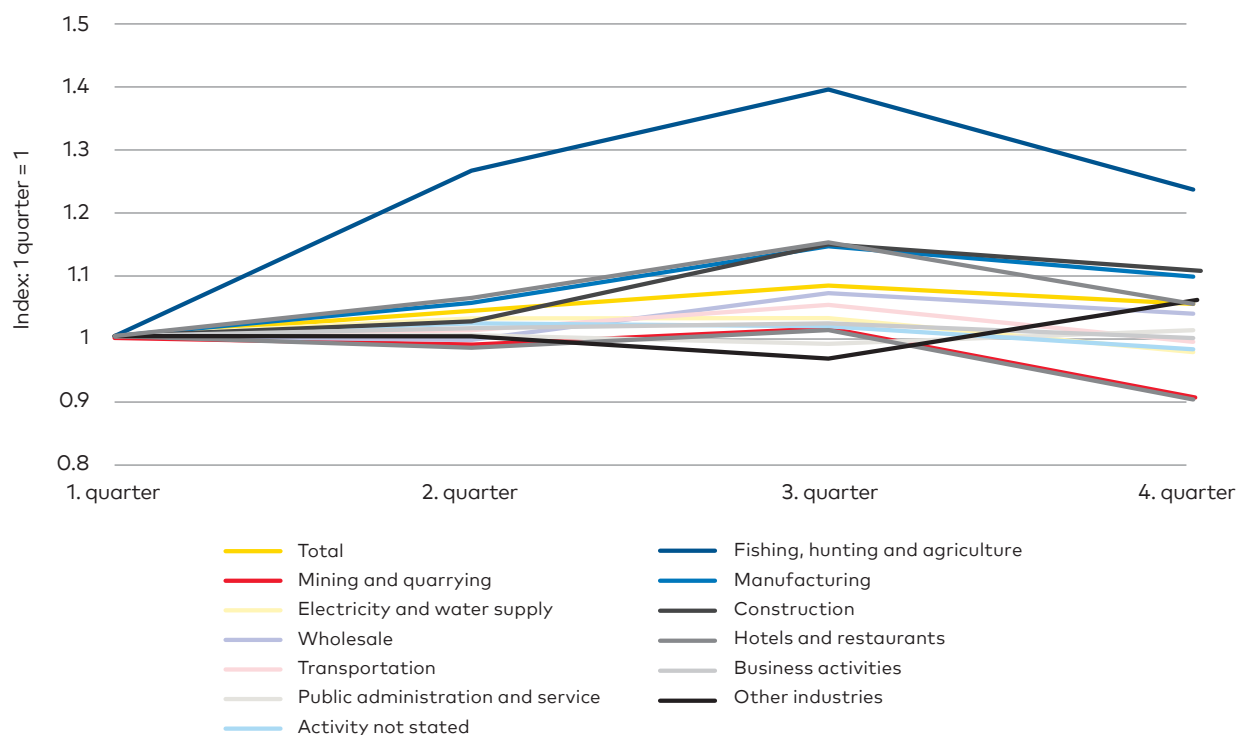


Figure V.3.5. Seasonal variations in employment – average 2013– 2016. First quarter = 1.  
Data source: Statistics Greenland.

Table V.3.2. Employment by sector, 2016

Employment by sector	Total (incl. outside the municipalities)	Kommune Kujalleq	Kommuneqarfi Sermersooq	Quqqata Kommunia	Qaasuitsup Kommunia
Fishing, hunting & agriculture	17.3	13.9	8.0	20.3	29.9
Mining and quarrying	0.3	0.3	0.6	0.0	0.1
Manufacturing	1.1	0.1	1.3	2.1	0.5
Electricity and water supply	1.5	1.9	1.3	0.9	1.9
Construction	7.5	9.0	7.5	9.3	6.1
Wholesale	11.2	11.7	11.1	11.7	10.9
Hotels and restaurants	2.9	3.5	2.9	2.7	2.8
Transportation	9.4	8.0	12.5	9.5	5.7
Business activities	5.0	3.0	7.2	4.9	2.7
Public administration and service	39.2	44.6	41.3	34.6	37.0
Other industries	3.5	2.9	5.3	3.3	1.4
Activity not stated	1.0	1.0	1.1	0.8	1.0

Data source: Statistics Greenland.

**Table V.3.3. Employment rate by gender, 2016.**

Employment by sector	Total	Men	Women
Total (incl. outside the municipalities)	61	63	57
Kommune Kujalleq	52	54	51
Kommuneqarfik Sermersooq	65	67	62
Quqqata Kommunia	63	66	60
Qaasuitsup Kommunia	57	61	53

Data source: Statistics Greenland.

### Unemployment

The unemployment rate demonstrates the same seasonal pattern, being highest in the first quarter for all age groups. Seasonal variations are especially noticeable for young people. According to Statistics Greenland the *“unemployed portion of the work force has a high proportion of unskilled workers, and around 84% have no education at all apart from primary school.”* (Statistics Greenland, 2018; p. 22).<sup>16</sup> Part of the explanation for this can be found in the impact of fishing with large trawl-

ers and working on short-term contracts. Only 4.4% of people unemployed in 2015 had been without work for more than ten months. The pattern was the same for both men and women.

Unemployment is highest for all municipalities in the first quarter, and lowest in the third or fourth quarter. However, the differences are significantly larger in Qaasuitsup, where the fishing sector plays a much larger role in the regional economy.

### Number of unemployed 2015

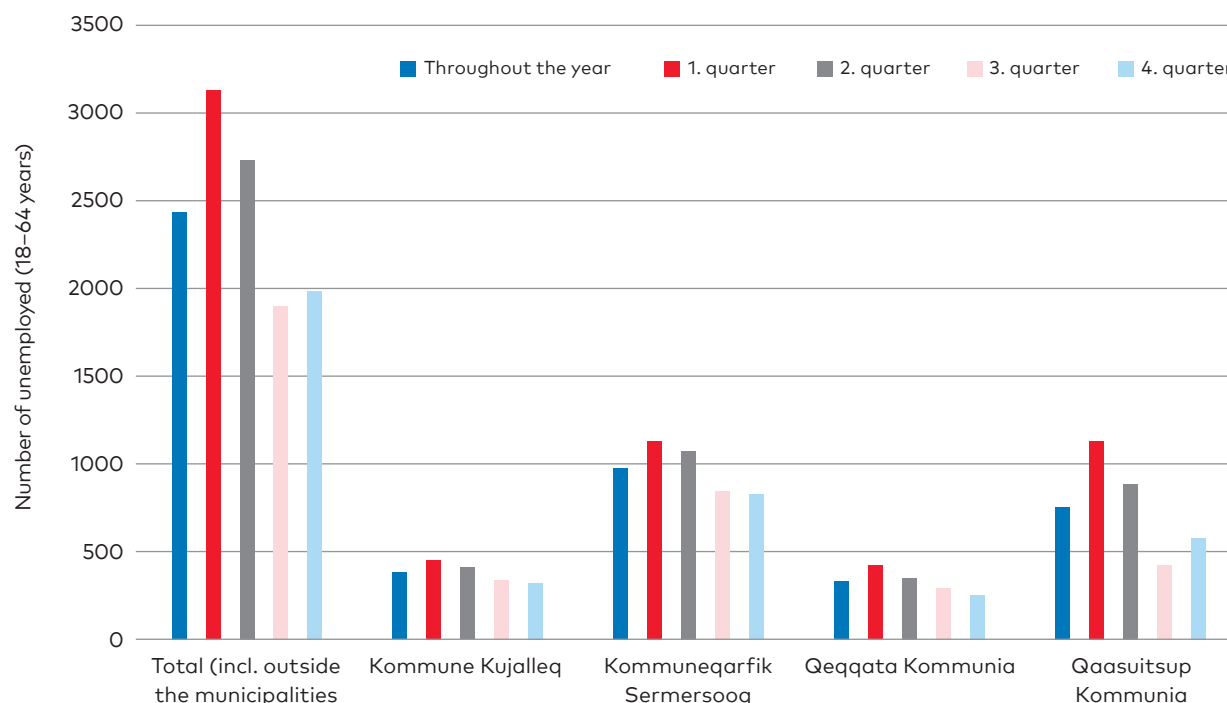


Figure V.3.6. Unemployment by quarter, 2015.

<sup>16</sup> <http://www.stat.gl/publ/da/GF/2018/pdf/Greenland%20in%20Figures%202018.pdf>.



### Seasonal variation in unemployment rate, 2015

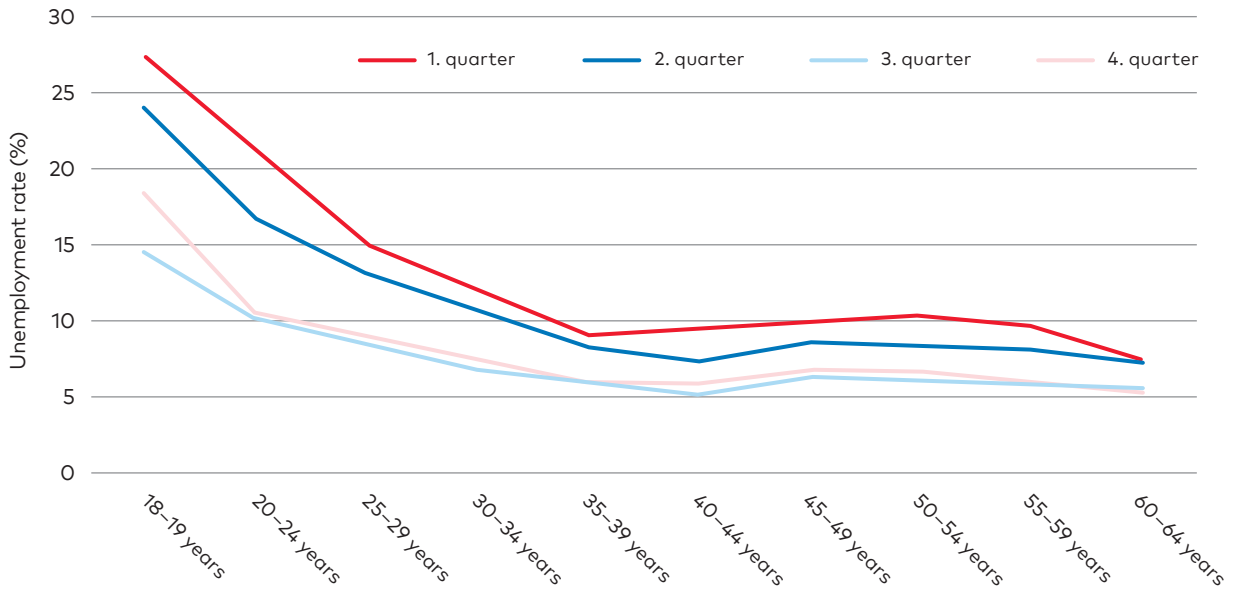


Figure V.3.7. Seasonal variation in the unemployment rate, 2015. Data source: Statistics Greenland.

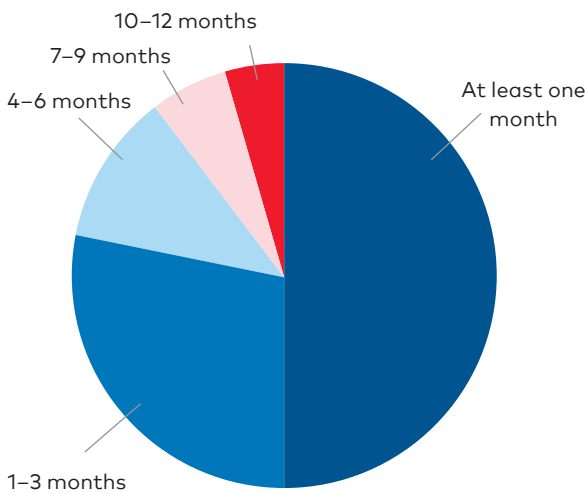


Figure V.3.8. Share of unemployment (18-64) by number of months. Data source: Statistics Greenland.

### Business development – fishery, tourism and mining

According to Mayor Jeremiassen, a large proportion of Greenlandic exports, in terms of economic value, come from Avannaata – while the municipality is home to only 12% of the total population. Looking at the economic value of fisheries, Figure V.3.9 illustrates the fact that 44% of total landings in Greenland in 2018, measured in DKK, were in Avannaata.

Qaasuitup had 1,744 businesses in 2016, which was 41% of the total number in Greenland, an increase of 3.8% since 2012. However, salaries made up only 14% of turnover (Statistics Greenland, Table V.3.4, next page).

Interviewee Olsen, at Greenland Venture, explains that the lack of skilled labour means everybody with an education or training can find a job. The challenge is therefore to encourage entrepreneurialism. It is often Danes who are the entrepreneurs. Danes are also over-represented in terms of educational level. This created a number of disputes in the past, due to the differences in salary level between Greenlanders and Danes. It is still the case that people with the same education born outside Greenland have higher salaries.

### Total landings of fish and shellfish in Greenlandic Municipalities, 1000 DKK

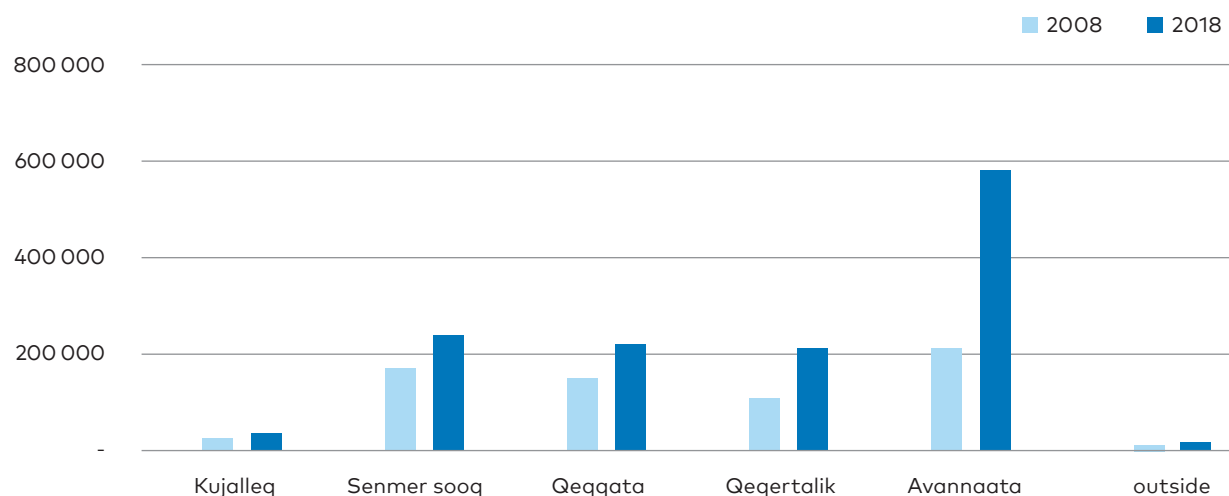


Figure V.3.9: Total landings of fish and shellfish in Greenlandic municipalities, 2008–2018.  
Source: Greenland Statistics, 2019.

Table V.3.4. Number of businesses and percentage of salary at municipal level, 2012 to 2016

	2012	2013	2014	2015	2016
	<b>Antal virksomheder</b>				
Kommuneqarfik Sermersooq	1,303	1,357	1,378	1,346	1,417
Qeqqata Kommunia	527	554	525	557	568
Kommune Kujalleq	392	376	386	352	369
Qaasuitsup Kommunia	1,680	1,680	1,642	1,660	1,744
Øvrig/uoplyst	122	110	86	140	114
<b>Katillugit</b>	<b>4,024</b>	<b>4,077</b>	<b>4,017</b>	<b>4,055</b>	<b>4,212</b>
	<b>Procentandel af løn</b>				
Kommuneqarfik Sermersooq	60.2	63.9	64.0	66.8	65.6
Qeqqata Kommunia	12.9	12.7	13.5	11.2	11.2
Kommune Kujalleq	4.2	4.2	4.0	4.1	4.4
Qaasuitsup Kommunia	15.7	13.5	12.5	11.9	13.5
Øvrig/uoplyst	7.0	5.7	6.0	6.0	5.2
<b>Katillugit</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>

Data source: [bank.stat.gl/esd3a](http://bank.stat.gl/esd3a).

## **Business development in fisheries and construction**

The fisheries sector contributes significantly to the Greenland economy and is very important in Avannaata municipality. Taxation has also increased, with fees levied on many species (Fyden Dahl, 2018).

As the movement and location of fish is uncertain, it is difficult to plan for fish landing and processing plants, says Mayor Jeremiassen. Applications are continually sent to the municipality to establish new fish factories. For example, by the end of June 2019, there had been six applications for fish factories in the Upernavik district and two in the town of Ummannaq. Climate change also means that fish are moving further north, and while 75% of the settlements were catcher communities ten years ago, today only the two most northerly villages of Siorapaluk and Savissivik rely solely on catching. In the past cod was rarely caught in Qaanaaq, but over the past five years production has increased tenfold. Such villages were close to being abandoned, but people follow the fish – as in Qeqertat, which lost its village status in 1988. As a result of the development of fishing opportunities like this, more people have started to move back, either on a permanent basis or just during the summer. In 2014, the Selvstyre began researching the possibility of giving Qeqertat its village status back. Now a real village plan has been drawn up. This includes the establishment of telecommunications and power facilities. This example shows how earlier catcher settlements are now seeing new economic opportunities opening up, points out Mayor Jeremiassen.

According to the mayor it is difficult to benefit both industry and the settlements. He would prefer to have flexible seafood processing ships, functioning as floating fish factories, in order to ensure a stable and sufficient reception capacity. These ships would offer the opportunity of processing fish over a longer period of time, given that the settlements have limited capacity and may not be able to take the whole catch. Current legislation requires the owners of the ships to build processing plants in the area within two years; otherwise they are not allowed to use seafood processing ships. At present that is simply unrealistic, according to Mayor Jeremiassen. This is due to the cost of establishing factories, together with a limited supply of labour. As he says: *“A seafood processing ship with eight to ten people working shifts is flex-*

*ible and can benefit small communities by providing jobs on the boat to its residents. I have to convince my ministers about this!”* Fish is being exported whole from Ilulissat to either the UK or China.

Due to a boom within the building and construction sector, Ilulissat lacks 200 people. This is delaying work. In Ilulissat that includes a cooperative shop, the Icefjord centre, hotels, houses and a large re-housing project with 36 houses in the Umanaq-district, which was hit by a tsunami. In Upernavik it means school repairs and homes for the elderly waiting to be built, but at present the municipality cannot afford it. According to Mayor Jeremiassen: *“We need to follow up on providing these facilities, even though the fishing is very good. This can be a significant problem”.*

**Brættet**, in Nuuk, is where catchers and fishers sell their produce. There is a fee for selling the catch, and then there is a tax on the sale. The tax differs between municipalities. A small number of towns and villages also receive freshly-caught raw produce from recreational fishers and hunters. Everybody is allowed to buy raw Greenlandic products at Brættet. These raw products vary over the year and throughout the hunting seasons. It is the municipality which is responsible for operations and hygiene complying with the law. The veterinary authorities do not check the meat sold at Brættet. Nor are processed goods (like smoked or dried fish or meat) allowed to be sold there (Avannaata.gl).

## **Fish processing**

Niels Thomsen, CEO of Halibut Greenland, tells the story in this way: *“Halibut Greenland is a relatively new fish processing business founded by a number of local people in 2008, with the aim of establishing fish processing facilities. Today it has 120 local shareholders. The motivation was to be more competitive, and that also applies today. Royal Greenland was very dominant, a monopoly, only considering its own narrow interests. It adopted a bottom line with a low initial price for the fish. However, the fishing community knew that the Faroese, Icelanders and Canadians were getting higher prices.”* He continues: *“In 2010, the Halibut Greenland plant in Ilulissat started*





*Boats in Nuuk Harbour; seals for sale at Brættet, in Nuuk. Photo by Karen Refsgaard*

processing halibut. Today the factory receives and processes Greenland halibut and cod, landed by local boats has 120 local shareholders (anpartsselskab). The people delivering their catch to us are self-employed and must provide his or her license number<sup>17</sup> and a tax card. Halibut Greenland exports to the European and Asian markets through Royal Arctic Line. Restaurants are now also asking for supplies from us. The company also has plans for establishing two fish plants in the Upernavik area and in Ikerasak, and is pursuing this goal in 2018 and 2019."

Director Thomsen explains the fishing system. He says that the fish are landed by professionals, either through a self-operated quota (boats above six metres), or from those with a dinghy (below six metres) using a common quota. There are different fishing areas. Inside the archipelago the fishery is split into two quota segments determined by the Selvstyre (government) and with the common quotas published online. This split of the catch between dinghies and larger boats varies during the year, and between years, depending upon conditions. In 2019, at the time of writing, the split is about 50% to each group. Fishing requires a good deal of equipment and nets, but the municipality pays for cleaning all the gear. Due to the power of the ice flows, much of it is moved by the ice and lost.

Director Thomsen argues that there is significant unutilised potential in the north of the country in general, and in Avannaata municipality

<sup>17</sup> The license documents for trading in fish for production and export (Director Thomsen).

**The Halibut** Greenland company's main owners are local fishers in northern Greenland. The company's main activity is the provision of seafood products for the international market. Our main products are Greenland halibut and Atlantic cod. We guarantee full traceability for all our products – from producer to customer. Halibut Greenland was founded in 2008, with the aim of establishing fish processing facilities. The key founders of the company were local people who wanted to improve their conditions. In 2010 the fish plant in Ilulissat started producing halibut. Today the factory takes and produces Greenland halibut and cod, landed by local boats. Halibut Greenland wants to pay fair prices. It also wants to show respect to suppliers and customers, and to adopt a service-oriented approach overall. *"The quality of our products is our pride, and we take pride as well in fostering social responsibility towards the communities in which we operate,"* the business writes on its website. Halibut Greenland has a fish plant in Ilulissat. Greenland Halibut is our main product. The boats land their fish at the plant, and skilled workers make the product.

specifically. However, there are big challenges in the current labour market. Although the statistics indicate a certain number of people applying for work, Halibut Greenland lacks staff for fish processing, and the same situation, Thomsen argues, applies to the construction and tourism sectors. He





*Construction in Ilulissat; the Halibut Greenland company. Photos: Karen Refsgaard*

thinks this is due to a combination of multiple factors. The recording of statistics is a problem, as is the legislation involved. At present, he argues that it does not pay to have a job, at least to a certain extent. For Halibut Greenland this has significant implications because it means that the company cannot rely on a stable workforce.

Thomsen continues: *"I have said loud and clear that we need to be better at synchronising our educational system with the needs on the labour market. Look at Iceland. People there have appropriate qualifications – and that matters. Here, we need to employ people who can barely be bothered working. I have a couple of people with relevant qualifications and a few who have done courses, but that's it. At Halibut we have tried all sorts, including training courses using a better job with a higher salary as a carrot. I have worked with the municipality on courses, training on hygiene, and filleting in order to secure higher production value – but that initiative fell apart. We must attract a different type of labour. My owners are local and they want to stay here. We are talking to the municipal and national government about funding. If there were people enough I could have 50 in the factory and two shifts. As things stand, we have to freeze catches!"*

### **Tourism – throughout the whole year and outside disco bay**

Tourism is booming in Avannaata. There and in Qeqertalik the number of nights people spend in hotels has increased from under 10,000 in 2010 to nearly 40,000 in 2017 (Statistics.GL). There are also more tourists overall. Mayor Jeremiassen says this increase means that for the next few seasons there is a two-year waiting list for hotel rooms during summer.

In order to ensure a better balance in the labour market, the municipality is now aiming for all-year-round tourism. The 'shoulder seasons' from February to May and from October to December are part of this effort, e.g. encouraging flights from Iceland and Asia in the autumn, especially for Chinese tourists who are willing to spend a lot of money.

The municipality also has plans for moving tourism to other places in the Disco Bay area and further north – including building more hotel rooms and 30 to 40 huts. The municipality has also started up a project in collaboration with the social education college in Ilulissat, focusing on tourism and training service staff and guides.

Mayor Jeremiassen raises yet another issue concerning the future of tourism. Mass tourism, he points out, *"leaves little money and creates a lot of wear and tear on the natural environment. For the tourists the experience is poor, so regulated eco-tourism is needed. We also want to demand a certain standard of hotels and transport services. Switzerland shows the way with its multi-billionaire tourists who demand a certain level of service. This means that turnover from tourism has increased more than tenfold, but with far fewer people. These same people also often spend a lot of money at Svalbard and in northern Norway. In contrast, cruise tourism, where we have 16,000 cruise-ship guests at the moment, spend little money here. The ships have their own facilities, especially the bigger ones. So they are not reliant on local suppliers. The tax on cruise ships is charged at a national level in Nuuk – but not in Avannaata. By employing Julia Pars at Visit Greenland, who grew up in Ilulissat, we hope to be able to change some of these things."*

Hotel director Erik Bjerregaard is also worried about the consequences of the growth in tourism.



He argues that a requirement for local communities and related industry to increase tourism must be given careful consideration (Sermitsiaq, 36/2017). As Bjerregaard puts it: *"The natural environment in the Arctic is very vulnerable. With a larger runway planes now land more than 200 tourists at a time. In 2016, we had 10,000 tourists in town, which is more than the double the local population, and more will come."* Bjerregaard foresees the need for quotas on the number of tourists. He thinks that better infrastructure is the best way to regulate the flow of visitors, both through inflow and by diverting people to other destinations in the Disco Bay, for example with cabins in Eqi and Ilimanaq. He also mentions conditions in the labour market, and the need to import workers in the high season. The problem is that there is a lack of housing for these workers, and the educational system is also not geared to their needs and those of their employer. Bjerregaard's preference would in fact be to employ mainly local people on a full-year basis.

Wennecke from Greenland Business says that they are also committed to the development of tourism. Wennecke characterises tourism as sea-

sonal work. This often means small businesses having an additional income, e.g. from cottage rentals or the sale of handicraft. He says that not many of these businesses are growing into large ones, although some do, like Ilulissat Water Taxi.

Director Pars of Visit Greenland explains that Visit Greenland has started to network with the different municipalities that consider tourism important. This includes Avannaata, where there are plans to establish a much-needed destination company. Pars says: *"The right way to move forward is responsible tourism, and for that it is important to have coordination. Among others, Ilulissat has the Icefjord, which is UNESCO-certified, and delivers both."*

Cooperation between Visit Greenland and the local destination/coordination company includes: network meetings, visits, a selection of relevant media, collaboration around marketing and product development within UNESCO, a dialogue around new products and actors visible via Visit Greenland and its website, and collaborative work to achieve synergies and common goals for growth in tourism according to Director Pars, Visit Greenland).

*From top left: Ilulissat Water Taxi (a small tourism business), tourists on a whale safari, a humpback whale, sunset in Disco Bay. Photos: Karen Refsgaard*





## Mining

Another potential area for business development in Avannaata is the mining industry. The municipality is hoping for the development of significant extraction of minerals like titanium in Moriusaq, which is in the most northern part of Greenland. Titanium (black sand hoovered from the beaches) is among the hardest metals to find. According to Mayor Jeremiassen there is a 30-year plan for this, which includes foreign investment from an Australian mineral company. This involves creating an estimated 200 (mainly local) jobs in the Thule district, a place which suffers from unemployment at present. The mining industry is required to pay an export fee to the government for the quantity of minerals produced. Olsen from Greenland Venture says that there is a lack of understanding in Greenland about the need for investors to generate revenue commensurate with the risk involved. Wennecke at Greenland Business argues that mining is a temporary activity and should therefore leave a positive legacy. If investment and labour is not locally derived, the costs increase, although it also generates tax income. Wennecke argues for an approach that would see mining enhance local qualifications, for example in the processing and service industry, and with tax income invested in local infrastructure, education and training.

Olsen at Greenland Venture explains that the Ministry of Finance wants to consider these issues by conducting an Impact Benefit Agreement (IBA). One example is Rubin Mining around Nuuk. The IBA involves a promise from the mining company to employ local people, agreements about benefits to the local community, and in this instance a plan for processing in Nuuk.

## Infrastructure - digitisation, communication and culture

Reliable infrastructure, not least with good communication, is very important for places and up in the north. That includes the physical and the digital infrastructure for communication. Transport opportunities, telemedicine, distance learning, and the establishment of industry are all important for achieving cohesion in and for communities. For example, the further north they are in the municipality, the more the communities concerned lack skilled labour. So, distance learning can become a major asset for these communities.

Ummaanaq is one such community. It wants residents to feel more integrated with the rest of

the world, whether because they know the latest scores from English football or because the primary schools use iPads. In 2019, it is planned that both Upernavik and Qaanaaq should receive improved links to the rest of the world. An Internet sea-cable with greater capacity and speed was hopefully going to be fully installed there by the autumn – with a single price for use, including by industry. At present these communities are connected via Satellite. This means it can take several hours to send large files. Mayor Jeremiassen comments: *“As an older member of parliament explained it, ‘Everybody complains that nothing happens, but 80 years ago it took one-and-a-half days to go 30 km. Now, through the phone, I can see and talk to my grandchild in Denmark.’ It is a huge step forward for him.”* In January 2019, the new sea-cable was damaged near Maniitsoq, which decreased connective capacity for the whole northern Greenland coast for several months. This had a significant impact on both businesses and communities. The cable was not repaired until May 2019.

As Mayor Jeremiassen said to the national newspaper, *Sermisq*: *“Many jobs today depend on a fast and stable internet connection. Nunagis has become a permanent part of our daily work, and we rely totally on it – to provide guidance to local people and industry and when giving permits for construction projects. Digital working is the future, and this is also the way the Selvstyre insists that we should work.”* Such events show the vulnerability of the infrastructure in that area (Sermisq 2019a and b).

Mayor Jeremiassen explains that there is a very varied cultural life across the whole municipality, e.g. up north at the Arna/Thule fishing and catching dominate. It is dark for nearly eight months of the year, so it is important that those with different backgrounds meet. There are also Inuit associations which hold general assemblies every four years. These alternate between Canada, Alaska, Russia and Greenland. The next event will be in Ilulissat in 2022. The whole municipality will be involved in a whole week comprising a variety of cultural activities. *“In general, we try to work with the small communities so that they have some funding for their cultural life,”* says the mayor.

## The future

Mayor Jeremiassen is optimistic about the future. The municipal amalgamation has meant that, even though distances remain the same, small communities have become closer. The communities co-

operate better, they have an improved overview of the municipality, and they are not competing in the way they used to. Previously, politicians had been negative to each other. This has now been turned into a more positive culture, both politically and among employees. Another positive development is the re-introduction of local democracy for the communities, with both village and town councils. This has had a positive impact on local communities. The village councils have been given a wider remit. They are taking more responsibility, for example with regard to the environment and cleaning up. Overall it has meant a greater sense of local democracy and participatory decision-making.

The mayor continues: *“We have large plans with respect to business and urban development, but we are awaiting a decision about the expansion of the airport, which has taken years in the Selvstyre. Urban and business development depend on whether we have an international runway or not. For now we have to rely on the existing fishery and tourism sectors.”*

The national Greenland Business and Greenland Venture organisations have been in existence for five to seven years. The municipalities each have a business development council. In some places there are associations where municipalities and the businesses are organised together. Olsen at Greenland Venture says that one such space for cooperation is within food-based processing for fish and land-based mammals. However, one problem is that fish are easily exported. Another is that regulation in the area is weak at the moment. The Faroes can provide a good example here. Wennecke at Greenland Business argues that more creativity and entrepreneurship is needed, and that this is improving. Last year (2018), the Foundation for Entrepreneurship added a new department in Greenland, with a focus on education. The SIUA is an incubator scheme established by the Selvstyre – Canadian-Danish company won the tender to create it, with courses, assistance for entrepreneurship and upskilling.

## Obstacles and things to learning

- Closer, improved collaboration across the municipality and between settlements.
- The need to better connect the educational system with the needs of the labour market – skills enhancement.

- Related to the previous point, the lack of qualified personnel in different sectors.
- Business structures inclusive of, and reflective of, the needs of locals/ fishing communities, e.g. Halibut Greenland and Brættet.
- Seasonal unemployment.
- Huge potential for tourism and an awareness that this needs to be developed locally and sustainably.

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Avannaata municipality: Mayor Palle Jeremiassen.  
 Avannaata municipality: Planner Karl Madsen.  
 Greenland Business in Nuuk: Christian Wennecke.  
 Greenland Venture in Nuuk: Per Buhl Olsen.  
 Halibut Greenland: Director Niels Thomsen.  
 Visit Greenland: Director Julia Pars.  
 Peter Barfoed: Arkitekt Nuuk – tidl. Byplanarkitekt.  
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 Ilulissat Water Taxi: CEO Kaj Henningsen.

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