

Title: **The Effect of Remuneration System on the Economic Performance of Small Scale Vessels- The Case of Purse Seining in the South Central-Vietnam**

Authors: Thi Thanh Thuy Pham, Tromso University, Norway & Nha Trang University, Vietnam (Vietnam)
Ola Flaaten, University of Tromso (Norway)
Kim Anh Nguyen, Nha Trang University (Vietnam)

Abstract: It is implicitly several economists point out that there is a relation between remuneration system and the economic performance. However, in my knowledge, none of them examines how these payments affect on the economic performance of fisheries. This study is an empirical study analyses the impact of remuneration system on the fisheries economic performance. The overall objective in this study is to analyze how important of remuneration system on the economic performance of fisheries in Vietnam. The case of the purse seine fishery in Khanh Hoa province will be used for estimation. This question has also arisen in a context of a comparison of the efficiency of two types of remuneration system- the pure share payment and the fixed wage plus share payment which are typical of the small scale fisheries in the South Central of Vietnam. Of additional interest is to determine which factors influence on payment contracts of small scale purse seine fishery in Khanh Hoa, Vietnam. On the other hand, this study will try to relate fishermens behaviour of choosing remuneration system to social, economic and demographic variables. These implications are useful information for decision makers and fishermen in adjustment of their behaviour toward to efficiency gains.