

To the members of our industry it is becoming quite apparent that the industry will not be able to survive under our present trade policy with respect to fish meal imports, which gives foreign producers free and unobstructed access to the United States markets for the greatly expanded production of this commodity throughout the fish-producing countries of the free world. Under the present import and market situation, which we have attempted to describe and place before this Committee, there appears to be four choices as our industry sees it: (1) allow the present condition to continue and within a year or two from now our domestic fishing industry will be bankrupt, and its organizations, vessels and fishing equipment, and shore manufacturing facilities will be of but little use and value, as they are not readily adaptable to other uses; (2) place a duty of 35% to offset subsidies or other advantages that foreign producers enjoy; (3) place a realistic quota on imports that would maintain them at average levels of the past five year period preceding 1967; or (4) provide a support price program for domestically produced fish meal similar to that provided for certain farm commodities such as soybeans, corn, etc., that would insure the domestic producers a fair price for the fish meal they produce. We would hope that some immediate assistance can be provided under (2), (3) or (4), for certainly our industry cannot long survive under the present import situation without assistance.

We would prefer a tariff rather than a quota, because we believe it would have a more direct affect on the price of our domestic product. In order to net a 20% increase in the price of domestic fish meal we feel a 35% duty would be required, since domestic fish meals would still have to compete with the large stocks of subsidized foreign imports to our markets. It is our feeling that foreign fish meal producers have long been getting a free ride on the tariff negotiations of a number of years ago on fish meal concessions not intended for the product and use that is made of it today.

As an example of one segment of our domestic fishing industry that has remained in a healthy state, I mention the tuna industry, which has been maintained under a 35% tariff. We certainly feel that they are entitled to this protection in order that this product may be produced domestically and that the tuna industry can get a reasonable profit, preserve the fishing fleets and shore facilities, and maintain gainful employment for the large number of people engaged in this fishery. Under the present world fish meal situation, we feel equally as strong that the U.S. fish meal industry is entitled to similar protection for the same reasons mentioned. With a healthy climate for the domestic fish meal industry, it would be able to expand and develop more sources of raw material with which to supply a much larger percentage of the needs of our domestic market. In this connection, we call attention to the outflow of U.S. dollars for the 1967 fish meal imports of 650,000 tons, which at \$120 per ton is \$78 million. This has gone up from \$44 million, for example, based on 1965 fish meal imports.

It is almost unthinkable that the largest segment of our domestic fishing industry within the period of a year or two can be now fighting for its very existence. This is especially true for those companies that have borrowed large sums of money and made recent investments in vessels, gear and plant equipment in their effort to modernize and meet the growing import competition. Such loans have not been available from the government on a long-term, low interest rate basis, but are conventional bank-type loans at 6 to 8% interest, which are now payable. Part of these large expenditures have been necessitated within the last few years to meet new requirements for plant and warehouse sanitation laid down by the Food and Drug Administration to overcome Salmonella contamination of the products. These expenditures actually became mandatory when the Food and Drug Administration declared in the Federal Register of March 8, 1967, that any fish meal found to be contaminated with Salmonella would be considered adulterated and subject to seizure. (Attachment 8)

Also, what about the people employed and who depend on this industry as their principal means of livelihood. Most of them reside in small communities along the coast, such as Reedville, Virginia; Morehead City, North Carolina; Moss Point, Mississippi; and Cameron, Louisiana to mention a few. The greater part of these people are fishermen and have not been trained to do other work. The entire economy of these small fishing communities mentioned above revolves around this industry. Historically, workers in this industry, including the fishing crews who man the vessels, have been Negroes. In most cases they have made better than average wages. At the very time when so much is being said at high levels of