

LES AUCOIN
1ST DISTRICT, OREGON



CONGRESS OF THE UNITED STATES
HOUSE OF REPRESENTATIVES
WASHINGTON, D.C. 20515

OPENING REMARKS
by the
HONORABLE LES AUCOIN
at the first day of hearings on
H.R. 7039
American Fisheries Promotion Act
May 6, 1980

Mr. Chairman, I am extremely pleased that this committee is taking a serious look at comprehensive legislation to revive our drowning fishing industry. This is an industry that has been ignored too long — ignored for what it has been, ignored for what it is and ignored for what it can be.

The fishing industry has always been important to America, providing valuable foodstuff and other products. Today, the fishing industry represents the hub of commerce in rural areas on our nation's vast coastline. In addition to providing livelihoods, fishing also sustains a way of life that is important for America to preserve.

Despite its important role today, fishing could be and should be making an even greater contribution. We live in a world where people are starving by the millions. Fish could help feed those people. Even in our own backyard, we have Americans whose diets are dangerously deficient. To them, fish offer a source of life-enriching protein.

The need to promote the fishing industry is obvious, yet we have dawdled in stepping forward to provide the necessary assistance in a comprehensive manner.

Our neglect and our cavalier attitude toward the fishing industry have now put us at the brink. The U.S. fishing industry — particularly the seafood processing segment — is in serious trouble.

In my Congressional District alone, four or five processors are about to sink. One already has.

New England Fish Co., considered in our region as one of the most stable seafood processors, has declared bankruptcy and closed its doors on operations in Oregon, Washington and Alaska.

In Oregon, New England operated two plants, with an annual payroll of about \$1.8 million and supporting 50 fishing boats. Both plants were the major employers in the two small coastal cities in which they were located. The jobless rate in those two communities is grim. Difficult choices face unemployed workers, many of whom have done nothing else in their life but work in the fishing industry. Some will hire on elsewhere with other processors. But many will be forced to abandon their trade, their city and their way of life.

This is the kind of economic and social devastation we are facing. The problem is this kind of devastation doesn't merit national concern, as the plight of Chrysler did. The truth is this kind of devastation should worry us more than Chrysler.

As a member of the House Banking Committee, I thought the bailout of Chrysler set a bad precedent of propping up a company whose products had been rejected in the marketplace. That is not the problem of the U.S. fishing industry.

The fishing industry is under-capitalized, fragmented and non-market oriented. It hasn't been rejected in the marketplace — it has never got its product to the marketplace.

And that's why HR 7039, the American Fisheries Promotion Act, is so desperately needed. The Oregon coast doesn't want a bailout. The coast wants a chance.

Since coming to Congress, I have made fisheries development a major priority. Two of my legislative proposals are mirrored in H.R. 7039's provisions to extend the Capital Construction Fund and Obligation Loan Guarantees to seafood processing facilities. Enactment of these provisions is essential if Congress is sincere in its desire to keep U.S. seafood processors, both small and large, in operation. We can't hope to build up to full use of our resources in the 200-mile zone if we don't have processors on line to bring the fish to market.

Marketing of seafood products is yet another area where this bill takes direct aim -- especially marketing to other countries. In 1979, the U.S. imported almost \$4 billion of fish products, while exporting only about \$1 billion -- even though one-fifth of the world's commercially harvestable fisheries resources are found in waters off the United States. We've got to turn this situation around.

H.R. 7039 attacks this problem head-on. It attacks the trade barriers that foreign countries have erected by denying or cutting back on allocations of our surplus fish to countries that unduly restrict importation of U.S. fish and fish products. And it mandates the appointment of additional fisheries attaches.

Foreign fishing is another problem. Foreign fishing vessels interfere with U.S. boats. Foreign fishing vessels interfere with U.S. gear. In the last year Oregon black cod fishermen have filed 33 claims for loss of pots and longlines -- some reporting as many as seven separate incidents on a single claim. Foreign fishermen take a significant number of fish other than those they're licensed to catch under their so-called "incidental take."

As a nation we are committed to full use of our ocean resources and to having U.S. fishermen harvest these resources. I have previously indicated my support for a phase-out of foreign fishing and for a 100 percent observer program until that time, and I repeat that commitment again today.

Harvesting of all our offshore fisheries resources by U.S. fishermen is the objective of the Fishery Conservation and Management Act. This goal presumes that sound management will determine harvesting efforts. But sound management is impossible without sound data. A 100 percent observer program is a necessary step in the direction of building our data base. And it's a step toward insuring full enforcement and proper compliance.

I've told that to NOAA Administrator Richard Frank, and I've heard it from a frustrated Pacific Fishery Management Council -- not to mention angry and frustrated fishermen. I'm pleased to see this program is an integral part of any Act claiming honestly to promote American fisheries.

Many other provisions of H.R. 7039 are important, timely, and meritorious. Especially I note the emphasis placed on fishing vessel loans, fisheries development, fuel efficiency, and fish quality.

Fuel efficiency in particular deserves special note. Fuel costs are soaring. In many cases fuel now approaches half the cost of operating a fishing boat. That's why I'm glad to see language instructing approval of one or more Saltonstall-Kennedy projects designed to improve fuel efficiency in the industry.

The American Fisheries Promotion Act reaffirms the federal commitment to improve a much needed industry. H.R. 7039 can develop the markets for Americans to enjoy the fisheries products off our shores that other nations now consume. If we intend to harness the wealth of underutilized species for the American diet -- species that compose 90 percent of the foreign catch in our 200-mile zone -- we've got to demonstrate that intent in a strong fisheries policy, one H.R. 7039 will dictate.

I wholeheartedly endorse the concepts contained in this bill. As we proceed, additional refining will be necessary. But let us not lose sight of the urgency of the situation.

The American fishing industry is in its eleventh hour. Indeed it may already be a minute before midnight. We must move quickly and forcefully.

I wish us all success in our endeavors. The future of America's first industry is at stake.