

GENERAL AGREEMENT ON  
TARIFFS AND TRADE

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UNITED STATES INTERNATIONAL TRADE COMMISSION INVESTIGATIONS

Shrimp

Addendum

Adjustment Assistance

The following communication has been received from the United States mission.

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President Ford has directed expedited trade adjustment assistance for the United States shrimp fishing industry and its employees, Ambassador Frederick B. Dent, the President's Special Representative for Trade Negotiations announced on 7 July.

The President's action was determined by an 11 May 1976 United States International Trade Commission finding that imports of shrimp are entering the United States in such increased quantities as to be a substantial cause of serious injury to the domestic industry catching and landing shrimp. The Commission selected adjustment assistance as the appropriate remedy. The President's decision, as required under the Trade Act of 1974, calls for expeditious consideration by the Secretaries of Labour and Commerce of petitions filed for assistance by the industry, its workers, or impacted communities.

The Commission reported that both United States landings of shrimp and imports have risen significantly over the past decade. Consumption reached an all-time high of 440 million pounds in 1974. However, record imports at sharply declining prices, combined with higher domestic operating costs, caused a significant number of United States shrimp fishermen to suffer financial losses. In 1974, the number of trips made by shrimp vessels in the largest fishing area declined and significant idling of equipment and personnel continued into 1975. While ex-vessel prices have recovered, the Commission found that the domestic fishing industry is still suffering from the 1974 damage to its capital structure, which prevented the modernization necessary to compete more effectively with imports. In the case of the shrimp processors, the Commission found that the industry was not being injured by imports.

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Imports of shrimp have averaged 226 million pounds over the last three years and in 1975 were valued at \$346 million. Mexico and India are the leading exporters to the United States but a number of other countries - including several in Latin America - are also significant suppliers.

A major part of the domestic catch comes from the south Atlantic Gulf region - North Carolina to Texas - but shrimp fishing operations are also significant on the Pacific Coast, including Alaska. The catch in New England is relatively small.