



Attorney Bart S. Fisher, left, and officials of the North Atlantic Fisheries Task Force outline suit at press conferen

GLOBE STAFF PHOTOS BY DAVID L. R

N.E. fish group sues for Canada tariffs

By Peter J. Howe
Globe Staff

Boston Globe 2/10/85

An association representing the 100,000 New Englanders who work in the fishing industry yesterday filed a lawsuit with the International Trade Commission seeking to have duties of up to 20 percent imposed on imported Canadian fresh fish.

Charging that Canada unfairly subsidizes its fishermen through 80 programs, the North Atlantic Fisheries Task Force asked the ITC, an independent, quasijudicial federal agency, to boost tariffs on cod, haddock, pollock, hake, flounder and sole from 1 cent per pound to between 10 and 20 percent of the price.

The ITC will rule by Sept. 19 whether there is reasonable grounds to argue that US fishermen have been "materially injured" by the subsidies. A final decision on a tariff would be due by next Feb. 27.

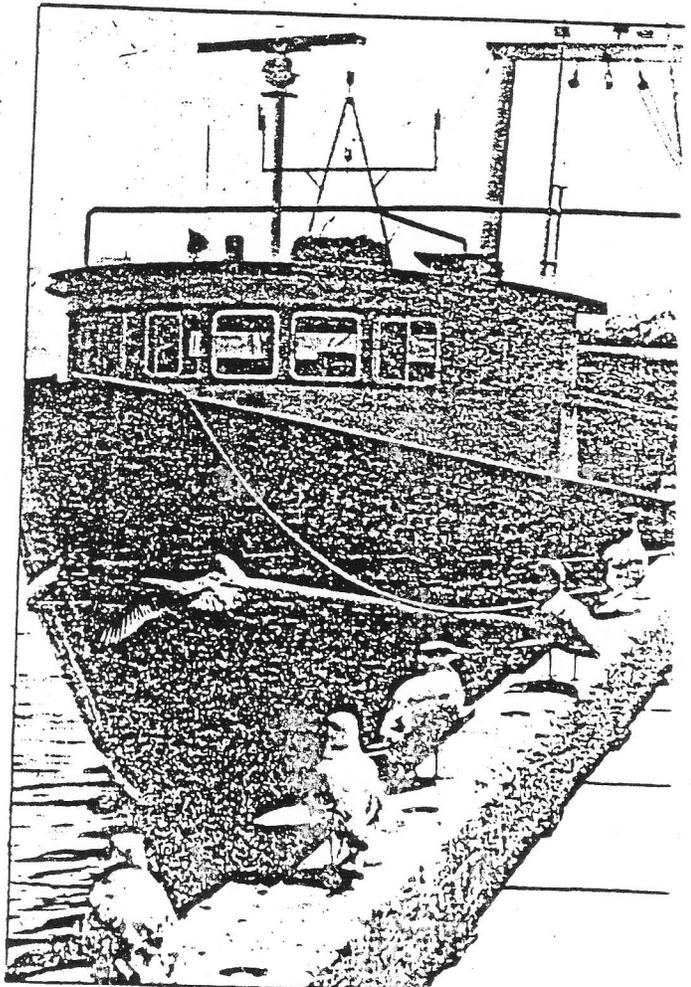
"The reality of the situation is that the Canadian fishing industry has become a ward of the Canadian welfare state," said Bart S. Fisher, a partner in the Washington law firm Patton, Boggs and Blow, which is representing the 16-member task force.

"We feel we must have a level playing field and that it is simply unfair for the private sector in the United States to have to compete against the government of Canada," Fisher said.

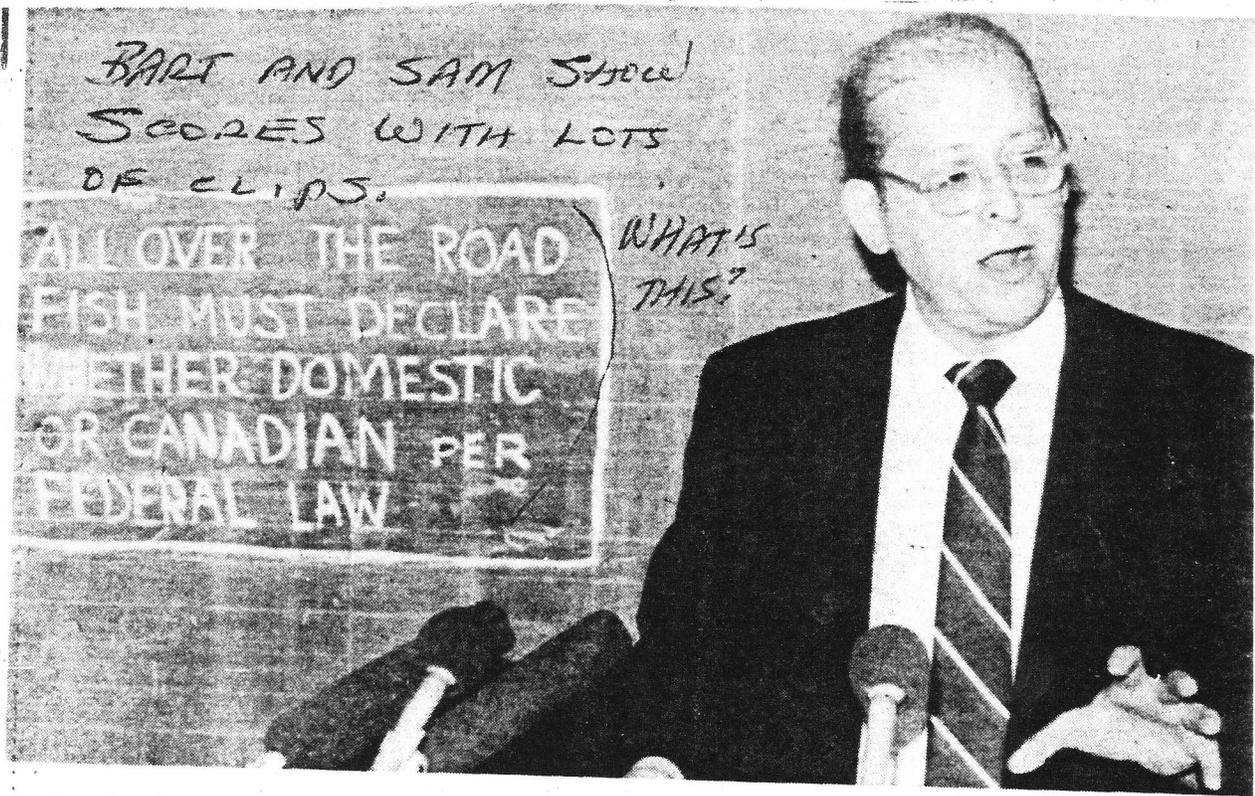
According to ITC figures, imports of Canadian fish to the Northeast have zoomed from \$15.5 million in 1979 to \$53 million last year, depressing market prices. Nationally, the task force said, Canadian imports account for 19 percent of whole fish consumed and 24 percent of fillets.

But Belden Davis, commercial officer in Canada's Boston consulate, disputed the task force's charges. Davis said Canadian fishermen truck fresh fish down to Boston every day and have to sell it before it goes bad so that they are forced to accept lower prices. "They are price takers, not price makers," Davis said.

Davis also said most of the fishermen selling fresh fish in Boston are from Nova Scotia, and avoid the government programs, which subsidize boatbuilding and insurance. "A lot of them prefer not to use these programs because they don't enjoy any government involvement in their company."



American Son sits tied up on the New England Fish Pier.



FILES COMPLAINT — Atty. Bart Fisher of Washington, representing North Atlantic Fisheries Task Force, holds press conference at Boston Fish Pier to announce filing of complaint with International Trade Commission, calling for 10-20 percent duty on Canadian fish imports. UPI

THE FEDERAL REPORT

QUIZ:

Foreign investors own agricultural land in every U.S. state but one. Which one? (Answer below)

The Federal Triangle

Duty Sought on Fish Imports

New England's commercial fishing industry petitioned the **International Trade Commission** yesterday, asking for a countervailing tariff on imports of fresh Atlantic fish caught by Canada's government-subsidized fishermen.

The legal battle, mounted in Boston by the North Atlantic Fisheries Task Force on behalf of fishermen and fish processors, seeks a duty of 10 to 20 percent on fresh fish imported from Canada, including cod, haddock, pollack, flounder and sole.

Shellfish or Pacific-caught fish would not be included.

Canadian imports have increased from 4 percent to 15 percent of the U.S. market since 1979 and the level of fillets imported has doubled in that time.

The task force contends that the glut of Canadian fish—with imports totaling \$53 million last year—has depressed prices and cost U.S. jobs and earnings.

No tariffs on fish imports now exist between the two countries.

Sam Parisi, task force chairman, a Gloucester boat owner and marine dealer, said Canada's "massive subsidies" created a climate of unfair competition.

Bart S. Fisher, the Washington lawyer who filed the petitions with the International Trade Commission and U.S. **Department of Commerce**, said it is time that the region's fishermen obtain marketplace equity so their "treasured way of life" can be saved.

The trade commission must issue a preliminary decision by Sept. 19 on whether reasonable grounds exist for the argument that U.S. fishermen have been "materially injured."

ITC rules N.E. fishermen are hurt by Canada

By Wendy Fox
Globe Staff

New England fishermen yesterday won the first round in their fight to get the federal government to impose import duties on Canadian fish sold in the United States.

The International Trade Commission in Washington issued a preliminary ruling that the fishermen are, indeed, hurt by the government-subsidized Canadian fishing industry.

The US Commerce Department now will conduct its own investigation into the amount of the subsidies and must issue a decision by Oct. 28.

If it also rules in the fishermen's favor, the ITC will make a final determination as to the injury suf-

fered by the fishermen and Commerce will determine the amount of duties to impose. Final decisions could take six to eight months.

The unanimous ITC ruling came in response to a petition filed in August by the North Atlantic Fisheries Task Force, which represents at least 5000 fishermen and several thousand fish wholesalers and processors in the northeastern states. The group charged that Canadian fishermen are unfairly subsidized through 80 separate government programs and that those subsidies drive the price of Canadian fish well below that of US fish.

The fishermen have asked for tariffs between 10 and 20 percent on groundfish such as cod, haddock, flounder, pollock and hake.

Bart S. Fisher, a partner in the Washington law

firm of Patton, Boggs and Blow which is representing the task force, said that, based on the ITC ruling, the Commerce Department will have to investigate 55 of the 80 alleged subsidies.

"The reality of the situation is that the Canadian fishing industry has become a ward of the Canadian welfare state," Fisher said. "The whole mindset is completely different in Canada as to what their fishermen expect from the government."

Fisher said Canadian imports now account for about 19 percent of imported whole fish and 16 percent of imported fillets. The value of those imports has risen from \$15.5 million in 1979 to \$53.5 million last year, he said.

He said the unanimity of the ITC ruling could be "very helpful" in convincing the Commerce Department to vote similarly. Commerce must decide not only whether US fishermen are now being injured by Canadian subsidies but whether there is a threat of injury.

"There's no doubt in my mind that even if you found they weren't injured, you could certainly find there's a threat of injury," Fisher said. "We're looking down the barrel of a huge amount of subsidy which is increasing."

Last May, Fisher was successful in winning a 16.5 percent import duty on salt cod from Canada. He said yesterday that if he is successful in winning a tariff on groundfish, he will go after similar tariffs on imported Canadian lobsters and scallops. Imported lobsters, he said, make up more than half the lobsters sold in this country.

U.S. slaps duty on fresh fish from Canada

By Pamela Glass
Ottawa News Service
and Nancy Drucker
Standard-Times staff writer

WASHINGTON — The International Trade Commission voted to continue a tariff on imported fresh Canadian fish Tuesday, but refused to put a duty on fish fillets.

The commission voted to retain the 5.82 percent duty on whole Canadian fish that the Commerce Department imposed in January. But it was unanimous in rejecting duties on fillets. New England fishing industry leaders said this move could hurt U.S. processors.

Industry observers say it is too early to tell what effect the decision will have on consumer fish prices.

The vote was 3-3. Under commission rules, a tie vote meant a victory for the U.S. industry seeking protection from imports.

This decision means the processors will have to pay a duty on the value of all the fresh whole flounder, pollock, cod and haddock that they buy from Canadian sources. The tariff will be reviewed and possibly adjusted each year by the Commerce Department.

Commission members gave no reasons for their votes, but are expected to file written statements later.

The tariff is designed to offset the advantage the Commerce Department says Canadian fishermen get from subsidies such as cash and inexpensive loans from their federal and provincial governments.

"I think it is the first time we have shown ... we've been injured" by Canadian imports, said Fairhaven boat owner Ellen Skaar, also an active member of the North Atlantic Fisheries Task Force, which fought for the duty. "I think it is a great victory for the fishermen ... This is the thing we wanted. This is the last hurdle. The duty is in place."

The expected result, she said, is U.S. fishermen will get higher prices for their catches.

But attorney Harvey Mickelson, who represents New Bedford processors in the Seafood Dealers Association, called the decision a "defeat for U.S. processors and a defeat for harvesters."

The duty will increase the costs of U.S. processors who are heavy importers of Canadian whole fish. If the duty on whole fish is 5.8 percent, the added cost once the fish is filleted will be about three times that much, he said.

But Mickelson said the tariff not only will increase the cost to consumers, but make it more difficult for processors to sell their fish.

The decision probably will cause Canadians to process more fish at home, putting pressure on U.S. processors.
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The Standard-Times, New Bedford, MA, Wednesday, April 30, 1986 / Page 9

Fish

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processors to price competitively and force more businesses into the fillet market, Mickelson and other industry officials agreed. If they must price their fillets lower to compete, it will be passed on as lower prices to fishermen, he added.

The vote marks the end of the unfair trade complaint filed in August by the New England fishing fleet against Canada's Atlantic fishing industry. The fisheries task force, a Gloucester-based group, alleged that Canadian fishermen undercut U.S. prices with the help of a vast network of subsidy programs provided by the Canadian and provincial governments.

The task force was seeking a tariff of at least 20 percent on both whole and filleted fresh fish to help offset the price differential.

The International Trade Administration, another arm of the Commerce Department involved in the investigation, ruled last month that 55 federal and provincial government programs in Canada could be considered direct subsidies to the fishing industry, and recommended a 5.8 percent tariff on both fish varieties.

But the final ruling apparently split when it became clear to ITC commissioners that most New England fish processors opposed any duty on imported fish.

Letters came in as late as Monday

night from New England processors who opposed the petition. ITC staff told commissioners before Tuesday's vote that three processing groups that once supported the petition have dropped off, including the Boston Fisheries Association and the Seafood Dealers Association.

"By the time all the processors dropped off the wagon, it was difficult for a commissioner to vote for a group that didn't want relief," said Bart Fisher, the attorney for the task force.

But Mickelson said the dealers' association never took a vote for or against the petition. Some individual members sent letters last week opposing the petition.

Sam Parisi, director of the task force and of the Cape Ann Vessels'

Association in Gloucester, said nearly all U.S. processors backed off the case under pressure from Canadian suppliers.

"I think they were told ... that if they supported any duty, odds were it would be just a duty on whole fish and not on fillets," Mickelson said. "It's (Canada's) biggest victory in years."

Fisher said the 5.8 percent duty is a positive development for the U.S. fishing industry because it provides "a moderate degree of long-term protection" from Canadian imports.

Parisi said if the tariff results in a 5- to 10-cent increase in the per-pound price of fish, "we did well." He said one of the greatest victories of the case was getting the U.S. government to admit that Canada sub-

sidizes its fishing industry. The Canadians, however, see the ruling differently.

"Our reaction is mixed," said Patrick McGuinness, vice president of the Fisheries Council of Canada, an Ottawa-based group that represents seafood processors in Canada's Atlantic provinces.

"We felt that our arguments showed that it wasn't Canadian imports that were hurting the U.S. industry but the depleted fisheries resource."

McGuinness denied assertions made by the New England industry that Canada will aggressively step up exports of fresh filleted fish to the U.S. as a result of Tuesday's decision.

"A lot of the exporting is done by

small and medium-sized companies that have no marketing expertise, so they have no alternative but to sell fresh whole fish," he said. "Fillet exports are not up dramatically."

McGuinness predicted that the ruling will not significantly change the way the Canadian fishing industry does business. "The 5.8 percent tariff isn't very large and isn't very significant and I can't see it having a great impact on our export patterns," he said.

The duty, he said, won't significantly raise the per-pound price of fish on the U.S. market. In fact prices for fresh fish will probably decline in the near future, he predicted.

Opinion

Our view

Fish import tariff decision a partial win for U.S. industry

Tuesday's split vote on import tariffs on Canadian fish was generally welcome, though puzzling, news for the local fishing industry. More than anything, the International Trade Commission has at long last told Canada that it does regard some 55 Canadian programs as direct or indirect subsidies for an industry in direct competition with the fishing industry in New England.

But by putting tariffs on whole fish and not on fillets, and by making the tariff small (5.8 percent), the move might only confuse the issue in future years. It seems like hair-splitting to distinguish between fillets and whole fish when the entire Canadian industry benefits from the subsidies. And if the tariff will matter at all to consumers

(there is some disagreement about that), the impact could be felt by U.S. processors, who will face stepped-up competition from non-tariff Canadian fillets. Predictions are that the processors here will soon ask for help as a result.

On balance, though, the vote was appropriate. What was needed most was a shot across Canada's bow, a clear sign that this country intends to respond when foreign governments, even the friendliest ones, unfairly subsidize an industry to the detriment of the United States. The tariff is an unfortunate necessity that provides only the briefest of respites for U.S. fishermen, who now must turn to the even more serious problems of liability insurance and depleted stocks.

April 30, 1986

Standard Times Editorial

Kennedy discusses fish duty proposal

By KEVIN SULLIVAN
Times staff

The Canadian government has a "deep concern" that the United States may place import duty on its fish, U.S. Sen. Edward Kennedy said Friday.

"I gathered that they have a very deep, deep concern about the potential for countervailing duty. That really worries them. There's no question about that," Kennedy said Friday night in a telephone interview from Ottawa.

Kennedy called the Times following his hour-long meeting with John Fraser, Canada's Fisheries Minister.

Kennedy said two topics dominated the discussion: America's current push to place duties on Canadian fish, and the new North Atlantic U.S.-Canada boundary, drawn last October by the World Court in the Netherlands.

"My sense is that they're considerably concerned about the danger of countervailing duty," Kennedy said, citing the daily "flood of (fish) imports" that is "being dropped into the United States."

For more than a year, Americans have been involved in a case before the International Trade

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Inside

Eleven East Gloucester property owners have filed suit against Gloucester Marine Protein; page A9.

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Kennedy discusses duty plan

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Commission (ITC), claiming unfair competition from Canadian imported fish. Local businessman Sam Parisi is chairman of the North Atlantic Fisheries Task Force, a New England-wide fishing industry group that's leading the push.

Americans say Canada's fishing industry is heavily government-subsidized, allowing Canadian fish to sell at unfairly low prices in the United States. That low price brings down the price of American fish, costing domestic fishermen and processors millions of dollars, Americans say.

A countervailing duty is a tariff placed on an imported product, designed to neutralize the effect of a foreign government's subsidy.

"Our fishermen can compete with anyone, but they need a fair shake," Kennedy said.

Although Canadians have consistently denied the American claims, Kennedy said Fraser and other Canadian officials are watching closely, and worried.

The next step in the ITC proce-

dures will cost the American fishing industry \$200,000 to \$300,000, mostly to pay a lawyer to present the case. Americans trying to raise that money admit they have a major task ahead.

"He (Fraser) pointed that out," Kennedy said, laughing. But, he added, "I tried to dampen the notion that the thing is going to be dropped because of it."

Some have doubted that a duty will be placed on Canadian fish, given the free-trade orientation of President Ronald Reagan's administration. But Kennedy said there are currently 44 pieces of legislation pending in Congress that seek import protection for various American products.

"The mood in Congress is to take a good, hard look at this (import protection)," Kennedy said. And, Kennedy said the president has shown a "remarkable sense of timing" in changing positions on many matters.

To date, the Canadians have been unwilling to negotiate the possibility of Americans fishing on the Canadian side of the boundary.

Although Canadians say they were not totally satisfied with the World Court decision, the new boundary has left much of Georges Bank's most fertile fishing grounds in their waters.

Fishermen in Gloucester, and in Maine, where the new boundary comes closer to the U.S. shoreline, have said the loss of those grounds could spell economic disaster.

"That line was never intended to be a wall," Kennedy said.

Kennedy said Fraser expects a Canadian government study of the boundary to be completed in four to six weeks. He said Canada's position on negotiating access to Canadian waters would be more clear when that report is released.

Kennedy said that Fraser favored joint U.S.-Canadian management of Georges Bank fish stocks. But, he said, Fraser said management issues would also be addressed in the forthcoming report.

"The voice of the fishermen in Gloucester and in other communities of Massachusetts has to be listened to," Kennedy said.

No GMP meeting — Silva

By SEAN MURPHY
Times staff

Mayor Richard Silva says he's held enough meetings on Gloucester Marine Protein (GMP) recently without arranging another one, as requested by the City Council.

The council voted unanimously on May 14 to ask Silva to arrange a City Hall meeting to discuss short- and long-term solutions to problems arising from the closing of the region's only processing plant or fish byproducts.

GMP closed May 11 after the city Board of Health instituted a

\$500-a-day-fine liability against the company if odor problems continued.

While the closure pleased many in East Gloucester, a new crisis was created for the fishing industry, which now has no inexpensive method for disposing of fish waste.

Ward 2 Council Gus Foote, who has long championed the fishing industry, introduced the order to have Silva invite to City Hall representatives of Gov. Michael Dukakis, the state Department of Environmental Quality Engineering (DEQE), the federal Environ-

mental Protection Agency and all local unions, as well as state Rep. Patricia Fiero, state Sen. Robert Buell, Congressman Nicholas Mavroules, fish processors and "all other interested individuals and parties."

In his reply to the council, which is to be delivered at tomorrow's council meeting, Silva wrote, "I believe there is no need for the order since I've been meeting for several months both with Congressman Mavroules' staff and Gov. Dukakis' staff . . . I believe we are meeting with everyone we can possibly meet with."

Man arraigned on murder charge

HAVERHILL — A Haverhill man was scheduled to be arraigned today on a first-degree murder charge in connection with the shotgun death of a Lawrence

man after an argument on Saturday night.

William L. Askew, 44, 115 Emerson St., was arrested at 11:45 p.m., Saturday on a charge of murdering

Curtis Lee Moore, 34, of Park Street, Lawrence, approximately four hours after Moore was shot in the head in the stairway of a house at 24 Arlington St.