

Testimony by Mississippi State Representative Jeffrey S. Guice on Frozen Warmwater Shrimp From China, Ecuador, India, Indonesia, Malaysia, Thailand, and Vietnam

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Chairman Williamson, ITC Commissioners, thank you for the opportunity to testify before you today. I am here on behalf of the people of Mississippi in support of our Gulf shrimp industry. The shrimp industry in Mississippi has a profound impact on our community, both economically and culturally, and that is why I strongly support the imposition of duties on frozen warm water shrimp from China, Ecuador, India, Indonesia, Malaysia, Thailand, and Vietnam.

Throughout this hearing today, I am sure that you have heard testimony detailing the billions of dollars in unfair foreign government subsidies provided to shrimp exported from these seven nations.

Let me start at a different place by citing some numbers that illustrate the importance of this industry to the Mississippi Gulf coast. Last year's shrimp catch in Mississippi amounted to 13 million pounds and was valued at more than \$24 million dollars. Furthermore, the shrimp industry in Mississippi supports more than two thousand jobs and provides \$44 million dollars in annual income to our state. Overall, our shrimp industry had an estimated economic impact of well over \$100 million dollars in our State.

Of course, the impact of the shrimp industry in my district and state go far beyond the economic numbers. Our state's earliest inhabitants quickly realized the abundance of shrimp beneath our waters.

Unfortunately, subsidized shrimp imports from China, Ecuador, India, Indonesia, Malaysia, Thailand, and Vietnam are adversely affecting this cultural foundation that Mississippi has relied upon for centuries.

In Mississippi, the establishment of the seafood industry in the early 1860s gave our citizens access to the highest quality and best tasting shrimp in the world. The establishment of this industry also provided a way of life for all of the countless Mississippians who took a ride in a shrimp boat long before they took a ride on a bike. For generations, the hard-working people of my state have passed down their craft to their loved ones, a fact which make this culture so unique. To get these tasty treasures from local waterways to hungry people across our country, it takes a team of men and women that are dedicated to the demanding work that it requires.

In Mississippi, we have people doing the harvesting, the unloading at the docks, the peeling, the freezing and the packing of our shrimp. These are not easy tasks, but our workers get satisfaction from shipping our shrimp all over the country to appreciative consumers.

The Shrimp industry is vital to the well-being of the Mississippi Gulf Coast and whether that importance is tied to folklore or finances, one thing is clear subsidized shrimp imports from

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China, Ecuador, India, Indonesia, Malaysia, Thailand, and Vietnam are gravely threatening our domestic shrimp industry. These seven countries together exported over 883 million pounds of shrimp to the U.S. worth almost \$3.6 billion dollars. Shrimp from these countries accounts for 89% of U.S. shrimp imports and over three-quarters of the domestic market, overall.

The governments of these countries maintain subsidy programs inconsistent with international trade rules that provide numerous benefits like tax incentives, loans at below-market rates, export duty remission, and debt forgiveness.

Regardless of the types of subsidies provided by each country, the result is all the same: these foreign subsidies drive down the price of shrimp exported to the United States, making it nearly impossible for our industry to compete. These trade practices in China, Ecuador, India, Indonesia, Malaysia, Thailand, and Vietnam are not only unfair, but they are also illegal.

In closing, I hope that I have been able to shed light on the impact the shrimp industry has on my district, my state, and this country.

The good people of Mississippi saw this industry decimated in the recent past with events far outside of their control including a catastrophic hurricane, a catastrophic oil spill, and a catastrophic recession. Today, the catastrophic damage that is caused by subsidized shrimp imports is thankfully within our control.

Today, this damage can be countered and remedied with the imposition of countervailing duties on frozen warmwater shrimp from China, Ecuador, India, Indonesia, Malaysia, Thailand, and Vietnam.

Thank you again for the opportunity to testify before you today, and I am happy to answer any questions.