

Testimony for The Honorable Joe Harrison, State Representative of Louisiana on Frozen Warmwater Shrimp From China, Ecuador, India, Indonesia, Malaysia, Thailand, and Vietnam

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ITC Investigation Nos: 701-TA-491-497

Chairman Williamson and members of the Commission, thank you for the privilege of testifying before you today. I am proud to be here on behalf of the U.S. shrimp industry and on behalf of District 51 of the State of Louisiana. I stand before you today to strongly support the imposition of countervailing duties on frozen warmwater shrimp from China, Ecuador, India, Indonesia, Malaysia, Thailand, and Vietnam. These duties are needed to shield the U.S. shrimp industry from the detrimental impacts of unfair trade.

I would like to start by noting what is at stake here today for the people living in District 51. The shrimp industry has a long and prominent history in places like Assumption, St. Mary, Lafourche, and Terrebonne parishes. Shrimping is such serious business in Terrebonne Parish that it produces the largest amount of shrimp by volume in the entire state. It all began with the Creole and Acadian settlement of our region in the 17th Century and as demand grew over the years, it emerged as an important industry in Louisiana. Many of the industry's businesses are family-owned and operated and have been handed down from generation to generation. The shared experience of families working together up and down the bayous has made our shrimp industry not only a place to work, but a family-tradition and a way of life.

In addition to being an integral component of our state's culture, the U.S. shrimp industry is also an integral component of our state's economy. Shrimp-related businesses in Louisiana support more than 14,000 jobs and create an economic impact of over one billion dollars. The Louisiana shrimp industry also serves as a source of tens of millions of dollars in tax revenues in our state and across the nation. Needless to say, the shrimp that are caught in our waters and processed on our docks sustain the livelihoods of thousands of hard-working Louisianans. Whether stewed, barbequed, boiled, or fried, there are no shrimp better tasting anywhere in the world than Louisiana Gulf shrimp and we must level the playing field so that we can continue to promote them at home and to the rest of the world.

Subsidized shrimp imports from China, Ecuador, India, Indonesia, Malaysia, Thailand, and Vietnam are wounding an already vulnerable domestic industry. Over the past

several years, the Gulf region has been seriously challenged by a series of trials and tribulations including numerous hurricanes, the economic recession, and the largest oil spill in U.S. history. I know firsthand the level of hardship that has been caused as my district happened to be one of the most damaged areas in the entire Gulf region during both the 2005 and 2008 hurricane seasons. The hard-working men and women involved in the remarkable shrimp industry have refused to give up. They can survive natural and even man-made disasters, but unfair and unchecked foreign competition poses an even graver threat. All of the hard work in the world cannot save them from unfairly subsidized imports.

The harm caused by illegally subsidized shrimp imports from China, Ecuador, India, Indonesia, Malaysia, Thailand, and Vietnam is clear. Together, these countries exported over 883 million pounds of shrimp to the U.S. worth almost \$3.6 billion dollars. Moreover, shrimp from these countries accounts for 89% of U.S. shrimp imports and over three-quarters of the domestic market, overall. The shrimp industries in these countries rely on generous, wide-ranging subsidies from their governments to inundate the U.S. market with cheap shrimp, undercutting U.S. producers.

For example, the governments in India and Malaysia provide export subsidies for shrimp exports, while the Indonesian government writes off the debts owed by major shrimp processors. The government in China offers tax incentives for aquaculture and shrimp processing facilities as well as cheap credit for shrimp producers. While the numerous subsidy programs vary in scope and magnitude, all of the subsidies have the same effect—putting U.S. producers at a profound competitive disadvantage.

In conclusion, I came to Washington D.C. today because the shrimp industry is an extremely important part of our life in District 51 in Louisiana. I strongly support every man and woman that contributes to the industry that gives so much to our economy and our culture and I therefore strongly support the imposition of countervailing duties on frozen warmwater shrimp from China, Ecuador, India, Indonesia, Malaysia, Thailand, and Vietnam. We must do everything it takes to level the playing field for the shrimp industry in Louisiana so that it can once again become a healthy, viable industry and continue to be passed down for many generations to come.

Thank you again for the opportunity to testify before you today.