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DEPARTMENT of the INTERIOR

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FISH AND WILDLIFE SERVICE

Flanagan or McMillan - Interior 5634

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FIRST AMERICAN FISHING VESSEL CONSTRUCTION BY GOVERNMENT SUBSIDY APPROVED

Approval of the first construction differential subsidy contract for building an American fishing vessel, as authorized by a Federal law passed in 1960 (P.L. 86-516), was announced today by Frank P. Briggs, Assistant Secretary of the Interior for Fish and Wildlife.

Under the contract, the Bureau of Commercial Fisheries will pay \$37,233, or one-third the cost of a new \$117,700 otter trawler to be built by Harvey F. Gamage of South Bristol, Me., for Thomas E. Larsen of New Bedford, Mass.

To be eligible for a subsidy, a vessel must be designed to operate in a fishery which has received a finding of injury because of increased imports. At present, the New England groundfish fishery is the only one meeting this requirement. The amount of subsidy that can be granted is that equal to the difference between the cost of construction in a domestic shipyard and in a foreign shipyard, with a maximum limitation of 33-1/3 percent of the domestic construction cost.

Five additional applications for subsidy now are being processed by the Fish and Wildlife Service's Bureau of Commercial Fisheries.

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