



DEPARTMENT OF THE INTERIOR
INFORMATION SERVICE

Office Memo
5/11/53

FISH AND WILDLIFE SERVICE

For Release Upon Receipt MAY 8 1953

FWS COMPLETES STUDY OF DOMESTIC TUNA INDUSTRY

Secretary of the Interior Douglas McKay announced today that the Fish and Wildlife Service has completed a comprehensive study of the domestic tuna industry and its current production and marketing problems.

This study was launched in October 1952 in response to a petition sent to the Secretary of the Interior in July of that year by the six west coast senators from the tuna-producing States of California, Washington, and Oregon who had expressed concern over increased foreign competition and the industry's general economic health.

The results of the study just completed by specialists in the Fish and Wildlife Service's Branch of Commercial Fisheries have been compiled in a report of more than 400 pages, copies of which have been submitted to the legislators who sought the investigation. Subjects covered include: History of the industry; consumption; world production; domestic production; processing; relationship of the industry to the national interest; distribution; Government assistance in the United States and competing countries; and recommendations for action by both the tuna industry and the Federal Government.

The report notes that the outlook for consumption of products of the tuna industry is a bright one. On the other hand, it states that the prospects of major relative cost reductions in fishing and processing are rather bleak. Distribution, which is responsible for only a small part of the ultimate cost of canned tuna, does not offer any great prospect of cost savings as an aid in improving the position of the industry. In the light of these and associated determinations, the report contains suggestions as to what may be done by the domestic tuna industry--the fishermen, processors, distributors, and importers--and the Federal Government to promote necessary adjustments so that the industry may achieve and maintain a sound position in the domestic economy.

A crisis in the domestic tuna industry arose in 1951 when duty-free imports of frozen tuna from Japan and Latin America, together with increased imports of brine-packed canned tuna from Japan, reached unprecedented proportions. United States tuna fishermen and cannery operators, particularly on the west coast, found domestic markets over-supplied with tuna and were forced to keep their vessels tied up and to close processing plants.

As the crisis developed, a bill calling for a 3-cents per pound duty on imports of fresh or frozen tuna was considered by the Congress. This bill, which also directed the Tariff Commission and the Fish and Wildlife Service to initiate investigations of the tuna fishing industry, passed the House but failed of passage in the Senate.

Subsequently, the Senate Finance Committee directed the Tariff Commission to investigate the tuna situation, particularly from the standpoint of foreign competition in order to assist Congress in any future legislation concerning tuna fish. The Fish and Wildlife Service report supplements, but does not duplicate, the Tariff Commission investigation report which was published in March.

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