

NEWS

Is forced labor in Indian exports affecting Louisiana shrimpers? Congress investigates

Colin Campo Houma Courier-Thibodaux Daily Comet

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A congressional committee is investigating allegations of slave labor in the Indian shrimp industry. Such practices are among those blamed for rock-bottom shrimp prices negatively affecting Louisiana shrimpers.

The House Committee on Natural Resources is investigating accusations of forced labor as well as importation of illegally obtained fish products. Additionally, the committee is looking at fraudulent reporting through the Seafood Import Monitoring Program, and the illegal use of antibiotics.

The investigation began in March and was kicked off by three independent media reports revealing slave labor practices and the use of banned antibiotics.

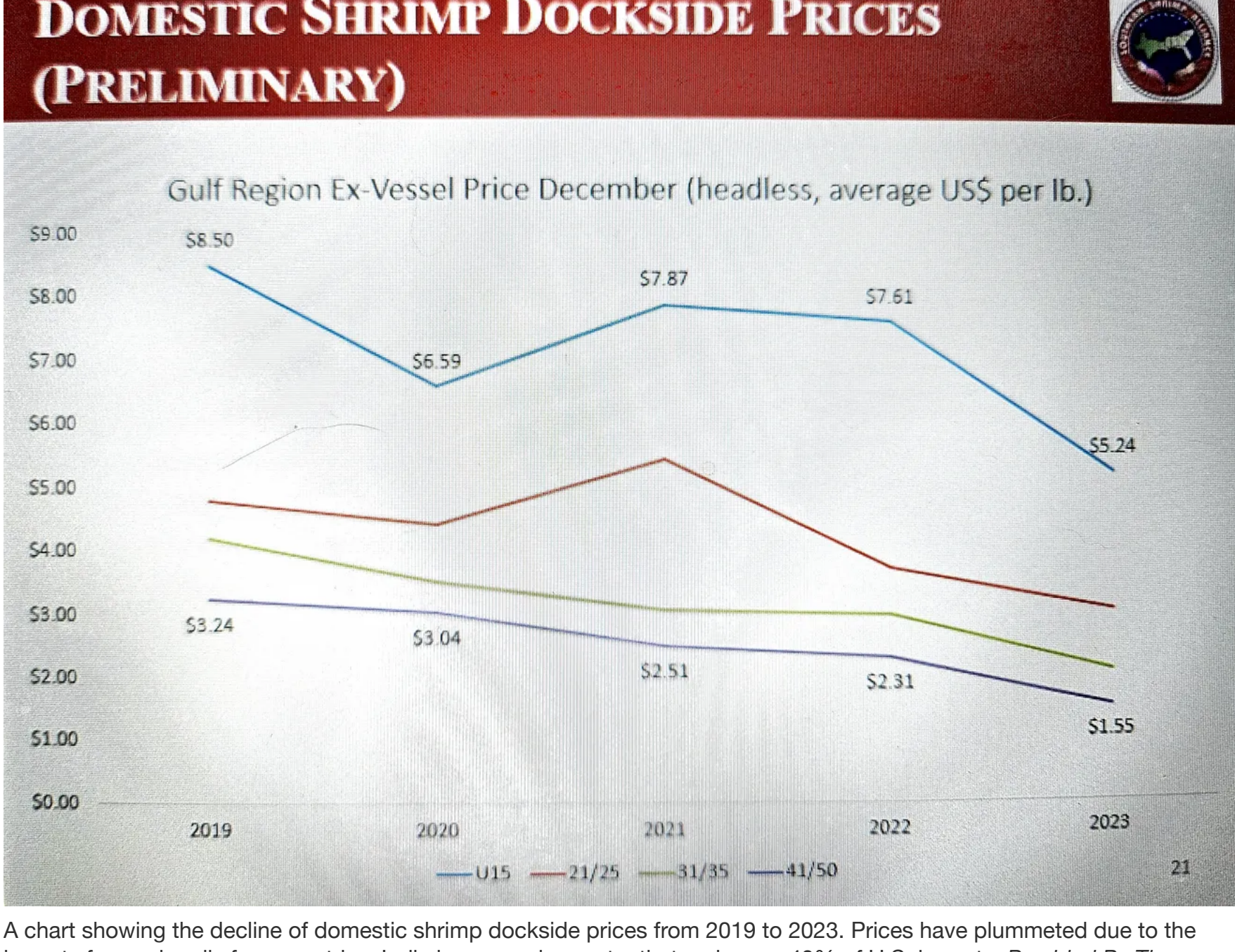
Frozen, already peeled Indian shrimp have been a driving factor of the decline in the American shrimping industry since about 2018. Imports from Ecuador, Indonesia, and Vietnam are also an issue. For now, the committee's focus is on one Indian company that has been the subject of whistleblower accusations.

"We are disturbed by the widespread presence of forced labor and human rights violations in theseafood supply chain," three of the ranking members wrote to the whistleblower, Joshua Farinella. "We understand you are in possession of evidence suggesting potential violations of at least five laws and policies by Choice Canning Company, Inc."

India's influence on the American shrimper

The top four importers of shrimp into the U.S. are India 40%, Ecuador 27.8%, Indonesia 16.9%, and Vietnam at 6.6%. There are countervailing duties against these four countries, but it hasn't been enough to help American shrimpers: India 4.36%, Ecuador 7.55%, Vietnam 2.84% and Indonesia is under 1%. These tariffs were put in place after it was proven India was dumping on the American market.

The health of the American shrimp industry can often be measured by the number of landings each year. Those numbers have been on a mostly steady decline since 2001, with only five years above the downhill slope. This can mostly be attributed to the value of those landings also plummeting in the Gulf: going from \$738 million in value in 2001, to \$393 million in 2022. Breaking this price down even further, Gulf prices since 2019 have seen a substantial decline. The largest shrimp, which number 15 shrimp to the pound or less, have seen their dockside price decline from \$8.50 to \$5.24.



A chart showing the decline of domestic shrimp dockside prices from 2019 to 2023. Prices have plummeted due to the imports from primarily four countries. India is one such country that makes up 40% of U.S. imports. Provided By The Southern Shrimp Alliance

"Peeled shrimp had been a pretty significant product form sold into the market by Gulf shrimp processors, including those in Louisiana, and India's ability to sell peeled shrimp lower than anyone – whether American, Vietnamese, Ecuadorian, Thai, or Mexican – destroyed the market," an attorney for the Southern Shrimping Alliance Nathan Rickard said in an email.

The Southern Shrimping Alliance has raised awareness of these issues for years and fought for tariffs against the illegal trade practices of countries that have harmed the American shrimping industry. After the revelation of this forced labor the alliance requested the Department of Labor add Indian shrimp to the list of goods produced through forced labor. According to Rickard, this would halt the usage of Indian shrimp tied to forced labor from being purchased by the United States, specifically a brand known as "Freedom's Choice."

The alliance tracked the shrimp produced through forced labor, according to the reports, and Freedom's Choice is a packager for the shrimp. Their product is served in U.S. Military commissaries. According to the Southern Shrimping Alliance, so far the Department of Labor has not responded.

The maze of government and the shrimping industry

A patchwork of governmental entities that enforce the trade rules make it difficult for any single individual to take action against unfair trade practices, Rickard said. According to some Louisiana shrimpers, a team of lawyers like Rickard are needed to make any sense of the situation.

Senator Bill Cassidy, R-La, brought this exact issue up, following the whistleblower's report, when speaking to the U.S. Trade Representative (USTR) Ambassador Katherine Tai.

"My shrimpers are saying, 'My gosh, if I have to go to court to make this happen, I'm going to be out of business before there's actually relief,'" he said.

This is because an alphabet soup of governmental acronyms - NOAA, CBP, FTC, FDA, USTR, and more - each have a hand in the process of accepting or rejecting imports for various reasons. Since the three reports, United States Trade Representative Press Secretary Angela Perez said the department is pushing for further transparency through the Seafood Import Monitoring Program.

"The U.S. is currently undergoing a review of the Seafood Import Monitoring Program and one thing we are looking at is how it could be used to address forced labor," she said. But the United States Trade Representative doesn't control the program, National Oceanic and Atmospheric Administration's Fisheries' Administration does.

According to NOAA's website the program "requires the importer of record to provide and report key chain of custody data—from the point of harvest to the point of entry into U.S. commerce—for imported fish and fish products identified as particularly vulnerable to [Illegal, Unreported and Unregulated] fishing and/or seafood fraud."

Critics of the program say the program is ineffective. Congress themselves passed a law in December of 2022 forcing NOAA to make its reports available on the agency's website and describe the violations. According to Rickard, NOAA has ignored the law.

"To date, NOAA Fisheries has ignored this Congressional requirement," he said. "Given the amount of non-compliance reported by the agency for shrimp in fiscal year 2020, the U.S. shrimp industry is obviously interested in what enforcement has looked like since then."

The Courier reached out to NOAA, but the agency has not responded.

Antibiotics in shrimp

Antibiotics in aquaculture are used broadly for three purposes: to treat sick animals, to prevent disease from impacting healthy animals, and to promote growth. There are antibiotics that are banned by the FDA for consumption and according to the three reports, they are contained within Indian shrimp.

American shrimpers have voiced grievances that the FDA does not carry out enough testing at the U.S. entry ports to find these, and as recently as May 6, Choice Canning Inc., the subject of the whistleblower's report, was rejected at a U.S. border for antibiotics.

The Southern Shrimp Alliance said Europe has stricter enforcement of its policies on imported shrimp, and for years, the imports that would be rejected by Europe have been brought to the U.S. Market.

"They have stricter enforcement of the policies, so we all have no antibiotics of this type are allowed into our country, but where we test less than 1%, they test like 50%," spokesperson with the Southern Shrimping Alliance Deborah Long said.

The FDA has traceability requirement changes in the pipeline slated for 2026, known as the Food Safety Modernization Act. The law was passed in 2011 and applies to finfish and many shellfish.

How does the government entanglement affect Louisiana shrimpers?

Marquis Broussard is among the shrimpers who are aware of the allegations and have felt the pressure of the imports for years. The 50-year-old has been shrimping since he was 16, and he's never seen a year this bad. He's about to go out for two days and isn't sure he will make any money.

"Oh, it's bad... before the imports started really getting bad, we could make \$150-\$200,000 a year, and like last year I don't even think I made \$60,000," Broussard said.

This was the first winter of his life he had to get a second job doing hydraulic work, just to make ends meet.

He has to fuel the ship, \$492.28; purchase propane, \$20; salt; and more. His total bill to disembark was \$620.78. He needs about 2,000 lbs of shrimp just to break even, and that's not counting equipment, food, and the costs if anything breaks. For example, Broussard drydocked his vessel, \$2,800, and purchased new nets, \$4,500.

Broussard said those with any ability to help the American shrimp industry need to understand that shrimpers are on their last dollars. They have to make a judgement call each time they leave the dock, and if they can't afford to pay for breakdowns, they won't leave. As their money dries up, eventually, the American shrimper will cease to be.

"What they don't understand is we've got a business to run too. If we don't make any money we can't pay for breakdowns, we can't repair our equipment and why break it if you can't fix it?" he said.



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