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Is There a Need for Technical Assistance to Improve the Quality of Fishery Products?

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Abstract

At the last session of Congress, hearings were held before the Senate Commerce Committee on several bills to provide mandatory inspection of fishery products, and technical and financial assistance to help the industry comply with provisions of inspection. Although legislation was not enacted into law in the 90th Congress, we can expect a number of bills on this subject to be introduced in the next session of Congress.

If mandatory inspection becomes a reality, it is likely that the fishing industry may have only a short period of time to make extensive changes in vessels and processing plants to comply with inspection requirements. The small processor or vessel owner will, of course, be "hit harder" than larger operators who now have very modern facilities.

This paper discusses the need for technical and financial assistance to help the industry meet requirements of a mandatory inspection program. The author outlines the type of technical information that may be required to enable industry to improve fish handling and sanitation practices. Through discussion of this paper he expects to obtain views on the role of the government in furnishing technical and financial assistance to the fishing industry.

DURING THE PAST FEW YEARS, a great deal of discussion has taken place in the United States on the quality and wholesomeness of fishery products as well as on mandatory inspection of the fishing industry. It seems to me we have now reached a point where the fishing industry must ask itself a number of questions. Why has quality received so much attention recently when we have been producing fishery products for some 300 years? If mandatory inspection comes about in the next year or two, what will be the roles of industry, the states, and the Federal government? Are Federal technical and financial assistance programs needed to prepare the industry for mandatory inspection? These are questions many are asking. We are not sure of all the answers.

A very brief review of developments which led to the introduction of a strict mandatory inspection bill in the 90th Congress may help to provide some clue as to future courses of action. You perhaps recall the adverse publicity that started in 1963 when we faced problems with botulism in some fishery products. Later on, Consumers Union brought the quality problem to the public's attention with publication in 1965-67 of a series of reports on the marginal quality of some fishery products sampled at retail stores. National attention was again focused on fish in 1967 when Senator Hart introduced a bill for mandatory inspection calling for a spot-type inspection rather than continuous inspection. Although hearings were held, this bill was not released from committee. Soon after, fishery products really hit the front page when Ralph Nader, in an article in the January 1968 issue of the *New Republic*, emphasized the need for higher quality by recounting the adverse incidents of the past and recommending mandatory inspection in the fishing industry. This publicity has not abated, as is evidenced from a new statement by Betty Furness, recently published in the Washington papers, and an interview of Nader which appeared in *Playboy*.

You recall S. 2958 by Senators Hart and Magnuson, commonly known as The Wholesome Fish and Fishery Products Act of 1968, was introduced and died in the 90th Congress, after hearings were held before the Senate Consumer Subcommittee of the Committee on Commerce. Basically, this act called for mandatory inspection of the fishing industry by the U.S. Food and Drug Administration. It provided for inspection of fish and fishery products as well as fishing vessels, processing plants, and to a limited extent, distribution facilities. This bill, which was patterned after the revised mandatory Meat and Poultry Inspection Acts, stipulated that foreign producers exporting fish to the United States would have to meet the same inspection requirements as domestic producers.

Although there was considerable administration support for the strict inspection bill, it was not passed, probably due to the high cost and the press of other business. It is likely that mandatory inspection will be an issue in the new Congress. We cannot predict just what form such legislation might take, but it is a good guess the proposed program will have broad coverage. Also, there will probably be a very short fuse of only two or three years after passage before new regulations become effective.

The amount of time between enactment of inspection legislation and the effective date of any regulations will be critical for companies which will have to make extensive changes to their facilities. Some processors and vessel owners will be able to meet requirements of any new inspection regulations easily, but others, particularly the smaller plants and vessels, may experience serious problems. Some will probably elect to go out of business rather than make extensive changes to their facilities.

The extent to which firms will be able to remain in business will be partly dependent upon the steps which are taken now and immediately after enactment of any legislation to improve their facilities to meet eventual requirements. To wait and say, "We will make no changes now because we don't know the exact details of the regulations," will cause considerable added hardship and pressure. This is a fallacious argument because in many cases specific recommendations for improvement of vessels, plants and product quality can be made and implemented now.

Another factor which may influence the seriousness of the problems to be

faced by the fishing industry is the strictness of the regulations which might be published and enforced. Some clue on this matter can be gained by reviewing regulations published under the mandatory meat and poultry inspection programs. These regulations are quite strict in many areas, partly because these industries have been under inspection for a number of years, enabling the plants to make improvements gradually in the sanitary conditions of facilities and equipment. It can be expected that sanitation regulations for the fishing industry would be written at a strict level generally comparable to meat and poultry products.

Perhaps of equal importance is the problem of retraining and educating plant personnel and vessel crews in the fishing industry. One need only visit a modern dairy plant and view the white aprons and caps of the employees and their attitude on sanitation and compare it to the attitudes prevailing among employees in some areas of the fishing industry to understand the magnitude of the retraining effort that may be required.

This brings us to the question which forms the title of this paper. "Is there a need for technical assistance to improve the quality of fishery products?" At the time of the hearings on S. 2958 in April 1968, we estimated that perhaps the owners of as many as one-half of the 4200 plants and many of the 82,000 vessels in industry would not be in a position to modify their plants and vessels to comply with Food and Drug regulations. Recognizing this situation, the Department of the Interior supported S. 3064 which was introduced as a companion bill to S. 2958. This bill (S. 3064) would provide the fishing industry with technical and financial assistance to assist it in meeting the requirements of mandatory inspection regulations.

The technical assistance program envisioned in S. 3064 would require a significant effort by the Bureau. Thirty-three specialists with training in different aspects of fisheries such as technology, microbiology, sanitation, engineering and water pollution would furnish the technical advice. The cost of this program during the first year would be \$700,000. While recruiting is underway, we would develop a series of sanitation checklists for different types of processing plants and vessels. These checklists would be developed on the basis of a complete review of state and Federal sanitation regulations, good manufacturing guidelines developed by companies, states, and Federal agencies, as well as on the results of visits by the new staff to processing plants of various types. During these visits, vessel and processing facilities would be examined and the industry would be given some idea as to the nature of the changes to be made and costs which might be incurred in its efforts to comply with mandatory inspection.

In a frozen fish processing plant, for example, members of the new regional technical assistance team would advise on the exact changes necessary for each plant. A microbiologist may suggest specific changes in processing techniques in order to reduce the bacterial loads in the finished product. These changes could range from the manner in which the raw material is handled to the final packaging techniques. The food technologist would probably suggest changes in processing steps to eliminate practices that reduce quality, such as exposing shrimp to high temperatures or soaking it too long during washing. The engineer could make specific recommendations on equipment design, layout and plant operating procedures so that processing can be accomplished with dispatch and with proper attention to refrigeration and cleanliness. Advice might be provided on equipment and methods to achieve

satisfactory thawing of shrimp with minimum loss of quality and with maximum efficiency.

Technical assistance to fishing vessels will focus on protecting the quality of fish during handling and storage since this is essential to producing a good processed product. For example, advice would be furnished to fishermen on practical procedures for gutting, washing, icing and unloading fish to reduce physical damage and minimize spoilage. Specific suggestions might also be provided on the design, construction and cleaning of fish handling equipment and fish holds. The Bureau would work closely with fishermen and vessel owners in different ports so problems can be corrected on an individual basis.

During the second and third years, technical assistance needs would increase. Experts would be spread over the Bureau's several regions so that they could maintain a better contact with industry on a day-to-day basis. The major technical assistance effort will occur during these years as industry prepares for mandatory inspection. As success is achieved and inspection becomes a reality, the technical assistance program would be phased downward. One continuing phase of the Bureau program would be the development of specialized literature, aimed at educating employees on better means of handling, processing and distributing the catch. This literature would be used by the technical assistance teams on a man-to-man basis as well as in small training groups.

The assistance program proposed at the above funding level would make aid available to the 4200 fishing plants and to the 12,000 vessels of 5-net tons and over. Boats less than 5-net tons — some 70,000 — will not be excluded from the program, but we expect fewer of them to seek help. This is because while their sanitation problems can be acute, the solutions are simpler and less costly than for larger vessels.

While technical assistance effort is underway, close coordination would be maintained with the Food and Drug Administration if it operates the regulatory aspects of the proposed inspection program. It is anticipated that the Food and Drug Administration will be in a position, through its Bureau of Voluntary Compliance, to provide advice to the fishing industry on the general nature of the new regulations. This effort would be phased closely with the Bureau's work. The principal difference in the two programs will be the Bureau's use of regional experts who can work on a plant-to-plant and day-to-day basis with the processors to advise and solve problems, as compared to FDA's more regulatory oriented approach and reliance on large gatherings and workshops.

In regard to financial assistance, we anticipate that many processors and vessel owners, owing to past slim profit margins and problems with fish supplies, might find it difficult to locate financing for such improvements within the relatively short time allowed. In view of this, S. 3064 contained a provision whereby loan funds would be available to processing plant owners who could not obtain funds from other sources because of the risks involved to the lender. A similar program has been underway in the Bureau for several years with regard to construction of new vessels and for making improvements on old vessels. A key feature of this program is that these low interest loans would be available only to those who could show a reasonable chance of repayment but who, in today's tight money market, could not secure private funds at reasonable rates of interest.

A possible alternative to direct Federal loans would be Federal loan in-

insurance guarantees to private lending companies. Such guarantees might reduce the risk to banks and other lenders to a point where private funds might be made available to processing plants to upgrade their facilities and continue operations under inspection.

SUMMARY

Our guess is that a relatively strict mandatory inspection program of some type will be placed on the fishing industry within the next year or two. If the industry is in a position to comply with the regulations without government assistance, it should do so. However, we suspect that many in industry misjudge the extent and cost of changes which will be required to enable them to comply. We also question whether many have the technical information needed to meet the strict regulations which may be imposed on them.

I would like to close with the question, "Should we in the Bureau support legislation for financial and technical assistance, or let events take their natural course?"