Attached for the information of the Committee is a note by the Government of the United Kingdom on United Kingdom Fisheries Policy.
The economic, social and political considerations which have been mentioned in relation to agricultural policy apply equally to the fishing industry. Although the fishing industry is small compared with agriculture, it is nevertheless of great economic importance in particular areas and is also of strategic importance to the United Kingdom as a maritime nation. The general policy objective of the assistance given to the industry as stated in the White Fish and Herring Industries Acts of 1953 and 1957 is "to promote the landing in the United Kingdom of a continuous and plentiful supply of white fish and herring".

Roughly one sixth by weight of the fish landed by British vessels are herring, and the remainder, with the exception of a comparatively small proportion of shellfish, consist of white fish. The United Kingdom white-fish industry provides roughly 90 per cent of the total supply of white fish. Half of this is caught by vessels fishing in distant waters, and this important section of the industry receives no Government assistance, which is confined to white fish and herring vessels belonging to the near and middle water and inshore fleets.

This assistance takes two forms: first, the provision of grants and loans for the construction of new vessels and the modernization of old ones; and secondly, an operating subsidy to assist the industry during the transitional period when it is being re-equipped. The rates of subsidy for different classes of vessel (which are reviewed annually) are fixed at levels designed to provide a continuing incentive to owners to replace or modernize their obsolete vessels with the help of the grants and loans which are available to them. This policy is designed to cover the needs of the industry in a period of transition, and the legislation under which the arrangements have been made expires in 1963 by which time it is hoped that the modernization of the fleet will have been completed. In the meantime the Government has appointed a Committee of Inquiry to advise on the long-term policy to be adopted for the fishing industry.

It has been suggested that the Government assistance given to the industry must of necessity operate to the disadvantage of other countries interested in the United Kingdom market. Even if this were so, exporters of fish to the United Kingdom would not have to face any subsidized competition to which the unsubsidized distant water section of the United Kingdom industry was not equally exposed. But in point of fact, as the statistical information attached to Annex VI shows, there has in recent years been no contraction of imports of fish which, on the contrary, have steadily risen in volume while at the same time home production has tended to fall.

There are two statutory bodies - the White Fish Authority and the Herring Industry Board - which have the functions of reorganizing, developing and regulating their respective industries, e.g., by research and development, sales promotion, establishing processing plants, etc. They derive their main income from a levy on the industry, supplemented to some extent by Government grants for specific purposes. These bodies also administer, on behalf of the Government, the arrangements for grants and loans which have been mentioned.
The Herring Industry Board prescribes a scale of minimum prices for herring, with different prices according to the utilization for which the herrings are sold. No such arrangement is operated by the White Fish Authority for white fish but the trawler-owners' associations have an unofficial arrangement under which they fix a minimum price for fish sold for resale in the home market. Sales at lower prices are, however, permitted for particular purposes under contracts which ensure that it will not be re-sold in direct competition with the fish sold above the minimum price.