



Jared Golden
Congress of the United States
2nd District of Maine

April 18, 2025

The Honorable Donald J. Trump
President of the United States
The White House
1600 Pennsylvania Avenue
Washington, D.C. 20500

Dear President Trump,

In your executive order on “Restoring American Seafood Competitiveness,” you directed the Secretary of Commerce to consider suspending, revising, or rescinding regulations that overly burden America’s commercial fishing industries and the United States Trade Representative to examine other nations’ trade practices. As part of those investigations, I write in support of swift and decisive action to address the unequal regulatory burden between Maine and Canadian lobstermen and the unfair trade practices used by Canada and its lobster industry at the expense of the American lobster industry.

Throughout my time in the Maine State Legislature and Congress, I have heard from Maine’s seafood harvesters, processors, and those involved in the ocean economy that they cannot make the necessary investments to grow due to overregulation, arbitrary and capricious management, inconsistent policies from various federal agencies, and unfair trade action from Canada. Action to address the unequal regulatory burden between American and Canadian lobstermen and end Canada’s unfair trade practices in the lobster industry is squarely in line with your fisheries executive order and your administration’s “America First Trade Policy.” Any ensuing changes should be made in consultation with those who know the industry best, the harvesters themselves.

The American lobster fishery extends from Maine to Cape Hatteras, North Carolina. In 2022, commercial landings of American lobster totaled 119 million pounds, valued at \$515 million, according to the National Oceanic and Atmospheric Administration (NOAA) Fisheries. Maine has been at the forefront of American lobster landings for over three decades, and 93 percent of the coast-wide landings come from the Gulf of Maine lobster stock.

While I have written to your administration and previous administrations extensively about each issue, I want to highlight the following issues:

Unequal Regulatory Burden Between the U.S. and Canada:

Regulations are frustratingly inconsistent between the U.S. and Canada, significantly benefiting Canadian fishermen and actively harming U.S. fishermen. While the long-term viability of lobster stocks is essential for the economic success of American and Canadian harvesters, it is American fishermen and lobstermen who are required to adhere to the strictest conservation standards, whereas Canadian fishermen are not. Below is a list of the top issues causing an uneven regulatory playing field:

Maximum Size Limit: American lobstermen are required to follow a maximum size limit for harvesting lobster, and Canadian lobstermen do not.

Whale Regulations: Since 2001, U.S. lobstermen have been required to comply with whale regulations, including new requirements for gear marking, breakaways, weak ropes, and inserts, as well as changes to trawl length due to the NOAA Atlantic Large Whale Take Reduction Plan. This plan was developed and implemented in response to the *Marine Mammal Protection Act* despite limited evidence linking Maine fishermen to whale deaths.

These requirements increased costs and safety risks for U.S. fishermen. Canadian lobstermen do not face these same restrictions. For instance, U.S. fishermen must use whale-safe gear, which incurs additional costs, to protect whales that frequently transit through Canadian and American waters. Meanwhile, Canadian fishermen continue to fish with floating rope, which costs nearly 50% less than traditional methods.

If pending federal rules regulating even more restrictive gear requirements are implemented,¹ American fishermen will face an even more significant competitive disadvantage. They would be forced to use untested, less efficient, more expensive equipment, while Canada's gear would be untouched.

Gray Zone: The 277 square miles of ocean between the U.S. and Canada – commonly referred to as the Gray Zone – have been claimed by both countries since the Revolutionary War. For centuries, the lobstermen and fishermen of Downeast Maine have relied on the Gray Zone to harvest lobster, scallop, and halibut, often competing with their Canadian counterparts who utilize these same fishing grounds.

The disparity between the United States and Canadian fishing regulations in the Gray Zone not only escalates tensions among fishermen but also poses a serious threat to the future of an industry that has supported Maine families for generations. These concerning trends would only worsen if our federal regulators approved a new minimum allowable catch size for lobster starting in July 2025, without comparable restrictions for Canadian lobstermen enforced by their government.

Maine's seafood harvesters have been waiting too long for a resolution to the Gray Zone, with significant consequences for their safety, businesses, and the natural resources they depend on.

¹ <https://www.maine.gov/dmr/science/right-whale/gear>

A 2023 Department of State Report written for Congress titled “*Progress Toward an Agreement with Canadian Officials Addressing Territorial Disputes and Collecting Fisheries Management Measures in the Gulf of Maine*”² incorrectly states:

“The status quo benefits the United States by keeping the Gray Zone aligned with the more favorable measures applicable to the broader U.S. lobster management area within which it sits. Current cooperation has proved effective in managing the area. Negotiations to resolve the dispute would require significant dedicated resources. In the absence of a resolution of the territorial dispute, an agreement to resolve differing fisheries management measures in the Gray Zone could impact U.S. claims to sovereignty by creating regulations that differ from those applicable to the broader Gulf of Maine jurisdiction in which the Gray Zone lies.”

The truth is that, as management currently exists, there is no cooperation in managing this area. This report is misleading, and American fishermen fishing in the Gray Zone will tell you that the uneven regulatory burden in the area does not benefit American fishermen; it hurts them.

Environmental Regulations: Canada has considerably fewer environmental regulations compared to U.S. processors. For example, Canadian processors can directly discharge wastewater into the ocean and spread shells in fields. In the U.S., processors must pay thousands of dollars to local municipalities for wastewater user fees and waste disposal.³

Unfair Trade Practices Utilized by the Canadian Lobster Industry at the Expense of the American Lobster Industry:

Canadian Subsidies: The Canadian Government uses labor and business subsidies to boost their lobster industry at the expense of the American lobster industry.

Since 1984, the Canada Health Act (CHA)⁴ gives all Canadians publicly funded single-payer healthcare insurance. This program gives all Canadian residents reasonable access to medically necessary hospital and physician services without paying out-of-pocket. To highlight the disparity, U.S. fishermen who buy a health insurance plan on HealthCare.gov would pay, on average, \$456 per month more for insurance premiums, which is \$5,472 per year more than Canadian fishermen.

Canadian single-payer healthcare insurance also creates an impact on unemployment premiums. Under the Canadian system, workers' compensation largely drives costs through lost earnings and wage-loss benefits. This causes U.S. fishermen to pay higher unemployment premiums. This distinction comes from their healthcare system, which incurs fewer administrative expenses and lower healthcare costs that affect an employer's experience rating.

The Canadian lobster industry also has access to unlimited foreign labor and, as a result, low-wage workers. They provide salary subsidies covering up to 60% of the salary for immigrants or visible

² Section 7019(e) of the Department of State, Foreign Operations, and Related Programs Appropriations Act, 2023 (Div. K, P.L. 117-328) and the Accompanying Joint Explanatory Statement

³[https://www.mainelegislature.org/legis/statutes/38/title38sec353-b.html#:~:text=On%20an%20annual%20basis%2C%20municipalities,%C2%A71%20\(AMD\).%5D](https://www.mainelegislature.org/legis/statutes/38/title38sec353-b.html#:~:text=On%20an%20annual%20basis%2C%20municipalities,%C2%A71%20(AMD).%5D)

⁴<https://www.canada.ca/en/health-canada/services/health-care-system/canada-health-care-system-medicare/canada-health-act.html>

minority hires, up to a maximum equivalent to the current minimum wage of 40 hours per week. The Canadian government also makes major investments in training programs for the workforce and worker subsidy initiatives. For instance, their Summer Jobs wage subsidy offers financial support for summer employment and visas for foreign workers through the Temporary Foreign Workers Program (TFWP) allows Canadian processors to bring unlimited overseas workers during peak seasons to fill labor shortages.

Canada also utilizes infrastructure, innovation, and business operation subsidies to boost their lobster industry at the expense of the American industry. Through the Atlantic Fisheries Fund (AFF) and Quebec Fisheries Fund (QFF), Canadian fisheries receive substantial subsidies to support their infrastructure, innovation, and business operations. The AFF and QFF are financed 70% by the federal government and 30% by the provincial governments. They are managed by the Canada Department of Fisheries and Oceans (DFO), which aims to enhance opportunities and market value for sustainably sourced, high-quality fish and seafood products from Atlantic Canada. A recent announcement from the Canadian DFO indicated that it will invest over \$400 million over seven years to support Canada's fish and seafood sector. In the US, industry-based and driven science partnerships are limited and frequently funded by the industry.

Market manipulation: Canadian processors are engaging in currency arbitrage and exploiting market conditions. For instance, in the U.S., we pay roughly \$20 per hour at our processing plants. Canada pays the same \$20 per hour. Canadian processors factor the hourly wage into the production of processed lobster. They produce the product in Canada and then sell it back to the U.S. The exchange rate does not favor U.S. processors because of the strength of the U.S. dollar, which makes imports to the U.S. cheaper and exports more expensive.

Without your intervention, projections indicate that many commercial fishing operations in New England will become economically unviable within the next 30 years. This would lead to the collapse of a historic food production industry, the loss of thousands of jobs, the devastation of coastal communities that have shaped American maritime heritage for centuries, and an increased reliance on foreign food. Addressing the unequal regulatory burden and unfair Canadian fishing and trade practices aligns strongly with your executive order on restoring America's seafood competitiveness and America First Trade Policy and would ensure that American workers and businesses can compete on a level playing field.

The United States should take all necessary steps to ensure that our fishermen and processors do not face a competitive disadvantage or miss out on economic opportunities because of unequal regulatory burden and unfair fishing and trade practices by Canada. I urge you to investigate Canada's unfair trade and fishing practices and work with the American lobster industry to intervene with solutions to level the playing field.

Sincerely,



Jared F. Golden
Member of Congress