



Maine's loss is Gloucester's gain

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It may seem hard to believe, but the Massachusetts regulatory thicket covering the fishing industry is more lenient than that of Maine.

And that has led to losses in Maine that are Massachusetts' gain. Gloucester, in particular, is gaining from Maine fishermen realizing that they spend less, and can make more, if they land their catch on Cape Ann.

Maine forbids fishermen who catch lobsters along with their targeted fish species from selling those lobsters at Maine ports. In the past, that meant many Maine fishing captains would sell their lobsters in Gloucester, and then take their load of fish back to Portland.

But Maine also taxes diesel fuel while Massachusetts does not. So it became clear to boat captains, who were carrying 100 to 500 lobsters per trip, that it would make more sense just to sell their entire catch in Massachusetts. Between 2004 and 2005, the number of trips by Maine-based trawlers to Massachusetts jumped from 76 to 160, and the value of the seafood landed jumped from \$1.6 million to \$3.8 million.

One boat owner said he saved \$9,000 on fuel taxes in one year.

This has not come close to gutting the Maine lobster industry. In 2005, Maine boats sold only about 20,000 pounds of lobster in this state. The state's total harvest is 67.3 million pounds.

Still, the trend is a welcome boost to a local fishing industry where employment has dropped 22 percent since the early 1990s because of federal regulation. Following the major rule change known as Amendment 13 in 2003, Gloucester lost 49 jobs and about \$3.5 million in wages.

When the out-of-state boats arrive, the crew members buy fuel, shop in local stores, and frequently have some repairs or maintenance done.

This should be clear evidence to state and federal regulators that less regulation and lower taxes are good for business.

It also adds a few points to Massachusetts in the competition with Maine for the best fishing industry. And it means that complaints from Maine boosters may not be true - that some lobsters sold recently as "Maine lobsters" in Massachusetts were "imposter lobsters." They likely were from Maine after all.

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