

# Department of Commerce NATIONAL PRODUCTION AUTHORITY

BASIC RULES OF THE PRIORITIES SYSTEM AMENDED: By issuing NPA Reg. 2 as amended on July 17, the National Production Authority has brought up to date the basic rules of the priorities system and liberalized the provisions concerning the use of DO ratings to replace materials taken from inventory.

Section 3 (which establishes the DO rating) was revised to explain the new identification method which replaces the present two-digit program identification system. Regulation 2 as amended states that DO ratings with the new identification (one letter and one digit, or two or more letters) will take precedence over DO ratings with the old two-digit identification during the third quarter, except for 11 ratings listed in Direction 2 to CMP Regulation 3.

In addition, outstanding small orders pooled under the rating DO-99 for thirdguarter delivery automatically will be considered as converted to the new program identification, DO-Z-8.

NPA said that new program identifications will be supplied manufacturers at the Same time the manufacturers receive their authorized controlled materials allotments. For this reason, NPA explained, no list has been issued designating the new symbols or digits which will identify present two-digit D0 ratings for existing programs.

The amendment emphasizes that rated orders for manufactured items may not be extended to obtain materials for improvement, expansion, or construction; for machine tools or other capital equipment; or for maintenance, repair or operating supplies.

The regulation as amended permits a manufacturer to extend a rating to replace inventory three months after receipt of the order bearing the rating, or one month after using materials from inventory to fill the order.

6. 2-BASIC RULES OF THE PRIORITIES graph designated (b); amends the title SYSTEM of section 4; redesignates paragraphs (a) This amendment to NPA Reg. 2 is and (b) of section 4 and inserts a new

In 101 of the Defense Production Act

1950. Consultation with industry Dresentatives, including trade associ-Lon representatives, in advance of the inclered impracticable by the fact that its amendment applies to all trades and dustries.

This amendment affects NPA Reg. 2, a mended Feb. 27, 1951, as follows: It mends paragraph (d) of section 2; mends section 3 and adds a new para-

and necessary and appropriate to pro- paragraph (a); amends paragraphs (a) ble the national defense and is issued and (b) of section 5 and deletes a senrsuant to the authority granted by sec- tence in said paragraph (b); amends section 6, and paragraph (a) of section 8; amends paragraphs (a), (c), and (d) of section 9; adds subparagraph (5) to paragraph (c) of section 10; amends u-ance of this amendment has been paragraph (d) of section 10; amends sections 16 and 20; amends section 27; renumbers sections 26 and 27 and inserts a new section 27; deletes section 31; and

adds List A at the end of the regulation. As amended, NPA Reg. 2 reads as follows:

#### GENERAL

- Sec. 1. What this order does
- 2. Definitions.
- 3. Rating authorized.
- 4. When ratings may be assigned or applied.
- 5. When ratings may be extended for material.
- 6. Additional restrictions upon the use of ratings for certain materials.
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- Special provisions applicable to exten-sions; grouping of orders. 10. Rules for acceptance and rejection of
- rated orders. 11. Report to NPA of improperly rejected
- orders.
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- 14. Changes in customers' orders.
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- tion. 27. Communications.
- 28. Violations.

AUTHORITY: Sections 1 to 28 issued under 704, Pub. Law 774, 81st Cong., Pub. Law sec. 69, 82d Cong. Interpret or apply sec. 101, Pub. Law 774, 81st Cong., Pub. Law 69, 82d Cong.; sec. 101, E. O. 10161, Sept. 9, 1950, 15 F. R. 6105 3 CFR, 1950 Supp.; sec. 2, E. O. 10200, Jan. 3, 1951, 16 F. R. 61.

SECTION 1. What this order does. This order states the basic rules of the priorities system to be administered by the National Production Authority. It states what kind of orders are rated orders. how to place them, and the preference status of such orders. These rules apply to all business transactions within the jurisdiction of NPA unless more specific regulations, orders, or directives of NPA state otherwise.

SEC. 2. Definitions. (a) "Person" means any individual corporation, partnership, association, or any other organized group of persons, and includes any agency of the United States or any other government.

(b) "Materials" means any raw, inprocess, or manufactured commodity. equipment, component, accessory, part, assembly, or product of any kind. (c) "NPA" means the National Pro-

duction Authority.

(d) "Rated order" means any purchase order, contract, or other form of procurement for materials or services bearing an authorized rating and the certification required by this regulation or any other applicable regulation or order of NPA

(e) "Assignment" of a rating. A rating is assigned when NPA, or a Government agency that it has authorized, grants a person the right to use the

(f) "Application" of a rating. A rating is applied when the person to whom it is assigned uses the rating.

(g) "Extension" of a rating. A rating is extended when it is used by the person to whom it was applied or when it is further used by another person to whom it was extended.

SEC. 3. Rating authorized. (a) Only. a single rating is authorized, to be known as a "DO rating." This rating will be indicated by the prefix DO and an identification of the program, which must be furnished a supplier by the person who is using the rating. All DO rated orders

will have equal preferential status as provided in this regulation, except that (subject to contrary written directives issued by the NPA) a DO rated order with a program identification consisting of a letter and one digit (for example, DO-K 5) or consisting of two or more letters (for example, DO-SU), which calls for delivery during the third calendar quarter of 1951, takes priority over a DO rated order with a program identification consisting of two digits (for example, DO-39). A DO rated order with a program identification consisting of a letter and one digit or consisting of two or more letters constitutes a "rating with an allotment number or symbol" as referred to in CMP regulations.

(b) A DO rating shall have no effect on deliveries on orders calling for delivery of controlled materials (as defined in CMP Regulation No. 1) after September 30, 1951.

SEC. 4. When ratings may be assigned or applied. (a) A claimant agency, or other person designated by NPA, may be authorized by NPA to assign or apply a DO rating.

(b) When a regulation, order, or certificate assigns a DO rating to any person either by naming him or by describing the class of persons to which he belongs, that person may apply the DO rating to get delivery of material or the performance of certain services.

(c) No person may place rated orders for more material than he is authorized to rate even though he intends to cancel some of the orders or reduce the quantity of material ordered to the authorized amount before it is all delivered.

SEC. 5. When ratings may be extended for material. (a) When a person has received a rated order for the delivery of material, he may extend the rating to get the material which he will deliver on that order, or which will be physically incorporated in the material which he will deliver, including containers and packaging materials required to make the delivery, and including also chemicals directly used in the production of the material. If the material is to be processed, this includes the portion of it which would normally be consumed or converted into scrap or byproducts in the course of processing. However, he may not extend such a rating to get material for plant improvement, expansion, or construction, or to get machine tools or other items which he will carry as capital equipment, or to get maintenance, repair, or operating applies.

(b) If a person has made delivery of material or has incorporated it into the material which he has delivered on a rated order, he may extend the rating to replace it in his inventory subject to the inventory provisions of any NPA regulation or order. Any material ordered with a rating as replacement in inventory must be substantially the same as the material which the person delivered or incorporated in the material which he delivered, except for minor variations in size, shape, or design.

SEC. 6. Additional restrictions 1 the use of ratings for certain mater The ratings established by this reg tion shall have no effect upon delive of any of the items listed or referre in List A at the end of this regula No person shall use ratings to obtain of such items, and no person selling such items shall require a rating condition of sale. Any rating purp ing to be used to obtain any such it on a preferred basis shall be void.

SEC. 7. Use of ratings for servi (a) When a person is entitled to u rating to get processed material, he furnish the unprocessed material t processor and use the same rating to the material processed.

(b) If NPA specifically author a person to use a rating to get serv. he may use it for that purpose.

(c) Except as provided in paragra (a) and (b) of this section, no per may use a rating to get services.

(d) A person to whom a rating services, as distinct from the produc or delivery of material, has been app or extended may not extend the ra for any purpose.

SEC. 8. How to apply or extend a ing. (a) When a person applies or tends a rating, he must put the pr DO and an identification of the prog supplied to him, for example DO or DO-K2 or DO-SU on his purch order, or on a separate piece of pa attached to the order or clearly ide fying it, together with the words "Ce fied under NPA Reg. 2," signed prescribed in this section. This cer cate constitutes a representation to supplier and to NPA that the p chaser is authorized under the prosions of this regulation or CMP reg tions to use the rating for the deliv of the materials covered by the purch order. A certification under any C regulations shall be deemed to be a tification under this regulation.

(b) Certifications on purchase or livery orders must be signed by the son placing the order or by a response individual who is duly authorized to for that purpose. The signature n be either by hand or in the form rubber stamp or other facsimile re duction of a handwritten signature a facsimile signature is used, the i vidual who uses it must be duly aut ized in writing to use it for this pur by the person whose signature it is, a written record of the authoriza must be kept.

(c) When a rated order is placed telegram, the rating identification certificate must be set out in full in telegram. It will be sufficient if the copy of the telegram is signed in manner required for certification by order.

(d) On rated orders requiring ment within 7 days, the subst of the certification may be stated bally or by telephone. However, the lowing rules must be complied with

(1) The person making the statement] for the buyer must be a person duly authorized to make the certification.

(2) Both the buyer and the seller must promptly make a written record of the fact that the certification was given orally and the record must be signed by the buyer in the same way as a certification.

(e) The person who places a rated order, the individual whose signature is used, and the individual who approves the use of the signature, will each be considered to be making a representation to NPA that the statements contained in the certification are true to the best of his knowledge and belief. The person receiving the certification and any other information required to be included with it, shall be entitled to rely on it as a representation of the buyer unless he knows or has reason to believe that it is false

(f) No person shall knowingly apply or extend or purport to apply or extend a rating to any order unless he is entitled to do so. No person shall apply or extend a rating for material or services after he has received the material or after the services have been performed, and any person who receives such a rating shall not extend it.

SEC. 9. Special provisions applicable to extensions; grouping of orders. (a) No person may extend any rating to replace inventory after the expiration of 3 months from the date of receipt of the order bearing the rating, or 1 month from the date he took from inventory the material being replaced, whichever date is later.

(b) If the purchase requirements for filling a number of rated orders for different items bearing different rating identifications are combined in one purchase order, each applicable rating identification must be placed alongside the related item

(c) If the purchase requirements for filling a number of rated orders for the same material but bearing different rating identifications are combined in one purchase order, the purchase order must show the amount of such material to which a particular rating identification is extended.

(d) In the case of a manufacturer of common components or shelf items or any other person who has a number of rated orders for which he cannot place orders for minimum commercially procurable quantities of materials, to fill the rated orders individually, he may place one rated order for all the materials using the identification symbol DO-Z8 (formerly DO-99). Orders bearing the rating DO-99 and outstanding on July 17, 1951, shall have the same preferential status as though they were rated DO-Z8. However, the amounts so ordered may not exceed the total amount of the material required for the rated orders so combined.

SEC. 10. Rules for acceptance and rejection of rated orders. Every order bearing a rating must be accepted and

filled regardless of existing contracts and orders except as provided in this section. The "existing contracts and orders" referred to include not only ordinary purchase contracts but other arrangements achieving substantially the same results. though in form they may concern the use of production facilities rather than the material produced.

(a) A person must not accept a rated order for delivery on a date which would interfere with delivery of rated orders which he has already accepted, nor if delivery of the material ordered would interfere with delivery on an order which NPA has previously directed him to fill.

(b) If a person, when receiving a rated order bearing a specific delivery date, does not expect to be able to fill it by the time requested, he must not accept it for delivery at that time. He must either (1) reject the order, stating when he could fill it, or (2) accept it for delivery on the earliest date he expects to be able to deliver, informing the customer of that date. He may adopt either of these two courses, depending on his understanding of which his customer would prefer. He may not reject a rated order just because he expects to receive other rated orders in the future.

(c) A supplier does not have to accept a rated order in any of the following cases, but there must be no discrimination in such cases against rated orders or between rated orders of different customers:

(1) If the person seeking to place the order is unwilling or unable to meet regularly established prices and terms of sale or payment. When a person who has a rated order asks a supplier to quote his regularly established prices and terms of sale or payment, the supplier must do so, except that if this would require detailed engineering or accounting work, he may give his best estimate without such work and say that it is not binding. However, the supplier need not quote if he is not required to accept the rated order and advises the person seeking the quotation of the reason for his refusal.

(2) If the order is for the manufacture of a product or the performance of a service of a kind which the person to whom the order is offered has not usually made or performed, and in addition, if either (i) he cannot fill the order without substantially altering or adding to his facilities or (ii) the order can readily be performed by someone else who has usually accepted and performed such orders.

(3) If an order for material is offered to a person who produces or acquires it for his own use only, and he has not filled any orders for that material within the past 2 years. If he has filled any orders within that period, but the rated order would take more than the excess over his own needs, he may reject the order for any amount over the excess.

(4) If filling the order would stop or interrupt the supplier's operations during the next 60 days in a way which would cause a substantial loss of total production or a substantial delay in date on which the rated order is operations.

(5) If the acceptance or performance of the order would violate any other regulation or order of NPA in effect at the time such order is received.

(d) A producer need not accept a rated order from another person who produces the same product. A processor need not accept a rated order from another person who performs the same processing service.

(e) Any person who refuses to accept a rated order shall, upon written request of the person placing the order, promptly give his reasons in writing for his refusal.

SEC. 11. Report to NPA of improperly rejected orders. When a rated order is rejected in violation of this regulation, a report of the relevant facts may be filed with the National Production Authority, Washington 25, D. C., Ref: NPA Reg. 2. NPA will take such action as it considers appropriate after requiring an explanation from the person rejecting the order.

SEC. 12. Cancellation of ratings. If a rating which has been used by a person is revoked, he must immediately, in the case of each order to which he has applied such rating, either cancel the order or inform his supplier that it is no longer to be treated as a rated order. If any person receives notice from his customer of otherwise that the customer's order is no longer a rated order or that the customer's order is cancelled. he must immediately withdraw any extensions of that rating which he has made to any purchase order placed by him.

SEC. 13. Sequence of filling rated orders. (a) Every person who has rated orders on hand must schedule his operations, if possible, so as to fill each rated order by the required delivery or performance date. If this is not possible for any reason, he must give precedence to all rated orders over unrated orders.

(b) As between conflicting rated orders, precedence must be given to the order which was received first with the rating: Provided, That orders received prior to October 3, 1950, and which receive ratings prior to October 31, 1950, take precedence as of the dates on which orders were first placed. As between conflicting rated orders received on the same date, precedence must be given to the order which has the earliest required delivery or performance date.

• (c) A rated order calling for earlier delivery than a rated order already accepted must not be allowed to interfere with scheduled delivery on the first order, but if both deliveries can be made on schedule it is not necessary to produce or make delivery on the first customer's order ahead of the second.

(d) In the usual case, the date on which specifications have been furnished to the manufacturer in sufficient detail to enable him to put the product into production is to be considered the (e) If a rated order or a rating applicable to an order is cancelled when the supplier has material in production to fill it, he need not immediately stop processing in order to put other rated orders into production. He may continue to process the material which he had put into production for the cancelled order to a stage of completion which will avoid a substantial loss of total production, but he may not incorporate any material which he needs to fill any rated orders on hand. He may

not, however, delay putting other rated orders into production for more than 15 days. SEC. 14. Changes in customers' orders. (a) The general rule is that any change in a customer's rated order constitutes a cancellation of the order and must be considered as a new order received on

the date of the change, if the change will require the manufacturer to interfere with his production. For example: (1) A change in shipping destination

does not constitute the placing of a new order.

(2) An increase in the total amount ordered is a new order to the extent of the increase unless it can be filled with only a negligible interference with the filling of later rated orders.

(3) A change in the date of the delivery, whether advanced or deferred, when made by the customer, is a new rated order if it interferes with production or delays delivery on another rated order.

(4) A reduction in the total amount ordered will presumably not require a change in the manufacturer's schedule and will not constitute a new rated order. If the quantity is reduced below a minimum production quantity, the manufacturer may insist on the delivery of not less than a minimum production quantity. If the customer is not willing to order that amount, the manufacturer may reject the order. The manufacturer may not discriminate between customers in requiring delivery of minimum production amounts.

(5) When the customer directs the manufacturer to hold or suspend production without specifying a new delivery date, the rated order must be considered cancelled. If requested to do so within 10 days after receiving such an instruction, the manufacturer must reinstate the order as nearly as possible to its former place in his proposed schedule to delivery as long as the reinstatement does not cause loss of production or delay in the scheduled deliveries of other rated orders. Any request for reinstatement made after 10 days shall be treated as the placing of a new rated order.

(6) Where minor variations in size, design, capacity, etc., are requested by the customer and can be arranged by the manufacturer without interfering with his production, such changes do not constitute a new rated order.

(b) Where a change in an order constitutes a new rated order, the conditions existing at the time the change is

(e) If a rated order or a rating apicable to an order is cancelled when e supplier has material in production under the rules of this regulation.

> SEC. 15. Delivery or performance dates. (a) Every rated order must specify delivery or performance on a particular date or dates or during a particular month, which, in no case, may be earlier than required by the person placing the order. Any order which fails to comply with this requirement shall not be treated as a rated order. The words "immediately" or "as soon as possible" or other words to that effect do not meet the requirements of this paragraph.

(b) The required delivery or performance date, for purposes of determining the sequence of deliveries or performance pursuant to section 13 of this regulation, shall be the date on which delivery or performance is actually required. The person with whom the rated order is placed may assume that the required delivery or performance date is the date specified in the order or contract unless he knows either (1) that the date so specified was earlier than required at the time the order was placed, or (2) that delivery or performance by the date originally specified is no longer required by reason of any change of circumstances. A delay in the scheduled receipt of any other material which the person placing the order requires prior to or concurrently with the material ordered, shall be deemed a change of circumstances.

(c) If, after accepting a rated order which specifies the time of delivery, the person with whom it is placed finds that he cannot fill it approximately on time, he must promptly notify the customer, telling him when he expects to be able to fill the order.

SEC. 16. Mandatory orders and directives. Every person shall comply with each mandatory order and directive issued to him by the NPA. Mandatory orders and directives issued by the NPA take precedence over rated orders previously or subsequently received, unless a contrary instruction appears in the mandatory order or directive.

SEC. 17. Use or disposition of material acquired under this order. (a) Any person who gets material with a rating or through a specific authorization or a directive of NPA must, if possible, use or dispose of it (or of the product into which it has been incorporated) for the purpose for which the assistance was given. Physical segregation is not required as long as the restrictions applicable to any specific lot of material or product are observed with respect to an equivalent amount of the same material or product.

(b) The restriction in paragraph (a) of this section does not apply when a material, or a product into which it has been incorporated, can no longer be used for the purpose for which the priority assistance was given, for example, when the assistance was given to fill a particular order and the material or product does not meet the customer's specifica-

tions or the contract order is cancelled In such cases the rules on further us or disposition in paragraph (c) of this section must be observed.

(c) The holder of a material or product subject to paragraph (b) of this section may sell it as long as he complies with all requirements of other applicable section of this order and of other orders and regulations of NPA, or he may use it himself in any manner or for any purpose as long as he complies with such requirements.

SEC. 18. Delivery for unlawful purposes prohibited. No person shall deliver any material which he knows of has reason to believe will be accepted redelivered, held, or used in violation of any order or regulation of NPA.

SEC. 19. Intracompany deliveries. The provisions of this regulation apply no only to deliveries to other persons, including affiliates, and subsidiaries, but also to deliveries from one branch, division, or section of a single enterprise another branch, division, or section of the same or any other enterprise under common ownership or control.

SEC. 20. Inventory restrictions on materials acquired with a rating. The inventory restrictions described in al NPA regulations and orders (including CMP Regulation No. 2) apply to all materials subject thereto.

SEC. 21. Scope of regulations and or-ders. (a) All regulations and orders of NPA (including directions, directives and other instructions) apply to all subsequent transactions even though they are covered by contracts previously entered into. Regulations and orders apply to transactions in the territories of insular possessions of the United State unless the regulation or order specifically states that it is limited to the continental United States or to the 48 States and the District of Columbia. However, re strictions of NPA orders or regulation on the use of material or on the amoun of inventory shall not apply when the material is used or the inventory is hele directly by the Department of Defens outside the 48 States and the District o Columbia, unless otherwise specificall provided.

(b) All orders and regulations of NPA which control the sale, transfer, of delivery of any material, product, of equipment, apply to sales made by an person, whether for his own account of for the account of others, and all re strictions upon accepting delivery apply to acceptance of delivery at any type is sale, including sales made by auctioneer receivers, and trustees in bankruptoy, and in other cases where the assets of business are being liquidated.

SEC. 22. Defense against claims for damages. No person shall be held liab for damages or penalties for any defau under any contract or order which shi result directly or indirectly from compl ance with any regulation or order NPA (including any direction, direction or other instruction), notwithstanding that any such regulation or order shall thereafter be declared by judicial or other competent authority to be invalid.

SEC. 23. Records. Each person participating in any transaction covered by this regulation shall retain in his possession for at least 2 years records of receipts, deliveries, inventories, and use, in sufficient detail to permit an audit that determines for each transaction that the provisions of this regulation have been met. This does not specify any particular accounting method and does not require alteration of the system of records customarily maintained, provided such records supply an adequate basis for audit. Records may be retained in the form of microfilm or other photographic copies instead of the originals.

SEC. 24. Audit and inspection. All records required by this regulation shall be made available at the usual place of business where maintained for inspection and audit by duly authorized representatives of NPA.

SEC. 25. Reports. Persons subject to this regulation shall make such records and submit such reports to NPA as it shall require, subject to the terms of the Federal Reports Act of 1942 (5 U.S.C. 139-139F)

SEC. 26. Applications for adjustment and exception. Any person affected by this regulation may file an application for adjustment or exception upon the ground that it works an undue or exceptional hardship upon him not suffered generally by others in the same trade or industry or that its application to him would not be in the interest of the national defense or in the public interest. In examining requests for adjustment claiming that the public interest is prejudiced by the application of any provision of this regulation, consideration will be given to the requirements of the public health and safety, civilian defense, and dislocation of labor and resulting unemployment that would inpair the defense program. Applications shall be in writfiled in triplicate with NPA, ing. Washington 25, D. C., Ref: NPA Reg. 2, and shall set forth all pertinent facts, the nature of the relief sought, and the justification therefor.

SEC. 27. Communications. munications concerning this regulation All comshall be addressed to the National Production Authority, Washington 25, D. C., Ref: NPA Reg. 2.

SEC. 28. Violations. Any person who wilfully violates any provision of this regulation or any other regulation or order of NPA, or who furnishes false information or conceals any material fact n the course of operation under any such Note: All reporting and record-keeping equirements of this regulation have been approved by the Bureau of the Budget in ccordance with the Federal Reports Act of

regulation or order, is guilty of a crime and, upon conviction, may be punished by fine or imprisonment or both. In addition, administrative action may be taken against any such person to suspend his privilege of making or receiving further deliveries of materials or using facilities under priority or allocation control and to deprive him of further priorities assistance.

NPA Reg. 2 as amended shall be effective July 17, 1951.

#### NATIONAL PRODUCTION AUTHORITY.

#### MANLY FLEISCHMANN. Administrator.

#### LIST A

1. The following items are not subject to any DO ratings issued by or under the authority of NPA at the present time and therefore DO ratings shall not be effective to obtain them:

Communications services.

Crushed stone. Gravel.

- Sand.
- Scrap.

Slag. Steam heat, central.

Transportation services, other than those referred to in subdivision 2 of this list. Waste paper.

Water. Wood pulp.

2. Allocation and distribution of the items listed or referred to below are subject to regulation by other Government agencies and such items are therefore not subject to ratings issued by or under the authority However, producers of such items of NPA. are subject to NPA regulations with respect to other materials used by them.

(a) Solid fuels: 1 All forms of anthracite, bituminous, subbituminous, and lignitic coals, and coke and its byproducts,

(b) Gas and gas pipelines: 1 Natural gas, manufactured gas, and pipelines for the movement thereof.

(c) Petroleum and petroleum pipelines: 1 Crude oil, synthetic liquid fuel, their products and associated hydrocarbons, including pipelines for the movement thereof.

(d) Electric power: 1 All forms of electric power and energy.

(e) Radioisotopes, stable isotopes, source and fissionable materials<sup>2</sup>

(f) Farm equipment: 3 Domestic distribution of equipment manufactured for use on farms in connection with the production or processing of food. Such equipment includes, but is not limited to, the items listed in Schedule I of NPA Order N-55A as the same may be amended or supplemented from time to time.

(g) Fertilizer, commercial: 5 In form for distribution to users.

(h) Food, except in certain cases where used industrially: 3 In general, foods and other agricultural commodities and products are within the jurisdiction of the Depart-

<sup>1</sup> Under jurisdiction of the Department of the Interior-E. O. 10161, 15 F. R. 6105; E. O. 10200, 16 F. R. 61; DPA Del. 1, 16 F. R. 738.

<sup>2</sup> Under jurisdiction of the Atomic Energy Commission-60 Stat. 755; 42 U. S. C. et seq. <sup>3</sup> Under jurisdiction of the Department of Agriculture-E. O. 10161, 15 F. R. 6105; E. O. 10200, 16 F. R. 61; DPA Del. 1, 16 F. R. 738.

ment of Agriculture, but those which have industrial uses are within the jurisdiction of NPA when they lose their identity as food or agricultural commodities or products. The respective jurisdictions of the Depart-ment of Agriculture and NPA are described generally (and in certain cases, specifically) in an Agreement between the Production and Marketing Administration (Department of Agriculture) and NPA signed on March 30 April 13, 1951, respectively (16 F. R. and 3410), which agreement is referred to in NPA Delegation 10 of April 26 1951 (16 F. R. 3669)

The Agreement (reference to which should be made) does not attempt to list all foods and agricultural commodities and products which involve industrial uses but does cover the major items as to which there might be a question of jurisdiction. In general, the respective jurisdictions fall within the following categories:

(1) Commodities which are within the jurisdiction of the Department of Agriculture until they enter any manufacturing process which results in their being neither food nor agricultural commodities or products (certain examples of which are listed in the Agreement, such as egg products, fats, oils, grain and grain products, molasses, potatoes, spices, starches, sugar, and tartaric acid).

(2) Commodities which are within the jurisdiction of the Department of Agriculture until the point specified in the Agreement (such as cotton lint and linters, hemp, flax, fiber, skim milk for casein, wool, and mohair).

(3) Commodities which are within the exclusive jurisdiction of the Department of Aericulture (ice, naval stores, tobacco, and tobacco products).

(i) Transportation services (domestic), storage and port facilities.4

(1) Products (production and distribution) used in the petroleum industry and listed in NPA Delegation 9 (Feb. 26, 1951), as follows: 5

(1) Tetraethyl lead fluid.

(2) Petroleum cracking catalysts.

(3) Special inhibitors used in gasoline.

(4) Lubricating oil additives.

(5) Fluids and additives made especially for oil and gas drilling, and demulsifiers.

(k) Ores, minerals, concentrates, residues, and other products (until processing is completed) listed in NPA Delegation 5 (May 22. 1951)."

<sup>4</sup> Under jurisdiction of the Interstate Commerce Commission—E. O. 10161, 15 F. R. 6105; E. O. 10200, 16 F. R. 61; NPA Del. 1, 16 F. R. 738

<sup>5</sup> Under jurisdiction of the Department of Interior-NPA Delegation 9, 15 F. the 1908

"Under jurisdiction of the Department of the Interior-NPA Delegation 5, 15 F. R. 4907.

CAN RESTRICTIONS ORDER AMENDED: National Production Authority order M-25 ( was amended and brought up to date on July 1, 1951. This order establishes rest tions upon the acceptance, delivery, and uses of cans, including those made of b plate.

This amendment affects NPA Order M-25 as follows:

- ESTABLISHES QUOTAS AND LIMITATIONS ON CANS MADE WHOLLY OF BLACK PLATE.
- 2. ESTABLISHES NEW QUOTAS OF CANS WHICH MAY BE ACCEPTED AND USED BY PACKERS.
- 3. AMENDS CERTAIN MANUFACTURING AND DELIVERY PREFERENCES FOR CANS AND ESTABLISHES CERTAIN NEW PREFERENCES.
- 4. FURTHER LIMITS PRODUCTS WHICH MAY BE PACKED IN CANS BY AMENDING SCHEDULE I.
- 5. MAKES PROVISION FOR THE THIRD QUARTER OF 1951 AND SUCCEEDING QUARTERS.

Packers may use cans, beginning July 1, only for products listed in Schedul of the order, and only in accordance with the can specifications and quota limit tions set in the schedule.

Can manufacturers shall schedule their production according to the following preferences: All DO rated orders and other orders under NPA directives; product. designated with the letter "A" in Schedule I; and products designated with the letter ter "B." Most fishery products are designated by letter "A" and letter "B." Most fishery products have an unlimited or a 100 percent quota.

The full text of M-25 follows (but only fishery products are abstracted from the original Schedule I as it appears in the order):

> -2 AS AMENDE

the Defense Production Act of 1950. In der M-25, as amended May 1, 1951. the formulation of this order and certain amendments hereto, including this as follows: amendment, there has been consulta- Sec. tion with industry representatives, including trade association representatives. and consideration has been given to their recommendations. However, consulta-tion with representatives of all trades and industries affected by the issuance of this order as amended has been rendered impracticable by the fact that the amendment to this order affects a very substantial number of different trades and industries.

This amendment affects NPA Order M-25 as follows: It establishes quotas and limitations on cans made wholly of black plate; it establishes new quotas of cans which may be accepted and used by packers; it amends certain manufacturing and delivery preferences for cans and establishes certain new preferences; it further limits products which may be packed in cans by amending Schedule I; and it makes provision for the third | SECTION 1. What this order does. This

This order as amended is found neces- | quarter of 1951 and succeeding quarters. | order places restrictions upon the acceptsary and appropriate to promote the This order as hereby amended includes national defense and is issued pursuant all provisions affecting cans (as herein to authority granted by section 101 of defined) except Direction 1 to NPA Or-

As so amended NPA Order M-25 reads

- Sec. What this order does.
  - 2 Definitions.
  - Restrictions on use of cans. 8.
  - 4. Other restrictions.
- 5. Restrictions on amount of cans that may be accepted.
- 6. Restrictions on amount of cans that may be used for packing. 7. Standards for adjustments.
- 8. Manufacturing and delivery preferences. 9. Exceptions.
- 10. Certification of delivery of cans.
- 11. Applications for adjustment or exception.
- 12. Records and reports. 13. Communications.
- 14. Violations.

AUTHORITY: Sections 1 to 14 issued under sec. 704, Pub. Law 774, 81st Cong. Interpret or apply sec. 101, Pub. Law 774, 81st Cong.; sec. 101, E. O. 10161, Sept. 9, 1950, 15 F. R. 6105; 3 CFR, 1950 Supp.; sec. 2, E. O. 10200, Jan. 3, 1951, 16 F. R. 61.

ance of, the delivery of, and the uses of cans. Schedule I sets out required plat specifications which vary according to the products packed. NPA Order M-2 permits the use of tin plate and terne plate for cans in accordance with the terms of this order. NPA Order M-8 set forth specifications for solder that may be used in the manufacture of cans.

SEC, 2. Definitions. As used in this or der:

(a) "Can" means any unused con tainer made in whole or in part of the plate, terneplate, or black plate, which i suitable for packing any product. Th term includes any container which ha a closure or fitting, made in whole or in part of tin plate, terneplate, or blac plate, but does not include a glass con tainer having such a closure or fitting The term does not include fluid mil shipping containers, nor does it includ

crown closures for cone-topped cans. (b) "Tin plate" means steel sheet coated with tin, and includes "primes, "seconds," and all other forms of ti

plate, except waste and waste-waste. (c) "Terneplate" means steel sheet coated with terne metal, and include

"primes" and "seconds." The term does not include terneplate, waste-waste, or terneplate waste. "Terne metal" means the lead-tin alloy used as the coating for terneplate, but does not include lead recovered from secondary sources which contains less than 1.5 percent residual tin.

(d) "SCMT" means special coated manufacturers' terneplate.

(e) "Waste" means scrap tin plate and terroplate (including strips and circles) produced in the ordinary course of manufacturing cans, and tin plate and terneplate strips produced in the ordinary course of manufacturing tin plate and terneplate. The term also includes tin plate and terneplate parts recovered from used cans.

(f) "Waste-waste" means hot-dipped or electrolytic tin-coated steel sheets or steel sheets coated with terne metal which have been rejected during processing by the producer because of imperfections which disqualify such sheets from sale as primes or seconds.

(g) "Black plate" means steel sheets (other than tin plate or terneplate) 29-gage (128 pounds) or lighter. The term includes can manufacturing quality black plate (CMQ), "black plate rejects," chemically treated black plate (CTB), waste-waste, and waste.

(h) "Packer" means any person who either (1) purchases empty cans and fills such cans in packing any product or (2) purchases empty cans and has them filled for his account by another party, but who controls sale and distribution of the finished product after packing.

(1) "Person" means any individual, corporation, partnership, association, or any other organized group of persons, and includes any agency of the United States or any other government.

SEC. 3. Restrictions on use of cans. Subject to the exceptions set forth in section 9 of this order, no packer shall purchase, accept delivery of, or use cans for any purpose other than for packing, in accordance with the can specifications and quota limitations set out in Schedule I appearing at the end of this order, a product listed in Schedule I.

SEC. 4. Other restrictions. No person shall manufacture, sell, or deliver cans which he knows or has reason to believe will be accepted or used in violation of the terms of this order or any other order or regulation of the National Production Authority (hereinafter called "NPA"). No person shall sell or deliver cans which he knows or has reason to believe will be exported outside of the continental limits of the United States, its territories and possessions (unless such export is to Canada), except as permitted under paragraph (h) of section 9 of this order.

SEC. 5. Restrictions on amount of cans that may be accepted. No person shall accept delivery of any cans at a time when his inventory thereof exceeds, or by acceptance of such delivery would be made to exceed, a practicable minimum working inventory (as defined in § 10.4 of NPA Reg. 1) of cans required by him for packing products listed in Schedule I of this order in accordance with the quota and material limitations set forth in Schedule I.

SEC. 6. Restrictions on amount of cans that may be used for packing. (a) This order, by previous amendments, required a packer, commencing with the second quarter of 1951, to choose as his base year either the calendar year 1949 or the calendar year 1950. Such requirement continues to apply to all packers. Any packer who has so chosen his base year for computing his permissible can quotas for a calendar quarter, and any packer who has not heretofore chosen but hereafter chooses a base year for such purpose, must predicate all computations required by paragraph (b) of this section, for the third calendar quarter of 1951 and succeeding quarters, on his base year so chosen.

(b) Commencing with the third calendar quarter of the year 1951 and each succeeding calendar quarter thereafter, until otherwise ordered by NPA, no packer may use cans for packing any particular product listed in Schedule I of this order in excess of an amount of cans determined by applying the percentage listed in Column (3) of Schedule I opposite a particular product to the amount of cans which he used for packing that particular product during the corresponding quarter of his selected base year. "The amount of cans," as the phrase is used in the preceding sentence and elsewhere in this order when applied to the corresponding quarter of his base year, means the total area of tin plate, terneplate, and black plate used in the manufacture of such cans. Where the word "unlimited" appears in Column (3) of Schedule I opposite a particular product, a packer may use the specified cans in an unlimited quantity to pack that particular product, subject to the inventory restriction contained in sec-tion 5 of this order. If a packer used less than the limited amount of cans permitted for packing a particular product during the first or second quarters of 1951, he may use the unused amount for packing that particular product at any time during the balance of the calendar year 1951. If a packer uses less than the limited amount of cans permitted for packing a particular product during the third calendar quarter of 1951, he may use the unused amount for packing that particular product during the balance of the calendar year 1951. No packer may assign, transfer, or surrender, to or for the benefit of any other person, his permissible can quota for any calendar quarter or any part or parts of such quota.

(c) In certain instances Column (3) of Schedule I of this order authorizes one quota if a particultar product is packed in cans of larger size or sizes and a different quota if such product is packed in cans of smaller size or sizes. In such instances, the packer's base period usage for packing that product in cans of larger size or sizes determines his permitted

larger size or sizes during the third quarter of 1951 and thereafter, and his baseperiod usage for packing such product in cans of smaller size or sizes determines his permitted base for packing such product in such smaller size or sizes during the third quarter of 1951 and thereafter. In any such instance, a packer. for packing such product, may increase his permitted base of cans of a larger size or sizes by that area of tin plate, terneplate, and black plate by which he decreases his permitted base of cans of a smaller size or sizes for packing such product, but he may not increase his permitted base of cans of a smaller size or sizes for packing such product by decreasing the area of tin plate, terneplate, and black plate used by him for cans of a larger size or sizes for packing such product.

SEC. 7. Standards for adjustments. In any case where the provisions of section 6 of this order may be subject to adjustment because of any of the reasons set forth in Direction 1 to NPA Order M-25, as amended May 1, 1951, or as from time to time hereafter amended, determinations of adjustments may be made by the packer in accordance with the standards and subject to the conditions stated in said Direction 1.

SEC. 8. Manufacturing and delivery preferences. (a) So far as practicable, every can manufacturer shall schedule his operations (including his ordering of tin plate, terneplate, and black plate) so as to permit delivery of cans in the quantities and at the times he reasonably anticipates will be required. Where he is unable to schedule all orders for cans for delivery at the times required, he shall schedule his operations and select the orders to be placed in his production schedule according to the following preferences:

(1) All DO rated orders and any other orders under NPA directives;

(2) Requirements for cans to pack products designated with the letter A in column (2) of Schedule I;

(3) Requirements for cans to pack products designated with the letter B in Column (2) of Schedule I.

(b) A can manufacturer must not fill orders for cans with preference B designations if by doing so he will make himself unable to meet deliveries which he reasonably anticipates will be required for cans with preference A designation. If, after filling all reasonably anticipated requirements for cans with preference A designations, a can manufacturer is unable to fill all his requirements for cans with preference B designations, he must equally distribute such shortage against all requirements for cans with preference B designations.

SEC. 9. Exceptions. (a) The can material specifications set out in Schedule I of this order do not apply to the use of any cans which were in the inventory of a packer or in the inventory of a can manufacturer or in process of manufac-

ture on January 27, 1951, or to tin plate or terneplate which was either in process at a tin mill, or in the inventory of a tin mill for the account of a can manufacturer, or in the inventory of a can manufacturer on January 27, 1951. It is the intent of this section that any tin plate or terneplate intended for use in the manufacture of cans in inventory or in process on January 27, 1951, as aforesaid, shall be used notwithstanding the can material specifications of this order. However, the restrictions of section 6 of this order are not excepted by this paragraph.

(b) Any person who purchases cans for packing and not for resale and whose total use of cans for packing all products in any calendar year requires less than 250 base boxes of tin plate, terneplate, and black plate shall be exempt from the use limitations of section 6 of this order but not from the can material specifications of Schedule I. This exemption does not apply to any person who buys empty cans or parts thereof and sells such cans or parts thereof to a packer.

(c) The use limitations of section 6 of this order and the can material specifications in Schedule I do not apply to cans used to pack any product in home canning, community canning, or institutional (meaning such institutions as prisons, reform schools, and insane asylums) canning where the product is not to be sold. This exemption also applies to cans for packing laboratory samples and control samples, but not to cans for packing samples distributed for the purpose of advertising or for promoting the sale of a product, nor to any cans used for packing products which are later repacked and sold.

(d) Orders having a DO rating are exempt from the restrictions in sections 5 and 6 of this order on the amount of cans that may be accepted and used.

(e) The use of cans for packing any product which is required to be packed in cans, set aside and reserved for purchase by any authorized Government agency is exempt from the use limitations of this order, but not from the can material specifications in Schedule I: Provided, however, That if the can material specifications of Schedule I require that any product be packed in cans made in whole or in part of 0.25 tin plate, any No. 10 cans and any part or parts thereof, used for packing any such product or products which are so reserved and set aside, may be made of 0.50 tin plate.

(f) The can material specifications set out in Schedule I of this order shall not apply to orders having a DO rating requiring the packing of products in accordance with Military Specifications of the Department of Defense for use outside the 48 States of the United States and the District of Columbia by the Armed Forces of the United States, including the United States Coast Guard. The can material specifications set out in Schedule I shall apply, however, to all other orders having a DO rating.

not apply to military requirements for cans of a special design or style not normally produced or used commercially, nor to cans for emergency rations and supplies for lifeboats.

(h) The provisions of this order shall not apply to the sale or delivery of cans where the person selling or delivering the same has received a validated export license therefor from the Office of International Trade, or has received from another person a certificate signed manually. This certificate shall be by letter in substantially the following form, the inapplicable words stricken therefrom, and shall be filed with each purchase order with the person selling or delivering to such other person cans for export:

Seller: To

The undersigned purchaser certifies, subject to criminal penalties for misrepresentation, that (he has received a certification from another person that) the Office of International Trade has issued to (him) (such other person) validated export license No. for export shipment of all of the items included in the attached purchase order, and that all purchases from you of items included in the said purchase order and the acceptance of the same will be in compliance with the said validated export license.

In cases of export to those countries where the Office of International Trade does not require an export license, no certificate shall be required until such time as an export license is required by the Office of International Trade.

SEC. 10. Certification of delivery of cans. No manufacturer, jobber, or distributor shall sell or deliver cans unless he has received from the purchaser a certificate signed manually. This certifi-cate shall be by letter in substantially the following form and, once filed by a purchaser with a manufacturer, jobber. or distributor, covers all future deliveries of cans from the manufacturer, jobber, or distributor to that purchaser:

----, manufacturer, jobber, or distributor:

The undersigned purchaser certifies, subject to criminal penalties for misrepresenta-tion, that he is familiar with Order M-25 of the National Production Authority, and that all purchases from you of items regulated by that order, and the acceptance and use of the same by the undersigned, will be in compliance with said order, and any amendments thereto.

SEC. 11. Applications for adjustment or exception. Any person affected by any provision of this order may file a request for adjustment or exception upon the ground that his business operation was commenced during or after the base period, that any provision otherwise works an undue or exceptional hardship upon him not suffered generally by others in the same trade or industry, or that its enforcement against him would not be in the interest of the national defense or in the public interest: In examining requests for adjustment claiming that the public interest is prejudiced by the application of any provision of this order. consideration will be given to the re-(g) The restrictions of this order shall quirements of the public health and safety, civilian defense, and dislocatio of labor and resulting unemployment that would impair the defense program Each request shall be in writing, sut mitted on Form NPAF-38 in triplicat and shall set forth all pertinent facts an the nature of the relief sought, and sha state the justification therefor. For NPAF-38 must be executed as therei required.

SEC. 12. Records and reports. (a Each person participating in any trans action covered by this order shall retain in his possession for at least 2 years rec ords of receipts, deliveries, inventories and use, in sufficient detail to permit an audit that determines for each transac tion that the provisions of this orde have been met. This does not specify any particular accounting method and does not require alteration of the sys tem of records customarily maintained provided such records supply an ade quate basis for audit. Records may be retained in the form of microfilm of other photographic copies instead of the originals.

(b) All records required by this order shall be made available at the usual place of business where maintained for inspection and audit by duly authorized representatives of NPA.

(c) Persons subject to this order shall make such records and submit such reports to NPA as it shall require, subject to the terms of the Federal Reports Act of 1942 (5 U.S. C. 139-139F).

SEC. 13. Communications. All communications concerning this order shall be addressed to the National Production Authority, Containers and Packaging Division, Washington 25, D. C., Ref: M-25,

SEC. ,14. Violations. Any person who willfully violates any provision of this order or any other order or regulation of NPA or who wilfully conceals a material fact or furnishes false information in the course of operation under this order is guilty of a crime and, upon conviction may be punished by fine or imprisonmen or both. In addition, administrative action may be taken against any such person to suspend his privilege of making 0 receiving further deliveries of material or using facilities under priority or allo cation control and to deprive him of fur ther priorities assistance.

NOTE: All reporting and record-keeping re quirements of this order have been approve by the Bureau of the Budget in accordance with the Federal Reports Act of 1942.

Schedule I is hereto attached an made a part of this order.

This order as amended shall take effec on July 1, 1951.

NATIONAL PRODUCTION AUTHORITY,

MANLY FLEISCHMANN, Administrator.

#### SCHEDULE I-CAN SPECIFICATIONS

Columns 4 and 5 specify the weight of tin-coating per base box of tin plate and terneplate which may be used for the parts of cans for the products listed in Column (1). Any packer may also use for packing a listed product black plate cans or cans with a tin-coating lighter than that specified for that product. Wherever 0.25 pound electrolytic tin plate is specified, SCMT may be used. Tin plate menders arising in the production of electrolytic tin plate may be used only where hot-dipped tin plate is permitted in this schedule. When only a figure is given in Columns (4) and (5), this means that tin plate may be used for the part, and the figure given indicates the maximum weight of tin-coating on each base box of plate. Electrolytic 0.25 pound tin plate may be used in place of black plate in that part of a can which, after filling, is required to be artached by soldering: Provided, however, That the total area of 0.25 pound electrolytic tin plate used in such parts is limited to not more than the total area of plate used in such parts for packing a particular product during the corresponding period of 1949 or 1950.

Sauth bas lot II Coverses ( atte			Can materials		
Product	Prefer- ence	Quota	Soldered or welded parts	Non- soldered parts	
(1)	(2)	(3)	(4)	(5)	
Fish and shellfish		1.1.1		-	
Abaione	В	70 percent			
, Alewives	AB	Unlimited	. 25		
Caviar Chowder, all varieties	B	Unlimited     70 percent     100 percent	. 25		
Inside enameled cans			. 25		
Plain body cans			1.25		
Clam juice	в	100 percent	. 25	-17 T. A	
Other sizes	B	70 percent			
Olams, processed Codfish, salted, dry Crab and crabmeat	B	100 percent	- 25 1		
Codfish, salted, dry	В	70 percent	25 25 25		
Deviled	В	100 percent	. 25		
Processed	A	Unlimited			
Crawfish	B	100 percent 70 percent 100 percent	, 25		
Eels.	B	70 percent	. 25	a cur ê	
Finnan haddie Round cans	D	100 percent	. 25		
Drawn cans			. 50		
Fish and seafood, frozen or refrigerated	B	100 percent	. 25		
Fishballs and cakes	B	100 percent	. 25		
. Fish flakes and ground fish for human consumption only, ex- cluding tuna flakes.	• B	100 percent	. 25		
). Fish frankfurters	В	100 percent	. 25		
I. Fish livers	В	100 percent			
In reusable 5-gallon square cans			1.25	1.	
In nonreusable 5-gallon square cans and smaller size cans.	B	100 percent 100 percent 70 percent Unlimited	. 50	:	
2. Fish oil	B	100 percent	. 50 . 25		
Fish paste. Fish paste. In round double-seamed cans	B	70 percent	1.50	1.	
5. Fish roe	A	Unlimited			
In round double-seamed cans			- 20	.00.	
In oval drawn cans	В	70 percent	.25		
<ol> <li>Herring, in oll or brine (including sardines, pilchards, mack- erel, and anchovies) (1.25 tinplate may be used for scored covers).</li> </ol>	Ã	Unlimited			
Round cans ¼ drawn cans			.25		
34 3-piece cans			. 50		
Oval or oblong drawn (other than ¼ drawn)			. 50 .		
<ul> <li><sup>24</sup> Grawn cans.</li> <li><sup>34</sup> 3-piece cans.</li> <li>Oval or oblong drawn (other than ¼ drawn).</li> <li>8. Herring in tomato or mustard sauce (including sardines, pilchards, mackerel, and anchovies in oval, round, oblong, or drawn cans) (1.25 tin plate may be used for scored covers).</li> <li>8. Lobster, processed or Newberg.</li> </ul>	A	Unlimited	. 50		
9. Lobster, processed or Newberg	B	100 percent	. 25	:	
0. Menhaden	B	100 percent	95		
2. Mussels, processed	B	100 percent	. 25		
2. Mussels, processed	B	100 percent	1 40		
4. Salmon In round double-seamed cans	A	Unlimited	1. 25		
In oval or drawn cans			. 50		
5. Scallops, processed	В	100 percent	. 25		
5. Shad	A	Unlimited	. 25	*********	
In round double-seamed cans			. 50		
In oval or drawn cans	A	Unlimited	. 25		
S. Squid	A B	100 percent			
Enameled cans			. 25		
Plain bodies	A	Unlimited	. 25		
9. Tuna, including tuna flakes 9. Turtle	B	100 percent	. 25		
			ALL AND DESCRIPTION		
Miscellaneous food products		A	Contract of		
Animal and pet food	В	70 percent	. 25		
baby lood	Α	Unlimited			
Fish			. 50		
<ul> <li>Chinese food specialties.</li> <li>Chow mein.</li> <li>Chop suey.</li> </ul>	В	75 percent	1.25	L .bri	
Erg foo yong.			941 C		
a state of the state					
o. Soups, liquid:			. 50	.5	
5. Soups, liquid:					
6. Soups, liquid: All other seasonal Nonseasonal	в	100 percent			
All other seasonal	в	100 percent	.75 CMQ	CMQ	

ar to be. Means that apply by historical and the		The same	Can m	aterials
Product	Prefer- ence	Quota	Soldered or welded parts	Non- soldered parts
(1)	(2)	(3)	(4)	(5)
Nonfood products 276. Oils (industrial):				
Animal of fish or vegetable     Arguing of the or vegetable     All other sizes			. 50	. 50
293. All other nonfood products		90 percent	CMQ	CMQ

CANNING INDUSTRY COMPLIANCE SURVEY IN PROGRESS: The start of a five-week survey of the canning industry's compliance with NPA orders and regulations was annound by the National Production Authority on July 18.

\* \* \* \* \*

The survey will cover business operations for the first half of 1951 of about 350 packers and distributors of canned fruits, vegetables, fish, meat, and other food and nonfood products--a representative group of large, medium, and small companies geographically scattered throughout the United States.

Federal Trade Commission investigators will conduct the survey under NPA's direction. The survey is being made to determine the canning industry's understandin of the compliance with NPA Order M-25 and Regulations 2 and 4.

Order M-25, issued Jan. 27, 1951, restricts the use of cans made of tin plate and terneplate and provides specifications for their production. The order was issued to conserve tin for national defense requirements.

Regulation 2, issued Oct. 3, 1950, set up the basic rules for NPA's priority system to assure preference for defense and defense-supporting production. Regulation 4, issued Feb. 27, 1951, authorized the use of a DO-priority rating for procurement of maintenance, repair, and operating supplies.

These points will be emphasized in the canning industry compliance survey: (1) inventory position; (2) use of materials; (3) certifications for delivery of cans; (4) applications for adjustment or exception; (5) treatment of DO-rated orders; and (6) record-keeping as required by NPA orders and regulations.

The canning industry survey will be NPA's fourth major compliance study. Other surveys covered 330 representative aluminum companies; 345 representative producers of copper and copper-base alloy products; and the use of DO-priority ratings for MRO supplies by 900 representative companies in a cross-section of the nation's industries and trades.

The surveys have indicated that U. S. industry's compliance with NPA orders and regulations is "generally good," NPA officials reported. The agency is now investigating individual cases of noncompliance. Where companies failed to comply with NPA orders and regulations because of misunderstanding, the agency is instruct ing company executives in proper compliance with orders. Where deliberate violations are uncovered, NPA is referring the cases to the Department of Justice for prosecution. FOOD CONTAINER PAPERBOARD SET-ASIDE ORDERED: Manufacturers of special paperboard, used in making food containers, were instructed to set aside five percent of their monthly production for Government use by the National Production Authority on June 20. At the same time producers of cardboard were ordered to reserve 10 percent of their output each month for the same purpose.

The action, taken by amending NPA Order M-36, adds these two categories to List B of the order, which previously had established set-aside percentages for five other types of paper.

The purpose of the set-aside action, NPA explained, is to assure a sufficient supply of paperboard and cardboard for essential Government use and to provide equitable distribution of Government orders to all producers. By letting producers know the Government's requirements in advance, NPA thus will enable producers to plan distribution to their other customers.

Food paper board is used in making food containers, such as hot drink cups, milk containers, plates, dishes, frozen food containers, and trays.

Use of each of these two grades has increased to such an extent that the setaside requirement was ordered to make sure that essential needs are met first, NPA said.

NPA pointed out that it may vary the set-aside percentages from month to month as Government needs rise or fall.

For details see: NPA Order M-36 as amended, dated June 20, 1951.

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"<u>COMPLIANCE COURT</u>" <u>CREATED</u>: Creation of a "compliance court" to be composed of eminent jurists as commissioners to hear and act on charges of violations of NPA orders and regulations was announced by that agency on July 26.

NPA's compliance and enforcement program functions in this manner:

Alleged violations of NPA orders and regulations are investigated by the agency's Compliance Division. When the facts are determined, the NPA General Counsel refers appropriate cases to the Department of Justice for criminal prosecution or injunctive proceedings.

Other charges of violations will be referred to a Hearing Commissioner appointed by the NPA Administrator. Commissioners will be recruited from the ranks of the Nation's active and retired judges, law school deans and professors, and leading Practicing attorneys to act on specific cases.

The commissioners will hear cases in the communities where alleged violations Occur. Hearings will be open to the public. If necessary, a Hearing Commissioner will issue a suspension order to: (1) withdraw or withhold priority assistance from a company; (2) withdraw or withhold allocations or allotments of materials or facilities; or (3) prohibit a company to use certain materials or facilities.

If a Hearing Commissioner finds that facts presented by the NPA General Counsel do not constitute a violation of NPA orders or regulations, he will issue an order closing the case. The following safeguards are provided to companies charged with violation of NPA orders and regulations:

- 1. THE RIGHT TO BE HEARD, INCLUDING THE RIGHT TO COMPEL ATTEND-ANCE OF WITNESSES.
  - 2. THE RIGHT TO AN IMPARTIAL JUDGE.
  - 3. THE RIGHT TO EXAMINE ADVERSE WITNESSES.
    - 4. THE RIGHT TO THE PRESUMPTION OF INNOCENCE.
    - 5. THE RIGHT TO DUE PROCESS IN THE CONDUCT OF THE HEARING.
    - 6. THE RIGHT OF APPEAL.

Companies may appeal a Hearing Commissioner's suspension order to an NPA Appellate Commissioner in Washington. Pending disposition of the appeal, the Chief Hearing Commissioner may stay the suspension order.

## OFFICE OF INTERNATIONAL TRADE

EXPORTS OF CERTAIN NONWAR VESSELS UNDER JURISDICTION OF MARITIME ADMINISTRATION: Beginning June 14, control over exports of certain nonwar vessels, previously exercised by the Office of International Trade (OIT) of the U.S. Department of Commerce, will be under the exclusive jurisdiction of the U.S. Maritime Administration. Jurisdiction over exports of vessels of war remains in the Department of State, a June 14 news release from the Office of International Trade announced.

The nonwar vessels affected by this action are: tankers, and whaling factories; all merchant vessels and watercraft, including hulls, for commercial and industrial purposes, 18 feet in length or over; and all pleasure watercraft 18 feet in length or over. Authority to export such vessels will now be granted by the Maritime Administration instead of by OIT. However, export of parts for both merchant vessels and pleasure craft remains subject to licensing by OIT.

This action has been taken by direction of the Secretary of Commerce as a result of the President's proclamation of a state of national emergency on December 16, 1950, which brought into effect Section 37 of the Shipping Act of 1916.

Under the Shipping Act, more extensive jurisdiction over transfers to alien ownership and registry of all vessels is placed with the Maritime Administration in a state of emergency. This applies to all vessels owned in whole or in part by a citizen of the United States or a corporation organized under the laws of the United States, or of any U. S. state, territory, district, or possession, whether or not such vessel is documented or undocumented, or under foreign registry and flag.

Except in times of emergency, the Shipping Act does not completely cover transfers of all vessels. In 1949, when it became necessary to control exports of all vessels to protect national security, OIT exercised jurisdiction, under the Export Control Act of 1949, over all transfers of vessels not covered by authority of the U. S. Maritime Commission, which has been succeeded by the Maritime Administration, or the Department of State.



# QUARTERMASTER CORPS

CANNED SALMON CONTRACTS SUBJECT TO RENEGOTIATION ACT OF 1951: Contracts for canned salmon made by the Department of Defense are subject to the Renegotiation Act of 1951, according to a letter from the Legal Office of the Oakland Quartermaster Procurement Agency.

During a meeting of the Canned Salmon Industry advisory Committee in Seattle on May 15, some discussion arose as to the applicability of the Renegotiation Act of 1951 to the Defense Departments' contracts for canned salmon. A request for an interpretation by the Defense Fisheries Administration of the Department of the Interior brought the following reply:

- "IN RESPONSE TO YOUR REQUEST MADE TO MAJOR R. L. HOFF OF THIS AGENCY THAT YOU BE PROVIDED WITH AN INTERPRETATION OF THE APPLICABILITY OF THE RE-NEGOTIATION ACT OF 1951 TO DEFENSE CONTRACTS FOR CANNED SALMON, THE FOL-LOWING IS TRANSMITTED FOR YOUR PERUSAL:
  - 'ALL CONTRACTS ENTERED INTO BY THE DEPARTMENT OF THE ARMY, OF WHICH THIS AGENCY IS A PART, ARE SUBJECT TO RENEGOTIATION UNDER THE RENEGOTIATION ACT OF 1951 UNLESS SPECIFICALLY EX-EMPTED BY THE ACT ITSELF.
  - CONTRACTS WITHIN THE CLASS DESCRIBED BY THE ACT WILL NOT BE RENEGOTIATED UNLESS THE AGGREGATE ACCRUALS DERIVED THEREFROM BY A MANUFACTURER OR REGULAR DEALER EXCEED \$250,000.00 FOR A FISCAL YEAR.
  - SECTION 106 (2) OF THE ACT PROVIDES A MANDATORY EXEMPTION FROM RENEGOTIATION OF ALL CONTRACTS FOR THE PURCHASE OF AN AGRICUL-TURAL COMMODITY IN ITS RAW OR NATURAL STATE, OR IF THE COM-. MODITY HAS NO ESTABLISHED MARKET IN THAT STATE, THEN IN THE FIRST FORM OR STATE, BEYOND THE RAW OR NATURAL STATE, IN WHICH IT IS CUSTOMARILY SOLD OR HAS AN ESTABLISHED MARKET.
  - SALMON AS FISH IS DEFINED AS AN AGRICULTURAL COMMODITY WITHIN THE TERMS OF THIS EXEMPTION. HOWEVER, CANNED SALMON IS NOT THE FIRST FORM OR STATE IN WHICH THIS COMMODITY IS CUSTOMARILY SOLD OR HAS AN ESTABLISHED MARKET. RAW OR FRESH SALMON HAS AN ESTABLISHED RETAIL MARKET. THEREFORE, THE EXEMPTION SET FORTH IN SECTION 106(2) OF THE ACT DOES NOT APPLY TO CONTRACTS FOR THE PURCHASE OF CANNED SALMON, SUCH CONTRACTS BEING SUBJECT TO THE RENEGOTIATION ACT OF 1951.
- "WE TRUST THIS ADEQUATELY COVERS THE POINT RAISED BY YOU IN YOUR REQUEST TO MAJOR R. L. HOFF., ANY ADDITIONAL CLARIFICATION MAY BE OBTAINED UPON YOUR SPECIFIC REQUEST."

VERY TRULY YOURS /SGD/ F. E. MCGUIRE CHIEF, LEGAL OFFICE OAKLAND QM PROCUREMENT AGENCY U. S. ARMY OAKLAND ARMY BASE OAKLAND 14, CALIFORNIA

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## Defense Production Administration

CLAIMANT AGENCIES DESIGNATED: Government agencies which will be responsible to the Defense Production Administration (DPA) for estimating basic material recui ments of various segments of the nation's economy were announced by that agency in the Federal Register of May 24, which also was the effective date.

Among the claimant agencies designated by DPA Administration Order 1 are the following of interest to the fishery and allied industries:

- THE SECRETARY OF AGRICULTURE WITH RESPECT TO (A) FARM PRODUCTION. (B) FARM CONSTRUCTION, AND (C) FOOD PROCESSING AND DISTRIBUTION WITHIN THE LIMITS OF THE MEMORANDUM OF AGREEMENT BETWEEN THE ADMINISTRATOR OF THE PRODUCTION AND MARKETING ADMINISTRATION AND THE ADMINISTRATOR OF THE NATIONAL PRODUC-TION AUTHORITY ...
- "THE SECRETARY OF COMMERCE WITH RESPECT TO (A) MARITIME ADMINISTRATION PRO-GRAMS FOR COASTWISE, INTERCOASTAL, AND OVERSEAS SHIPPING, AND MERCHANT SHIP CONSTRUCTION AND REPAIR...
- "THE DIRECTOR OF THE OFFICE OF INTERNATIONAL TRADE (DEPARTMENT OF COMMERCE) WITH RESPECT TO ALL EXPORTS NOT ELSEWHERE DESIGNATED ...

The various claimant agencies are required to provide estimated delivery schedules by quarters for selected products for each program, and the amounts of basic materials which will be needed during the next 12 months in order to carry out the proposed levels of production, a DPA news release states.

These claimant agencies are to submit program recommendations to the DPA Office of Program and Requirements where they will be reviewed and further adjustments made if necessary to keep the supply and demand in balance.

1/ SEE COMMERCIAL FISHERIES REVIEW, NOVEMBER 1950, PP. 82-3.



# Economic Stabilization Agency

OFFICE OF PRICE STABILIZATION

PRICE ROLLBACKS PROHIBITED BY CONCRESS DURING DEFENSE ACT EXTENSION: The temporary extension of the Defense Production Act by Congress on June 29 (H. J. Res. 278 signed by the President on June 30) limited the power of the Office of Price Stabilization to institute price rollbacks during the extension period.

The termorary extension accomplishes the following:

- EXTENDS THE EXPIRATION DATE OF THE PRINCIPAL CONTROL POWERS UNDER THE DEFENSE PRODUCTION ACT, INCLUDING THE AUTHORITY FOR PRICE AND WAGE STABILIZATION, TO JULY 31, 1951.
- PROHIBITS OPS FROM PUTTING INTO EFFECT, OR ALLOWING TO BECOME EFFEC-TIVE, ANY PRICE CEILING ON ANY MATERIAL OR PRODUCT LOWER THAN THE 2. CEILING PRICE IN EFFECT FOR THAT MATERIAL OR PRODUCT ON JUNE 30. 1951.
- 3. PROHIBITS THE APPLICATION OF PRICE CEILINGS TO ANY MATERIALS OR SERV-ICES NOT PRESENTLY SUBJECT TO PRICE CONTROL, EXCEPT THAT CEILINGS MAY BE PLACED ON AGRICULTURAL COMMODITIES NOW SELLING BELOW PARITY WHENEVER SUCH COMMODITIES REACH THE PARITY LEVEL.

MISCELLANEOUS AMENDMENTS TO CPR 22: Amendment 10 to CPR 22-Manufacturers' General Ceiling Price Regulation -- was issued on June 19 by the Office of Price Stabilization. This amendment clarifies the language of CPR 22, provides new optional methods for determining material costs, and permits unemployment insurance payments to be reflected in labor cost calculations.

This amendment permits the manufacturer to add to his recomputed payroll his increased cost between the end of his base period and March 15, 1951, due to required payments under the Federal Insurance Contributions Act, the Federal Unemployment Tax Act, and any state or local unemployment compensation law. The amount of these payments is directly affected by an increase in wage rates and it was the original intent of the regulation to permit manufacturers to reflect such increases.

In addition, the treatment of retroactive wage increases is clarified by this amendment which provides that any wage increase or "fringe benefit" granted or determined after March 15, 1951, even though granted or determined prior to April 25. 1951 (the date of the issuance of Ceiling Price Regulation 22) and retroactive to March 15, 1951, or any prior date, and pursuant to a contract in effect on March 15, 1951, is not be to included in the "labor cost adjustment." The regulation has been interpreted in this manner before the issuance of this amendment by Interpretation 5 of CPR 22.

This amendment also provides, among other things, three additional optional methods for determining the cost of a manufacturing material as of the dates prescribed by CPR 22.

\* \* \* \* \*

ALL FISHERY PRODUCTS EXCEPT CANNED EXEMPTED FROM CPR 22: All salmon and salmon products in any form, and all other fish, shellfish, and seafood and products thereof except when sterilized in hermetically sealed containers, are excluded from the Manufacturers' General Ceiling Price Regulation, CPR 22, the Office of Price Stabilization announced on June 29. This exemption was established by Amendment 13 (Exemption of Fish and Related Commodities) and CPR 22.

Salmon and salmon products are excluded because a tailored regulation covering these products will be issued shortly.

Other products covered by the amendment, effective June 29, are specifically defined to clarify confusion in the trade as to when fish is and is not considered a manufactured product under CPR 22.

Fresh fish and seafood, and frozen fish and seafood, unless combined with other commodities, are not subject to price control. Processed fish and seafood other than sterilized hermetically sealed products, such as dried, salted, and pickled fish in jars or buckets, are controlled under the General Ceiling Price Regulation, GCPR.

Aact of 1950 (Pub. Law 774, 81st Cong.), Executive Order 10161 (15 F. R. 6105), and Economic Stabilization Agency A\_mendment 13 to Ceiling Price Regulatillon 22 is hereby issued.

STATEMENT OF CONSIDERATIONS

poses of CPR 22. Consequently, many in the fish industry have not been able General Order No. 2 (16 F. R. 738), this their ceiling prices are to be calculated to determine definitely whether or not under CPR 22. To clarify matters, Appendix A is here amended to state specifically what types of fish and related There has been some confusion in the trade as to when fish is and is not con-

Pursuant to the Defense Production [sidered a manufactured product for pur- ] of are excluded from CPR 22, except fish, shellfish, seafood, or products thereof which have been sterilized in hermetically sealed containers. Canned salmon, however, is excluded at this time from coverage by CPR 22 because a tailored regulation covering this product will be issued in the near future.

AMENDATORY PROVISIONS

Subparagraph (24) is added to para-

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follows:	food, and the products thereof, except when sterilized in hermetically sealed containers.	become effective June 29, 1951. MICHAEL V. DISALLE
(24) All salmon and salmon products, in any form; and all other fish, shellfish, sea-	(Sec. 704, Pub. Law 774, 81st Cong.) Effective date. This amendment shall	Director of Price Stabilizati

<u>CANNED SALMON CEILING PRICES ESTABLISHED</u>: Specific dollars and cents ceiling prices for sales by canners of the 1951 pack of canned salmon have been established by the Office of Price Stabilization at generally lower levels than General Ceiling Price Regulation ceilings, that agency announced August 1. These prices are contained in CPR 65--Ceiling Prices for Canned Salmon.

OPS explained that while the new ceilings allow for increased costs over 1949, the base year used in determining the prices, they are lower than post-Korea becaus GCPR froze prices of canned salmon at abnormal highs.

The new ceilings have been established by adding to the prices which canners received for the bulk of the 1949 pack certain increased unit costs incurred since then.

OPS said these cost elements, which include canning labor, raw fish, packing materials, freight, and warehousing, account for a substantial part of the total cost of canned salmon.

The established ceilings for three items which represent more than 50 percent of the total pack range from \$19 for a case of 48 one-pound tall cans of chum salmon, to \$21 a case for pink salmon and \$29 for Alaska reds in one-pound tall cans.

Ceilings for some other items which represent smaller proportions of the pack range from \$18 a case for 48 half-pound flat cans of Alaska reds to \$21 for a case of half-pound flat cans of Columbia River Chinook fancy.

These ceiling prices are f.o.b. car at Seattle, Everett, and Bellingham, Wash. and Astoria, Oregon, for salmon canned in Alaska and f.o.b. car at the shipping point nearest the cannery for salmon canned in the continental United States.

Wholesale and retail ceilings are established under the grocery regulations, CPR 14, 15, and 16 which permit specified markups.

OPS said the effect of the salmon regulation on retail prices would be a reduction in ceilings of about five to eight percent.

The salmon ceiling price regulation (CPR 65), issued July 31, 1951, and effective August 8, 1951, establishes prices only for the 1951 pack and the small carryover from 1950.

OPS said should the 1951 pack actually be abnormally large or small the ceilings would be promptly revised to reflect more accurately the changes in unit costs

One of the many reasons for issuing the regulation at this time, the agency said, is the fact that the industry is subject to peculiar conditions, such as limitations on natural supply and extreme seasonal variations in the availability of fish from year to year and among different localities. "Consequently," OPS said, "it is desirable to establish uniform ceiling prices at levels which are generally fair and equitable if supplies of this essential food are to be made available at reasonable prices to the consumer."

The 1951 salmon pack is now under way in most producing areas.

STATUS OF MANUFACTURERS UNDER DEFENSE ACT EXTENSION COVERED BY GOR 13: The Office of Price Stabilization announced on June 30 the continuation of ceiling prices in effect on June 30, 1951, for commodities or services covered by specified manufacturers' regulations with the issuance of General Overriding Regulation 13.

\* \* \* \* \*

June 30 prices of manufacturers covered by the General Manufacturers' Order (CPR 22) are thereby frozen as of that date. The filing provisions of this regulation are extended indefinitely. This regulation was to become effective on July 2, and would have established new ceiling prices based upon pre-Korean levels, plus certain cost increases since that time. Effect of this regulation, which includes manufactured or canned fishery products, would have been to provide for some increases and some rollbacks. Another order affected by this action of interest to the fishery and allied industries is CPR 30 (Machine and Related Manufactured Goods).

Manufacturers pricing under these regulations, OPS officials said, will remain under the pricing provisions of the General Ceiling Price Regulation (GCPR), if they had not yet established ceiling prices which became effective on or before June 30, 1951.

By Amendment 6 to CFR 22, effective May 28, 1951, OPS gave manufacturers of items covered by CFR 22 the option of applying, during the period May 28 to July 2, either the GCFR price ceilings under which they were currently operating or the CFR 22 price ceilings. If a canner selected a date prior to July 2 to institute his CFR 22 price ceilings, and had met the requirements of the filing period, the regulation became effective as to him upon that date for all of his commodities covered by the regulation. In the case of a ceiling price determined under CFR 22 that was higher than the GCFR ceiling price for that item, the canner could not deliver the canned foods until 15 days after the date of receipt by OFS of the required Form 8 Filing Report. Where the ceiling was lower, no waiting period was required.

With the passage of the limiting amendment by Congress, no further rollbacks of prices can be required of canners after June 30. Thus any canner who has filed his Form 8 Reports of Ceiling Price Increases with OPS, but has not put into effect such CPR 22 prices on or before June 30, either because of the required 15-day waiting period or by his own choice, will continue to determine his ceiling prices under GCPR. If, however, a canner had filed his reports with OPS more than 15 days in advance of June 30 and had put into effect on or before June 30 his CPR 22 prices, some of which were higher and some lower than his GCPR prices, thus making CPR 22 effective as to him prior to the passage of the Congressional joint resolution, he mist continue to apply the CPR 22 ceilings. In those cases where proposed prices were returned for revision, manufacturers must also continue to use their GCPR ceilings.

The text of General Overriding Regulation 13 follows:

Pursuant to the Defense Production Act of 1950 (Public Law 774, 81st Cong.), ass amended, Executive Order 10161 (15 7. R. 6105), and Economic Stabilization Assency General Order No. 2 (16 F. R. Ceiling Price Regulation 22 and comextended the Defense Production Act until July 31, 1951. That resolution provides that the authority of the Defense Production Act "shall not be exercised during the period June 30, 1951, to July 31, 1951, inclusive, to place into effect, or permit to become effective, a price ceiling for any material or service lower than the ceiling in effect for such material or service on the date of the enactment of this resolution."

This resolution was adopted as a temporary limitation, pending further consideration by Congress, following the passage of the Senate bill (S. 1717) limiting the authority for rollbacks in ceiling prices. The Senate Banking and Currency Committee, in reporting that bill expressed the intention that the limitation on rollbacks be accompanied in administration by a restriction, where practicable, of future rollforwards above the January 24-February 24, 1951, level. (Sen. Rep. 470, 82d Cong., 1st sess. p. 18.) The debate in the House of Representatives indicates the general intention that the Resolution operate to preserve the status quo, pending further Congressional consideration. (97 Cong. Rec. pp. 7666–7, 7669, 7674, 7677.) The Director of Price Stabilization is

of the opinion that pending further clarification and study manufacturers' ceiling prices should be kept at their existing level. The effect of this general overriding regulation is to eliminate all requirements for rollbacks after June 30, 1951 and to freeze price ceiling provisions in effect on June 30, 1951.

Sellers of commodities subject to CPR 22 and the companion regulations who have put those price ceiling regulations into effect on or before June 30, 1951, as to any commodity or service, continue to price under those regula-tions for that commodity or service. Otherwise the seller continues to apply the GCPR, except in the case of wool yarn and fabrics where he applies CPR 18

Sellers who have not yet filed their reports under the regulations in question need not do so until further action by the OPS. This provision does

not countermand reports already on commodity or service shall continue file. But whether such reports containing proposed increases in ceiling prices became effective on June 30, 1951, may depend on the waiting provisions of the regulation. Under CPR 22, reports of ceiling price increases received by OPS after June 14, 1951, will not have the effect of establishing a ceiling price in effect on June 30, 1951, since the 15day period after date of receipt will not have expired on or before June 30, 1951. Ceiling prices for commodities covered by such filings will, therefore, remain at their GCPR level .

Special circumstances have rendered impracticable consultation with industry representatives prior to the issuance of this regulation.

REGULATORY PROVISIONS

1 Coverage.

2. What this regulation does. 3. Commodities or services first dealt in after June 30, 1951.

4. Reports not required.

AUTHORITY: Sections 1 to 4 issued under Sec. 704, Pub. Law 774, 81st Cong., as amend-ed. Interpret or apply Title IV, Pub. Law 774, 81st Cong., as amended; E. O. 10161, Sept. 9, 1950, 15 F. R. 6105.

SECTION 1. Coverage. This General Overriding Regulation applies to you if you are subject to any of the following ing prices. price ceiling regulations or regulations supplementary thereto:

CPR 18-Manufacturers' Prices for Wool Yarns and Fabrics.

CPR 18—Revision 1—Manufacturers' Prices for Wool Yarns and Fabrics.

CPR 22-Manufacturers' General Ceiling Price Regulation.

CPR 30-Machinery and Related Manufactured Goods.

CPR 37-Primary Cotton Textile Manufacturers' Regulation.

CPR 11-Shoe Manufacturers' Regulation.

CPR 45-Apparel Manufacturers' General effect until further notice. Ceiling Price Regulation.

SEC. 2. What this regulation does. (a) If any of the price ceiling regulations listed in section 1 were in effect as to you on June 30, 1951, for any commodity or service, your ceiling price for that

be determined under that regulati Otherwise, you shall compute your co ing price for the commodity or serv under the General Ceiling Price Regu tion, or under CPR 18 in the case of w varns and fabrics.

(b) Even though you filed a repo under a regulation listed in section 1 a proposed ceiling price with respect a commodity or service, that regulat was not in effect as to you on June 1951, for that commodity or service the requisite waiting period had not pired, or if the proposed ceiling pi was not properly determined under applicable regulation.

SEC. 3. Commodities or services f dealt in after June 30, 1951. If a co modity or service was not offered sale, sold or delivered by you on or bef June 30, 1951, you shall apply this s tion 3 and shall determine the ceil price under the regulation applicable the commodity or service which yield ceiling prices most nearly in l with your ceiling prices in effect on Ju 30, 1951, for your related commodil or services. In the event you were in business prior to June 30, 1951, may use either the General Ceiling Pi Regulation or the applicable regulat listed in section 1 to determine your c

SEC. 4. Reports not required. You n not after June 30, 1951, file any repo under any of the regulations listed section 1 except as to the extent that regulation is applicable to you a June 30, 1951, and except for reports quired in connection with prices est lished under section 3 of this regulat

Effective date: The provisions of t General Overriding Regulation are eff tive July 1, 1951, and shall continue

EDWARD F. PHELPS, Jr., Acting Director of Price Stabi lization.

JUNE 30, 1951.

INTERPRETATION OF GOR 13: An interpretation of General Overriding Regulation continuing manufacturers' ceiling prices in effect on June 30, was issued by OPS or July 6.

GOR 13, issued June 30, provides that manufacturers would continue pricing un the General Ceiling Price Regulation of January 26, unless they had put new prices into effect on or before June 30 under the general manufacturers' (CPR 22), machine (CFR 30), and related manufacturing regulations of the agency.

Some of these regulations, including CPR 22 and CPR 30, were to have gone int effect Monday, July 2, but since rollbacks are prohibited under the 31-day extension of the Defense Production Act of 1950 passed by Congress last week, the Office of Price Stabilization issued GOR 13 maintaining manufacturers' prices at June 30 lev Today's statement is to interpret the meaning of the phrase "was in effect." Section 2 of GOR 13 provides that a seller's ceiling price of any commodity under a listed regulation is determined under that regulation if it "was in effect" as to him on June 30, 1951.

For details see: Interpretation 1, GOR 13--Regulations in Effect as to Manufacturers on June 30, 1951, dated July 6, 1951. Questions and Answers on GOR 13, dated July 12, 1951.

\* \* \* \* \*

FATS AND OILS CEILING PRICE REGULATION 6 REISSUED TO INCLUDE ALL AMENDMENTS: Ceiling Price Regulation 6 (Fats and Oils) was republished by the Office of Price Stabilization on July 2 to incorporate the text of Amendments 1 through 9. Originally issued February 14, 1951, this regulation now contains Amendment 7, issued on May 15, which listed specific ceiling prices for fish oils. This republication does not contain any changes as far as fish oils are concerned.

For details see: Ceiling Price Regulation 6 (including amendments 1-9) dated July 2, 1951.

1/SEE COMMERCIAL FISHERIES REVIEW, JUNE 1951, PP. 90-1.

<u>CEILING PRICE REGULATION FOR TERRITORIES AND POSSESSIONS</u>: Ceiling Price Regulation 9 for territories and possessions (Alaska, Guam, Hawaii, Puerto Rico, Samoa, and the Virgin Islands) was republished on June 18 to incorporate the text of Amendments 1 and 2. Originally issued March 7, this regulation establishes ceiling prices for all commodities (except those specifically exempt under the Defense Production Act of 1950) which are not actually manufactured or produced in the particular territory or possession in which they are sold. The basis for the ceiling prices is the direct cost plus the dollar-and-cents markup in effect during the period from December 19, 1950, to January 25, 1951, inclusive (the base period).

This regulation superseded the General Ceiling Price Regulation for all commodifies included in it.

For details see: Ceiling Price Regulation 9 (including Amendments 1-2) dated June 18, 1951.

PUERTO RICO GETS CEILING PRICES FOR SAITED COD: Salted codfish ceiling prices in Puerto Rico were established by Ceiling Price Regulation 51 (Food Products Sold in Puerto Rico) issued by the Office of Price Stabilization on June 29. This regulation, which became effective July 5, establishes the first dollar-and-cents price ceilings for the Territory.

Under this regulation the ceiling for sales of salted codfish in Puerto Rico to wholesalers is \$16.30 per 100 pounds; for sales by wholesalers, \$17.20 per 100 pounds; and for sales at retail, 20 cents per pound.

The regulation applies to the varieties of codfish, dried or semi-dried, known as "shore" (called "Amarillo"); "Labrador" (commonly called "blanco"); and "Pollock" (commonly known as "pesca").

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CPR 51 removes salted codfish from the pricing provisions of CPR 9, issued March 7, under which ceiling prices were based on direct cost plus a dollar-andcents markup.

The full text of CPR 51 follows (but "statement of considerations" is not included):

Act of 1950 (Pub. Law 774, 81st Congress), Executive Order 10161 (15 F. R. 6105), and Economic Stabilization Agency General Order No. 2 (16 F. R. 738), this Ceiling Price Regulation 51 is hereby issued.

#### REGULATORY PROVISIONS

#### ARTICLE 1-GENERAL PROVISIONS

- Sec 1.1 What this regulation does.
- 1.2 Applicability
- 1.3 Compliance required.
- 1.4 Evasion.
- 15 Posting and notification to retailers.
- 1.6 Sales slips and receipts.
- 1.7 Records.
- **18** Enforcement
- 1.9 Petitions for amendment.
- 1.10 More or less than unit specified. 1.11 Definitions.

#### ARTICLE 2-FISH

#### 2.1 Salted codfish.

AUTHORITY: Sections 1.1 - to 2.1 issued under sec. 704, Pub. Law 774, 81st Cong. Interpret or apply Title IV, Pub. Law 774, 81st Cong., E. O. 10161, Sept. 9, 1950, 15 F. R. 6105; 3 C. F. R., 1950 Supp.

#### ARTICLE 1-GENERAL PROVISIONS

SECTION 1.1 What this regulation does. This regulation establishes ceiling prices for certain articles of food at various levels of distribution. These new ceiling prices, after the effective date of this regulation, will supersede the ceiling prices established under any other price regulations or orders heretofore issued by the Office of Price Stabilization.

SEC. 1.2 Applicability. The provisions of this regulation shall apply only to the Territory of Puerto Rico.

SEC. 1.3 Compliance with this regulation required-(a) Prohibition against selling or delivery of commodities listed at prices above the ceiling. On and after the effective date of this regulation, regardless of any contract or other obligation, no person shall sell or deliver and no person shall buy or receive in the course of trade or business any commodity covered by this regulation at prices higher than the ceiling prices fixed by this regulation, and no person shall agree, offer, solicit, or attempt to do anything prohibited in this section.

(b) Less than ceiling prices. Prices lower than the ceiling prices may be charged, demanded, paid or offered.

SEC. 1.4 Evasion. The ceiling prices established by this regulation shall not be evaded either by direct or indirect methods in connection with the purchase, sale, delivery or transfer of included commodities alone or in conjunction with any other commodity, or by

Pursuant to the Defense Production way of any commission, service, trans- who violates any provision of this reg portation or any other charge, or discount, premium or other privileges or by tie-in agreement or other trade understanding, or by a change in the quality of the product or otherwise, except when such change in quality takes place in compliance with a regulation issued by an agency of the United States or the Government of Puerto Rico.

> SEC. 1.5 (a) Notification to retailers. On and after the effective date of this regulation every person selling the commodities listed herein, except at retail, shall with each delivery supply the purchaser with a statement of the ceiling prices of the commodities at time of delivery as follows: "The Office of Price Stabilization has established fixed ceiling prices for this commodity at \$\_. on sales to wholesalers; at \$\_\_\_\_ on sales at wholesale; and at \$\_\_\_\_ on sales at retail"

(b) Posting. On and after the effective date of this regulation every person offering to sell the listed commodities at retail shall mark the ceiling prices of such commodity in a manner plainly visible to and understandable by the purchasing public. The ceiling price may be marked on the commodity itself or may be posted at the place in the establishment where the commodity is offered for sale. The ceiling price and selling price shall be indicated in the form of "Ceiling price \$\_\_\_\_", or "Our ceiling \$\_\_\_\_", and 'Our selling price \$ \_\_\_\_."

SEC. 1.6 Sales slips and receipts. Every seller at retail of the commodities listed herein, who has customarily given resells it to any person other than an purchasers sales slips or receipts, shall continue to do so. Upon request from a purchaser, every seller of such commodity, regardless of previous custom, shall give the purchaser a receipt showing the date, the name and "ddress of the seller, the quantity and description of the commodity, and the price received for it.

SEC. 1.7 Records. If you purchase or sell listed commodities at the wholesale level, in the course of trade or business. you must preserve and keep available for inspection by the Director of Price Stabilization for a period of two years, complete and accurate records for each purchase and sale. These records must include: (1) The date of the sale or purchase; (2) the name and address of the seller or purchaser; (3) the price paid or received; (4) a description of the com-modifies sold or purchased; (5) the quantity sold or purchased.

lation is subject to the criminal per alties, civil enforcement actions, an suits for damage provided by the D fense Production Act of 1950.

SEC. 1.9 Petitions for amendment. you wish to have this regulation amended you may file a petition f amendment in accordance with the pr visions of Price Procedural Regulation

SEC. 1.10 Price for more or less that unit specified. The ceiling price for quantity of a commodity which const tutes a fraction or multiple of the un in terms of which a commodity is price in this regulation, shall be proportion ately computed unless otherwise pro vided hereafter.

SEC. 1.11 Definitions and explana tions. (a) "Person". This term include any individual, corporation, partnership association or any other organized grou of persons, or legal successors or repre sentatives of the foregoing, and th United States or any other governmen or its political subdivisions or agencie (b) "Records". This term mean

books of account, sales lists, sales slips orders, vouchers, contracts, receipts, in voices, bills of lading, and other paper and documents.

(c) "Sales at retail", and "Retailer" Sale at retail means a sale to an ultimate consumer. A seller who in th regular course of trade or business make sales at retail is a retailer.

(d) "Sale at wholesale", and "wholesaler". Sale at wholesale means a sale by a person who buys a commodity and ultimate consumer and includes any sale to the United States, or any government or any of its political subdivisions, an religious, educational or charitable insti tution for the sick, deaf, blind, disabled aged, or insane, or any school, hospita library, commercial or industrial user, o any agent of the foregoing. A seller wh in the regular course of trade or busines makes sales at wholesale is a wholesale

(e) "Sales to wholesalers". This terr means a sale by the first distributor ( importer of a commodity to a whole aler.

(f) "You". The program "you", used in this regulation, indicates the pe son subject to the regulation.

(g) "Listed commodity". This ter means any commodity the ceiling priof which is fixed by this regulation.

## ARTICLE 2-FISH

SEC. 2.1 Salted codfish—(a) De nition. "Salted codfish". This term r fers to the varieties of codfish, wheth SEC. 1.8 Enforcement. Any person dried or semi-dried, known as: "Short

commonly called "amarillo"; "Labrador", commonly called "blanco"; and "Pollcck", commonly called "pesca". (b) Ceiling prices. Ceiling prices for alled codfish are established as follows:

Salted codfish: Sales to wholesaler\_ \$16.30 (Per 100 lbs.) Sales at wholesale\_ \$17.20 (Per 100 lbs.) Sales at retail\_\_\_\_ \$0.20 (Per lb.)

Effective date: This regulation shall become effective July 5, 1951.

Note: The record keeping and reporting requirements of this regulation have been approved by the Bureau of the Budget in accordance with the Federal Reports Act of 1942.

MICHAEL V. DISALLE, Director of Price Stabilization. JUNE 29, 1951.

## SALARY STABILIZATION BOARD

<u>GENERAL SALARY STABILIZATION REGULATION 1</u>: On July 5 the Salary Stabilization Board of ESA issued General Salary Stabilization Regulation 1. It is designed to stabilize salaries and other compensation of persons who are employed in bona fide executive, administrative, professional, or outside salesmen capacities. This regulation has been issued pursuant to ESA General Order No. 8, as amended.

The purpose of this regulation is to incorporate in a single regulation pertaining solely to employees under the jurisdiction of the Salary Stabilization Board the provisions of General Wage Stabilization Regulation 1 and of the General Wage Regulations applicable with respect to such employees.

It is contemplated that this regulation will from time to time be supplemented and modified or amended by the Salary Stabilization Board as the Board develops its salary stabilization policy.

Among the regulatory provisions of this regulation are included the following: general stabilization of salaries and other compensation; increase agreed to or determined and communicated on or before January 25, 1951; compliance with statues and orders establishing minimum rates of compensation; adjustments for individual employees; increases in salaries and other compensation to correct certain inequities; cost-of-living increases prowided by salary plans; salary schedules for new plans; and tandem salary increases.

For details see: General Salary Stabilization Regulation 1, dated July 5, 1951.

## WAGE STABILIZATION BOARD

LABOR'S WAGE AND HOUR DIVISION AUTHORIZED TO EXAMINE PETITIONS AND INVESTIGATE VIOLATIONS OF WAGE STABILIZATION REGULATIONS: The Wage Stabilization Board on June 12 authorized the Wage and Hour Division of the U. S. Department of Labor, with its 68 field offices, to receive and examine petitions for action by the Board and to make investigations of violations of wage stabilization regulations.

The Field offices of the Wage and Hour Division have been answering inquiries on wage stabilization for some time, but they have not been authorized to make investigations and all petitions for special consideration by the Board were forwarded to Washington without examination.

In the matter of investigations, the Wage and Hour offices are now authorized to do fact-finding into the records and books of parties concerned and to make reports of its findings to the WSB staff in Washington.

The Wage and Hour field office staffs will now have the authority, beginning on June 25, to examine for completeness of information petitions that are filed asking for the approval of wage increases or other adjustments that the parties believe are not approvable under the regulations. The field office staff will not be able to consult with the company and union involved and seek additional information before the petition is forwarded, although it will not take action on the merits of the case.

At the same time WSB officials announced that after June 25 it will be compulsory to file petitions with the Wage and Hour offices instead of in Washington. There is no particular form required for the petitions as yet, but petitioners should file an original and five copies with the Wage and Hour offices.



# Federal Security Agency

## FOOD AND DRUG ADMINISTRATION

"PACIFIC OCEAN PERCH" DESIGNATION PERMITTED FOR PACIFIC ROCKFISH SPECIES: "I cific Ocean Perch" will be an acceptable designation for a species of rockfish or rosefish now being marketed by fisheries of the Pacific Northwest, the Food and Dr Administration announced on June 28.

The name will serve to distinguish frozen fillets of the Pacific Coast fish from a similar, but different, variety advertised and marketed by New England fish eries under the name of "Ocean Perch."

Simultaneously, FDA announced termination of a court action involving the Wes Coast product with the understanding that the "Pacific" designation will be used i future labeling.

FDA's Associate Commissioner pointed out that correct labeling of fish sometimes presents difficult scientific and commercial questions. Atlantic fishermen object to Pacific competitors applying the name which they have popularized to an altogether different variety of fish. The Federal Food, Drug, and Cosmetic Act re quires that foods be designated by their "common or usual names," but thousands of varieties of fish are known only by their scientific names. When one of these is marketed commercially it becomes practically necessary to adopt a common name.

Seeking settlement of the question, FDA asked opinions of leading ichthyologi Scientists of the U.S. Fish and Wildlife Service, and others were generally in ag ment that the Atlantic and Pacific fish are in the same family, although not the s species. Some ichthyologists regard the Pacific fish as <u>Sebastodes alutus</u>, while others were less certain and believed it may be a species not yet classified. It similar to, but not identical to <u>Sebastes marinus</u>, the classification assigned by some scientists to the "ocean perch" taken off New England.

Other classifiers say that the "ocean perch" from New England waters is not <u>Sebastes marinus</u>, but is two other species of <u>Sebastes</u>, one of the genus <u>fasciatus</u> and the other not clearly classified as to genus. At least one famous ichthyologi asserts that <u>Sebastes marinus</u> is found only in northern European waters.

The Food and Drug Administration has undertaken to develop a study project, through the Fish and Wildlife Service, the Smithsonian Institution, and others, to establish facts about the classification of both the East Coast and West Coast species. Until more information is available, it has been announced that objection will not be raised to the continued use of the name "ocean perch" for the Atlantic fillets and the name "Pacific Ocean Perch" for the West Coast fillets. In addition to occasional confusion in scientific classification there is a tendency of fish to acquire local names, so that the same fish have different names in different localities and different fish may be called by the same name in different places. West Coast fishermen acticipate the development of a thriving industry in "Pacific Ocean Perch" fillets, while Atlantic fishermen have for some years enjoyed a substantial business in "Ocean Perch" fillets. There have recently appeared some importations of fillets from Iceland which are said to be true <u>Sebastes</u> marinus.



# Department of the Interior

## DEFENSE FISHERIES ADMINISTRATION

COMP: The following is a review of the National Production Authority's actions affecting construction prepared by the Defense Fisheries Administration. The material presented has been condensed considerably and many significant exceptions and reservations contained in the orders are not treated in this discussion. The full text of the regulations should be reviewed before taking action on any construction.

<u>M-4</u> (As amended May 11, 1951): This order prohibits the commencement of construction of certain types of buildings, structures, and projects, <u>unless</u> specific <u>exception</u> is made or <u>authorization issued</u>. <u>List A Items</u> are generally prohibited except in very unusual circumstances. <u>List B Items</u> require specific authorization. <u>List C Items also require specific authorization</u>, and the last category of items in this list includes any and all types of industrial plant facility or factory which will require the use of more than a total quantity of <u>25 tons of steel</u> both in the forms and shapes as defined in NPA Order M-1 and, also reinforcing steel.

Delegation 14, June 7, 1951: This Order delegates to the Secretary of the Interior (and authorizes him to redelegate) with respect to "facilities for the production and processing of fishery products" the right to "receive, consider, pass upon, and take action in his own name including appellate action upon applications for <u>authorization</u> to commence construction pursuant to Section 6 of M-4" and...upon applications for adjustment or exception...to Section 11 of M-4.

The practical effect of this is to transfer to Interior the right to take action on construction cases falling within its Claimant Agency responsibility, in Lists B sand C but not List A of Order M-4.

DFA has been informed by the Solicitor's Office of the Secretary that a previous delegation by the Secretary to his defense administrations is broad enough to include these powers so that The Defense Fisheries Administration now has the power, in its <u>Own name</u>, to receive and act upon projects involving construction of facilities for the production and processing of fishery products.

Section 4 of Delegation 14 requires that approval of construction by any dele-Eate must be correlated with the delegate's activities under the Controlled Materials Flan of NPA and the projects approved, and the allotments of controlled materials made, therefore, will be charged against the total construction program and allotments approved for such delegate by the Defense Production Administration. <u>CMP</u> Regulation 1: This Regulation sets forth basic rights and obligations under the Controlled Materials Plan. It defines the classes of persons, allotment A products, B products, programs, and tells how allotments should be made and order placed. It also lists in Schedule 1 the shapes and forms of steel, copper, and aluminum which constitute controlled materials.

<u>CMP</u> Regulation 3: This Regulation defines the preference status of delivery orders under CMP. Section 6(a) says, in part, that when a Claimant Agency makes an allotment and approves a production schedule, a DO rating shall be assigned. Thus, when a construction project is approved, a rating can also be granted which the customer can use to buy necessary B products and such noncontrolled-material items as lumber.

<u>CMP Regulation 6</u>: CMP Regulation 6 explains how to get materials for construction under the Controlled Materials Plan. The order specifies the forms to be used in applying for permission to construct a facility, explains how construction schedules are authorized, and how allotments are made.

<u>MPA Form CMP-4C</u>: Form CMP-4C is to be used for requesting an allotment of controlled materials and/or a DO rating for other materials and equipment pursuant to CMP Regulation 6. It may also be used for applying for authorization to commence construction pursuant to NPA Order M-4 for which purpose it replaces use of Form NPAF-24. The latter form may still be used to apply for adjustment or exception to Order M-4.

<u>NPAF-24</u>: Prior to the issuance of Form CMP-4C, Form NPAF-24 was used by applicants in applying for exception to the prohibition of construction of items on List A of M-4, and for authorization for items on Lists B and C. As indicated in the previous paragraph, the form may still be used for applications for adjustment or exception to Order M-4.

As a result of the above orders and actions, there has been provided a streamlined plan whereby DFA can receive and act upon construction cases in its own name and where approval is given, can make an allotment of controlled materials and grant an accompanying preference rating. Unfortunately, in order to approve an application, DFA must allot and charge its quota and, at the moment, it has no quota. However, it is expected that a quota of materials will be made available in the near future.

Therefore, applicants who are seriously considering construction, or who have already started construction and need priority assistance to complete it, should submit a request on Form CMP-4C as promptly as possible so that DFA may determine the total requests and how they compare with the quota of materials available for construction. A late filer for a very essential project may find the quota exhausted and be forced to wait for future quarterly allocations.

Again, it must be stressed that controlled material allotments can be made fo advance quarters and that the more realistically they are scheduled out into the quarters when the materials will actually need to be delivered, the more chance of approval and delivery, and the less the strain on the fishery program as well as the entire economy.

Unless materials can be obtained from warehouse stocks, it is already too lat to ask for third-quarter delivery. It is unlikely that allotments can be approved for several weeks, after which there will be some further delay in getting the order placed. Mills normally require a minimum of 45 days to make delivery after an order is placed in their production schedule.

Local NPA offices can supply copies of Form CMP-4C and instructions for completing the Form.

\* \* \* \* \*

FISHING INDUSTRY BENEFITS BY REVISION OF DEPARTMENT OF LABOR LIST OF CRITICAL OCCUPATIONS: A revision early in July of the "List of Critical Occupations" by the Department of Labor benefits the fishing industry. Formerly the following occupations when on fishing vessels were excluded from this list:

ENGINEERS, MARINE, CHIEFS AND ASSISTANTS SHIPMASTER, SHIP PILOT, AND MATES

This recent action will result in these occupations when on fishing vessels being given the same consideration as similar occupations in other marine industries by the Department of Defense in considering requests for delay in call to active duty of reservists and members of the National Guard, and by local draft boards in making determinations on requests for occupational deferments from the draft.

The Defense Fisheries Administration in cooperation with the Department of Labor has worked for this revision since February. The Interagency Advisory Committee reviewed all available information concerning these occupations and recommended the inclusion of such licensed officers when employed on any commercial vessel required by law to have licensed officers.

Since commercial fishing vessels are required by law to have licensed officers, those fishing vessel officers that fall within the above categories will be considered as being employed in critical occupations. Such officers must hold a U. S. Coast Guard master, mate, or pilot license; and engineers licensed by the U. S. Coast Guard must hold a chief engineer, or first, second, or third assistant engineer license.

It is estimated that about 350 fishing vessels will be affected by this revision.

In arriving at the decision to include these fishing vessel occupations on the critical list, the Interagency Advisory Committee was guided by the following criteria:

- "A. UNDER THE FORESEEABLE MOBILIZATION PROGRAM AN OVER-ALL SHORTAGE OF WORKERS IN THE OCCUPATION EXISTS OR IS DEVELOPING WHICH WILL SIGNIFICANTLY INTERFERE WITH EF-FECTIVE FUNCTIONING OF ESSENTIAL INDUSTRIES AND ACTIV-ITIES.
- B. A MINIMUM ACCELERATED TRAINING TIME OF 2 YEARS (OR THE EQUIVALENT IN WORK EXPERIENCE) IS NECESSARY TO THE SATISFACTORY PERFORMANCE OF ALL MAJOR TASKS FOUND IN THE OCCUPATION.
- "C. THE OCCUPATION IS INDISPENSABLE TO THE FUNCTIONING OF THE INDUSTRIES OR ACTIVITIES IN WHICH IT OCCURS."

The Department of Labor, after giving relative weight to all factors involved, accepted the recommendation of the Committee and as of July 6 revised the list of critical occupations accordingly.

### Revised job definitions are as follows:

SHIPMASTER, SHIP PILOT AND MATES: NAVIGATES AND CONTROLS MOVEMENTS OF COMMERCIAL VESSELS WHICH ARE REQUIRED BY LAW TO HAVE LICENSED OFFICERS. HOLDS U.S. COAST GUARD MASTER'S, MATE'S OR PILOT'S LICENSE AND IS EMPLOYED, EXCEPT FOR TEM-PORARY INTERRUPTIONS CHARACTERISTIC OF THIS TYPE OF EMPLOY-MENT, IN A POSITION FOR WHICH HE IS REQUIRED TO HAVE SUCH A LICENSE.

ENGINEERS, MARINE, CHIEFS AND ASSISTANTS: SUPERVISES ENGINE DEPARTMENT OPERATIONS ON COMMERCIAL VESSELS WHICH ARE RE-QUIRED BY LAW TO HAVE LICENSED OFFICERS. HOLDS U.S. COAST GUARD CHIEF ENGINEER'S LICENSE, OR FIRST, SECOND, OR THIRD ASSISTANT ENGINEER'S LICENSE AND IS EMPLOYED, EXCEPT FOR TEMPORARY INTERRUPTIONS CHARACTERISTIC OF THIS TYPE OF EM-PLOYMENT, IN A POSITION FOR WHICH HE IS REQUIRED TO HAVE SUCH A LICENSE.

NOTE: ALSO SEE COMMERCIAL FISHERIES REVIEW, JUNE 1951, PP. 103-4.

## FISH AND WILDLIFE SERVICE

MAXIMUM LENGTH OF DRIFT GILL NETS PERMITTED IN COOK INLET REDUCED: The to aggregate length of drift gill nets permitted in Cook Inlet has been reduced fr 200 fathoms to 150 fathoms, according to an amendment to the Alaska Commercial D eries Regulations published in the Federal Register of July 18. This amendment came effective immediately.

The full text of the amendment follows:

#### TITLE 50--WILDLIFE CHAPTER 1--FISH AND WILDLIFE SERVICE, DEPARTMENT OF THE INTERIOR SUBCHAPTER F--ALASKA COMMERCIAL FISHERIES PART 109--COOK INLET AREA

## TOTAL AGGREGATE LENGTH OF GILL NETS

BASIS AND PURPOSE: ON THE BASIS OF OBSERVATIONS AND REPORTS OF FIELD REPRE-SENTATIVES OF THE FISH AND WILDLIFE SERVICE, IT HAS BEEN DETERMINED THAT THE IN-CREASE THIS YEAR IN THE NUMBER OF DRIFT GILL-NET BOATS FISHING IN THE WATERS OF COOK INLET IS ENDANGERING THE REQUIRED ESCAPEMENT OF SALMON TO THE SPAWNING GROUNDS AND THE FISHING INTENSITY MUST BE REDUCED.

AS THE FISHING SEASON IS UNDERWAY IT IS NECESSARY THAT THE IMPOSITION OF THE RESTRICTION IN GEAR BE EFFECTIVE AS SOON AS POSSIBLE.

EFFECTIVE IMMEDIATELY \$ 109.7 TOTAL AGGREGATE LENGTH OF GILL NETS IS AMENDED BY DELETING 200 FATHOMS AND SUBSTITUTING IN LIEU THEREOF 150 FATHOMS.

\* \* \* \* \*

ALASKA'S COMMERCIAL FISHERIES REGULATIONS TO BE AMENDED: The Secretary of Interior gave notice in the Federal Register of August 2 that he intends to ado amended regulations permitting and governing the time, means, and methods for t ing of commercial fish in the waters of Alaska, and related matters.

The regulations are to be effective beginning February 1, 1952, and to con in effect thereafter until further notice.

Interested persons are hereby given an opportunity to participate in prepa the regulations for issuance as set forth by submitting their views, data, or a ments in writing to the Director of the Fish and Wildlife Service, Department O Interior, Washington 25, D. C., or by presenting their views at a series of ope discussions scheduled to be held at the following designated places on the date specified:

NAH	NEK, ALASKA	.AUG. 1	CRAIG, ALASKA	OCT.	15	
DII	LINGHAM, ALASKA	AUG. 2	WRANGELL, ALASKA	OCT.	17	
KOL	MAK ALASKA	SEPT, 17	PETERSBURG, ALASKA	OCT.	18	
ANC	HORAGE. ALASKA	SEPT. 20	SITKA, ALASKA	OCT.	20	
COF	DOVA, ALASKA	SEPT. 24	SEATTLE, WASH	NOV.	7	8
YAH	UTAT, ALASKA	SEPT. 26	JUNEAU, ALASKA	NOV.	15	
KET	CHIKAN, ALASKA	OCT. 13	and the second second second			



## Interstate Commerce Commission

<u>REICING CHARGES PROPOSED FOR FISH AND SHELLFISH L.C.L. EXPRESS SHIPMENTS</u>: A schedule which would establish certain rules and charges for reicing perishables in less-than-carload lots where water ice is used was filed with the Interstate Commerce Commission on July 6 by the Railway Express Agency, Inc. Included would be fish and shellfish L.C.L. express shipments. This schedule is identified as Supplement 31 to official Express Classification 34, Rule 23-C, and is identical to the schedule which was considered in Interstate Commerce Commission Docket I & S 5804, except that certain suggestions made by the Commission in its decision in that docket have now been included in this schedule. The proposed charges would range from 20 cents to \$2.70 for each package depending on the length of the haul and the net weight of the package. The charges apply and are billed automatically upon delivery of the shipment to the carrier unless the shipment is marked "Do Not Reice for Account of Shipper."

## The proposal is as follows:

RULE 23-A: (J) RE-ICING OF PACKAGES OF PERISHABLE COMMODITIES BEING A SEPARATE AND DISTINCT SERVICE OF TRANSPORTATION IS NOT INCLUDED IN THE EXPRESS RATES, AND SUCH SERVICE WILL BE FURNISHED FOR LESS-CAR-LOAD SHIPMENTS AS HEREINAFTER PROVIDED.

(K) 1. SHIPMENTS OF PERISHABLE COMMODITIES FORWARDED WITH WATER ICE IN THE PACKAGES SHOULD BE SUFFICIENTLY ICED BY CONSIGNOR AT SHIPPING POINT TO CARRY THROUGH TO DESTINATION WITHOUT REICING. IF SHIPMENTS CANNOT BE SUFFICIENTLY ICED BY CONSIGNOR TO REACH DES-TINATION WITHOUT REICING TO PREVENT DETERIORATION, THE EXPRESS COM-PANIES WILL PROVIDE INSPECTION, REICING, AND ICED WAY-REFRIGERATOR CAR SERVICE AT CHARGES PROVIDED IN PARAGRAPH (1) WHICH WILL BE IN ADDITION TO TRANSPORTATION AND OTHER CHARGES. THESE CHARGES WILL APPLY ON ALL SHIPMENTS WITH WATER ICE IN THE PACKAGES TRANSPORTED BETWEEN POINTS WHERE THE SCALE NUMBER IS 7 OR HIGHER, EXCEPT SHIP-MENTS LABELED BY THE SHIPPER DO NOT REICE FOR ACCOUNT OF SHIPPER.

2. WHERE SHIPMENTS ARE SUFFICIENTLY ICED BY SHIPPERS TO CARRY THROUGH TO DESTINATION WITHOUT REICING THE SHIPPER MAY ASSUME AT HIS OPTION RESPONSIBILITY FOR PROTECTION BY MARKING THE SHIPMENTS DO NOT REICE FOR ACCOUNT OF SHIPPER. SHIPMENTS SO MARKED WILL NOT BE SUBJECT TO THE CHARGES PRESCRIBED IN PARAGRAPH (1)

3. WHERE IT IS NECESSARY TO REICE SHIPMENTS MARKED "DO NOT REICE FOR ACCOUNT OF SHIPPER" BECAUSE OF DELAY, NO CHARGE FOR SUCH REICING WILL BE MADE, EXCEPT WHERE A SHIPMENT SO MARKED CANNOT BE DELIVERED UPON ARRIVAL FOR REASONS BEYOND THE CONTROL OF THE EXPRESS COMPANIES. WHEN REICING OF SUCH A SHIPMENT IS NECES-SARY AFTER ARRIVAL, CHARGES PUBLISHED UNDER SCALE 7 TO 10 IN PARA-GRAPH (1) WILL BE ASSESSED FOR EACH REICING IN ADDITION TO THE TRANSPORTATION AND OTHER CHARGES.

4. SHIPMENTS OF PERISHABLE COMMODITIES FOR WARDED WITH WATER ICE IN THE PACKAGES AT THE CONVENIENCE AND OPTION OF THE EX-PRESS COMPANIES MAY BE FORWARDED IN ICED WAY-REFRIGERATOR CARS WHEN SUCH SERVICE IS AVAILABLE IN SUBSTITUTION OF REICING SERVICE. SUCH SHIPMENTS WILL BE SUBJECT TO THE CHARGES IN PARAGRAPH (1) IN ADDI-TION TO THE TRANSPORTATION AND OTHER CHARGES.

SEE COMMERCIAL FISHERIES REVIEW, JUNE 1951, P. 103.

Table of Char	ges f	or Re	frigu	ration	of Less	-Carlos	d Ship	nents	ALL AND	
When the scale number as	1	7	11	17	25	35	45	55	65	75
shown in block tariffs	to	to	to	to	to	to	to	to	to	to
on file with I.C.C. is	6	10	16	24	34	44	54	64	74	82
Approximate range of dis-	12=	101	301	601	1,001	1,501	2,001	2,501	3,001	3,50
tances (miles)		to	to	to	to	to	to	to	to	to
	100	300	600	1,000	1,500	2,000	2,500	3,000	3,500	3,900
Fish, shellfish, frogs, frog legs, fish and shellfish meats:			Th	e cherc	in ce	nts per	nackad	ve wrill	he	
	0	00				and the second division of the second divisio	a filment and a second			
Net wt. not over 50 lbs		20	40	60	80	100	120	140	160	180
Net wt. 51-100 lbs	0	25	50	75	100	125	150	175	200	225
Net wt. over 100 lbs	0	30	60	90	120	150	180	210	240	270

#### \* \* \* \* \*

REQUIREMENTS FOR LOADING FREIGHT CARS WITH CANNED GOODS AND FOODSTUFFS: Actin upon representations of the Defense Transport Administration, Division 3 of the Interstate Commerce Commission issued (on June 11) ICC Service Order 878, requiring heavier loading of canned goods and foodstuffs in railroad freight cars. This order appeared in the Federal Register of June 16.

The ICC took this action to assure more effective utilization of freight cars.

ICC Service Order 878 provides that no railroad shall accept for transportation (except to complete loading) any carload shipment of canned goods and foodstuffs canned, preserved, or prepared (not cold-pack or frozen) in packages unless such cars are loaded (1) up to marked capacity in pounds as stenciled on car, or (2) to full visible capacity but not less than 65,000 pounds.

When cars are stopped-off to complete loading, they must be loaded as provided for in (1) and (2) when leaving stop-off point. Canned goods in glass containers of one quart or less, in cartons, must be loaded to not less than six tiers high, covering the entire floor space. Similar containers of more than one quart must be loaded in five tiers.

The Order was to become effective July 1, 1951, and is scheduled to expire November 30, 1951. On June 20 the effective date of the order was changed to July 16, 1951.

The impact of ICC Service Order 878 is modified in certain respects by the recent issuance by ICC of a number of 30-day renewable special permits to take care of special situations, and by the issuance of four general permits, all effective July 16, according to a July 11 news release from the Defense Transport Administration.

General Permit 1-F allows a carrier to disregard provisions of Service Order 87 in case of carload freight moving first by water on the high seas to continental U. S. and thence to inland destination by rail, or by water and rail.

General Permit 2-F exempts shipments in drums of specified capacity and loaded in a specified manner.

General Permit 3-F exempts carloads of mixed commodities when the volume of canned goods is not more than 33-1/3 percent by weight of the total lading of the car.

General Permit 4-F exempts canned goods packed in glass in cartons and in tin in cartons in mixed cars when such cars are loaded to 60,000 pounds or more.



Department of State

ACCESSION OF CERTAIN COUNTRIES TO GENERAL AGREEMENT ON TARIFFS AND TRADE: The United States has been informed by the headquarters of the United Nations at New York that by June 20, 1951, more than the required number (21) of the contracting parties to the General Agreement on Tariffs and Trade had signed the decisions agreeing to accession of Austria, the Federal Republic of Germany, the Republic of Korea, Peru, the Republic of the Philippines, and Turkey, to the General Agreement. These countries negotiated at Torquay, England, for such accession. Under the Agreement, at least two-thirds of the existing contracting parties must agree in the case of each new country in order to permit its accession.

The newly acceding countries have until October 21, 1951, to sign the Torquay Protocol and thus become contracting parties to the Agreement, a June 22 Department of State news release points out.

Under the terms of the Protocol, concessions negotiated between an acceding country and other contracting parties are to be put into force 30 days after that government signs the Protocol.

\* \* \* \*

SYRIA WITHDRAWS FROM GATT: The United States Government has been informed by the United Nations at New York that on June 7, 1951, the Government of Syria notified the Secretary General of the United Nations of its intention to withdraw from the General Agreement on Tariffs and Trade, effective August 6, 1951. Under the terms of the Protocol of Provisional Application of the General Agreement, any contracting party may withdraw on 60 days written notice to the Secretary General of the United Nations, a June 28 Department of State news release points out.

Syria and Lebanon, which were joined in a customs union, became contracting parties to the General Agreement after the tariff negotiations at Geneva in 1947. The customs union was later dissolved, and Lebanon withdrew from the General Agreement, effective February 25, 1951. Since the concessions granted by the United States to the customs union at Geneva were of substantial interest to Syria, and in some cases to other contracting parties, there were no changes in United States customs duties as a result of Lebanon's withdrawal from the agreement.

The interdepartmental trade-agreements organization is now considering the question of withdrawal or retention of United States concessions initially negotiated with the Syro-Lebanese customs union, looking to the initiation of consultation with other interested contracting parties.

After withdrawal from the General Agreement, Syria will no longer be obligated to maintain concessions granted to the United States. The fishery items listed in the Syrian tariff which may be affected are on the following page.

SYRO-LEBANESE CUSTOMS UNION TARIFF ITEM NO.	DESCRIPTION	AD-VALOREM RATE OF DUTY UNDER AGREEMENT
35	IVORY AND OTHER ANIMAL TUSKS OR TEETH, TORTOISE SHELL, MOTHER-OF-PEARL AND OTHER SHELL, WHALE BONE AND BONE OF OTHER CETACEANS, CORAL, AND SIMILAR SUBSTANCES, RAW, WHETHER SIMPLY CUT UP, SPLIT OR STRETCHED (BUT NOT WORKED), OR NOT; POWDER, PARINGS AND WASTE OF THESE MATERIALS:	
	A. MOTHER-OF-PEARL B. OTHER	25% 25%
103	FATS AND OILS, REFINED OR UNREFINED, FROM FISH AND MARINE ANIMALS:	
balon. Unden the	A. COD-LIVER OIL	11%
120	FISH, PREPARED OR PRESERVED, NOT IN- CLUDED UNDER ITEM 20	25%

UNITED STATES-VENEZUELA TRADE AGREEMENT RENEGOTIATIONS: The Government of Venezuela considers that certain provisions of the Trade Agreement with the Unit States dated November 6, 1939, should be changed to conform to new conditions. Therefore, Venezuela on June 7 formally requested that negotiations be undertake and the United States has agreed to take the necessary steps to initiate proceed ings, the U. S. Department of State announced on June 18.

The usual formal notice of intention to negotiate, including notice of publ hearings and list of products imported into the United States on which United St concessions may be considered during the negotiations, will be issued at an ear date.

NOTE: ALSO SEE P. 25 OF THIS ISSUE.

POINT FOUR GENERAL AGREEMENT WITH MEXICO INCLUDES FISHERIES: Through an end change of notes, on June 27, Mexico and the United States, through its Embassy Mexico City, have agreed upon the terms of a Point Four General Agreement which in the future govern technical cooperation between the two Governments.

The agreement reached sets forth the general rules which will govern colla ation between the two countries in the field of technical assistance and which, without referring specifically to any predetermined project, will allow the exp sion of that cooperation in such activities and under such conditions as the tw Governments may find to be to their mutual advantage. In short, it establishes principles which should be applied in each and every one of the concrete projec for technical assistance.

Since the agreement is of a general nature, when the two Governments decid carry out any specific project of technical cooperation, they will draw up a su plemental agreement to the one that has just been signed.

The United States and Mexico are already engaged in six technical cooperat projects under the Point Four Program and among these is included one in the fi of fisheries. Among nine Department of Interior specialists in various fields cooperating with Mexican experts is a representative of the U. S. Fish and Wildlife Service who assists in the development of marine and inland fishery resources.



## Tariff Commission

RULES FOR INVESTIGATIONS OF INJURY TO DOMESTIC PRODUCERS FROM TRADE AGREEMENT CONCESSIONS: With reference to rules of practice and procedure for applications for investigations of injury to domestic producers resulting from trade agreement concessions, the following appeared in the Federal Register of June 21:

## TITLE 19—CUSTOMS DUTIES Chapter II—United States Tariff Commission

PART 207-INVESTIGATIONS OF INJURY TO DOMESTIC PRODUCERS RESULTING FROM TRADE AGREEMENT CONCESSIONS RULES OF PRACTICE AND PROCEDURE FOR APPLICATIONS FOR INVESTIGATIONS

Applications for investigations under section 7 (a) of the Trade Agreements Extension Act of 1951 (Pub. Law 50, 82d Cong.) shall be subject to the rules now set forth in Part 207 of the rules of practice and procedure of the United States

Tariff Commission (19 CFR, 1950 Supp., Part 207), except that 15 clear copies of the application shall be submitted instead of 5 copies as specified in such rules.

[SEAL] OSCAR B. Ryder, Chairman, United States Tariff Commission. [F. R. Doc. 51-7106; Filed, June 20, 1951; 8:53 a. m.]



# Eighty-Second Congress (First Session)

JUNE - 1951

Listed below are public bills and resolutions introduced and referred to committees, or passed by the Eighty-Second Congress (First Session) and signed by the President, that affect in any way the fisheries and allied industries. Public bills and resolutions are shown in this section only when introduced and if passed when they are signed by the President. The more pertinent reports, hearings, or chamber actions on some of the bills shown in this section from month to month are also listed.

## BILLS AND RESOLUTIONS INTRODUCED:

Defense Production Act of 1950 Continuation: H. J. Res. 271 (Ayres) - Joint resolution to continue in effect certain provisions of the Defense Production Act of 1950 through July 31, 1951; to the Committee on Banking and Currency. Also: H. J. Res. 278 (Spence)...

<u>Defense Production Act of 1950 Amendment:</u> <u>H. R. 4497</u> (Larcade) - A bill to amend the Defense Production Act of 1950 to provide for more effective consultation with interests affected by its administration; to the Committee on Banking and Currency.

Defense Production Act of 1950 Amendment: H. R. 4570 (Donovan) - A bill to amend the Defense Production Act of 1950, and for other purposes; to the Committee on Banking and Currency. Also: H. R. 4547 (Cooley)... H. R. 4605 (Martin of Iowa)... H. R. 4607 (Martin of Iowa)...

H.	R.	4619	(Baring)
H.	R.	4620	(Baring)
H.	R.	4623	(Saylor)
H.	R.	4624	(Saylor)

Defense Production Act of 1950 Amendment and Extension: S. 1717 (Wiley) - A bill to amend and extend the Defense Production Act of 1950 and the Housing and Rent Act of 1947, as amended, reported by Mr. Maybank, from the Committee on Banking and Currency, which was read twice by its title, and ordered to be placed on the Calendar.

Fats and Oils Import Controls: S. 1665 (Mundt) - A bill to continue for a temporary period certain powers, authority, and discretion for the purpose of exercising, administering, and enforcing import controls with respect to fats and oils (including butter), cheese, and rice and rice products; to the Committee on Banking and Currency.

Also: <u>H. J. Res.</u> 270 (Abbitt)... <u>H. R. 4335</u> (Andresen)... <u>H. R. 4474</u> (Abbitt)... Food Price Investigation: H. Res. 298 (Wolverton) - Resolution to provide for an investigation to determine the factors causing increases in living costs, with particular reference to increases in consumer food prices at a time when wholesale food prices have dropped; to the Committee on Rules.

<u>Tidelands:</u> <u>H. R. 4484</u> (Walter) - A bill to confirm and establish the titles of the States to lands beneath navigable waters within State boundaries and to the natural resources within such lands and waters, to provide for the use and control of said lands and resources, and to provide for the use, control, exploration, development, and conservation of certain resources of the continental shelf lying outside of State boundaries; to the Committee on the Judiciary.

<u>Vessels--Opportunity to Reacquire when Pur-</u> chased by U.S.: <u>H. R. 4480</u> (Hart) - A bill to give owners of certain special-purpose vessels purchased or requisitioned by the United States an opportunity to reacquire such vessels when they are no longer needed by the United States; to the Committee on Merchant Marine and Fisheries.

#### CHAMBER ACTIONS:

Defense Production Act Temporary Extension: By a voice vote, the House adopted <u>H. J. Res. 278</u>, to continue through July 31, 1951, the Defense Production Act of 1950; the Housing and Rent Act of 1947, as amended; and certain import control authority. Adopted an amendment to prevent rollbacks or the lowering of price ceilings below those on enactment date of this resolution and prohibiting any new price ceilings on materials or services during the period of this temporary extension.

Defense Production Act of 1950 Amendment: By 71 yeas to 10 nays, Senate passed, with amendments, <u>S. 1717</u>, to amend and extend the Defense Production Act of 1950, and to extend the Housing and Rent Act of 1947, as amended, after taking the following further actions on amendments:

Adopted: modified Millikin amendment allowing adjustments in price ceilings on any material other than agricultural commodities (and as further modified by acceptance of Humphrey amendment allowing actual factory and labor costs); by 49 yeas to 33 nays, Wherry amendment, barring ceiling price which is below either price just before establishment of such ceiling, or price prevailing January 25-February 24, 1951; Magnuson amendment, barring until June 30, 1953, import of fats and oils, dairy products, peanuts, and rice products.

House reported <u>H. R. 3871</u>, amending the Defense Production Act of 1950, including price controls (filed on June 23), <u>H. Rept. 639</u>.

Rockfish: Senate reported without amendment and cleared for House S. <u>41</u> prohibiting the sale of rockfish weighing more than 15 pounds. Sea Lampreys Investigations: <u>H. R. 2995</u>, to increase the appropriation for investigation and studies on eradication of sea lampreys in the Great Lakes (<u>H. Rept. 558</u>) was reported to the House on June 13; returned to the Senate as amend on June 18.

Trade Agreements: The House adopted by voic vote the conference report on <u>H. R. 1612</u>, to extend for 2 years the authority of the President to enter into trade agreements under section 350 of the Tariff Act of 1930. This action clears the bill for the White House.

## COMMITTEE MEETINGS - HOUSE:

<u>Tidelands</u>: Committee on the Judiciary: Ordered reported favorably to the House <u>H. R. 4484</u>, a bill to confirm and establish the titles of the States to lands beneath navigable waters within State boundaries and to the natural resources within such lands and waters, etc.

#### CONCRESSIONAL REPORTS:

Committee reports on bills reported in this section of interest to the fishery and allied industries (available only from the committee submitting the report):

Further Research and Control of Sea Lampreys of the Great Lakes Area, House Rept. No. 558, (June 13, 1951, 82nd Congress, 1st Session), 3 p. printed, pursuant to <u>H. R. 2995</u> (82nd Congress, 1st Session), to amend the joint resolution of August 8, 1946, as amended, with respect to appropriations authorized for the conduct of investigations and studies thereunder. Cormittee recownended passage of the bill as amended. (Expenditures of \$500,000 recommended for sea lamprey studies for fiscal year 1952 instead of \$216,000.)

## BILLS SIGNED BY THE PRESIDENT:

Defense Production Act of 1950 Temporary Extension: P. L. 69 (H. J. Res. 278), passed by Congress and signed by the President on June 30, 1951, provides for the temporary extension of the Defense Production Act of 1950, with the modifications that,

a. The authority conferred under the Defense Production Act of 1950, shall not be exercised from June 20, 1951, to July 31, 1951, inclusive, to place into effect, or permit to become effective, a price ceiling for any material or service lower than the ceiling in effect for such material or service on the date of the enactment of this resolution (which was July 1, 1951).

b. The authority conferred under the Defense Production Act of 1950 shall not be exercised to put into effect a ceiling for any material or service for which a ceiling is not in effect on the date of the enactment of this resolution

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For the fishery industries this means that under modification (a) no rollback on canned salmon prices can be effectuated and that the canned salmon prices during the General Ceiling Price Regulation base period, December 19, 1950-January 25, 1951, inclusive, continue to be the ceiling prices.

Since fresh fish and seafood and frozen fish and shellfish are exempt from ceiling prices, no ceiling price can be established on these items during the period covered by the Joint Resolution even if prices during this period should increase over and above the levels which are considered as tolerable under the stabilization program.

<u>Trade Agreements:</u> <u>H. R. 1612</u>, to extend for 2 years the authority of the President under section 350 of the Tariff Act of 1930 to enter into foreign trade agreements. Signed June 16, 1951 (<u>P. L. 50</u>).



THE MEXICAN FISHERIES INDUSTRY

PRODUCTION AND METHODS OF PROCESSING: Mexico keeps no official records on the processing of fishery products.

Reliable estimates place total frozen shrimp production between 10 and 12 million pounds per annum. This pack is almost totally exported to the United States, usually in five-pound cartons.

There is very little production of frozen fillets in Mexico. Some species, such as Gulf pike and sea bass, are frozen in fillet form on a limited scale by several freezing plants located in Guaymas and Mazatlan. Some of this production is exported, but the greater part is sent to Mexico City and other centers of domestic consumption.

The products canned are, in the order of their importance: California sardine, Pacific mackerel, abalone, tuna, Spanish mackerel, shrimp, oysters, and mullet. A variety of other species are packed to a lesser degree, but their importance in the total pack is minor.

The California sardine is packed in No.2 cans and in oval onepound cans and is put up both in tomato sauce and brine. The Pacific mackerel and abalone are packed in brine. Canned tuna has a little oil added, while most other products are packed in their natural form with the addition of a little salt.

The canning and freezing plants, small and large, represent an estimated total investment of \$10 million.

Dry fish is a fairly important item in Mexico, but the amount of smoked and kippered fish produced in Mexico is insignificant.

--Fishery Leaflet 339