



# FEDERAL ACTIONS



## Department of Commerce

COMMERCE FIELD OFFICES PREPARED TO PROVIDE GUIDANCE TO BUSINESSMEN ON NPA PROGRAMS: The 42 field offices of the Department of Commerce are now prepared to provide additional local guidance to businessmen on the programs of the National Production Authority as well as other Department programs, the Secretary of Commerce announced on October 23.

"We are making it possible for businessmen with production problems brought about by the re-armament program to find help close at hand. Unnecessary trips to Washington are not only expensive and wasteful for the businessman, but also add to the burden of our already strained economy," the Commerce Secretary stated.

"In most cases, the field offices will be able to answer specific questions regarding programs as they are put in effect," he said. "If any problems arise which are beyond the scope of the field offices, the directors of these offices can get answers quickly from Washington."

The Secretary's announcement followed a five-day meeting of Regional Directors of the Commerce Department at which they reported on economic and industrial activity in their areas and conferred with NPA officials on the administration of the NPA program for insuring adequate materials for defense with a minimum effect on civilian supply.

The National Production Authority Administrator told the meetings that, "Military needs must have a right-of-way, but that is only half our job. The other half is to expand to keep civilian production in high gear."

"We would like to increase production to meet civilian and military needs both right now. Unfortunately that takes time—a year or two in some cases. During this interval, we cannot add defense on top of our economy in all cases without taking some civilian consumption off the bottom."

## NATIONAL PRODUCTION AUTHORITY

BASIC RULES OF THE PRIORITIES SYSTEM<sup>1/</sup> AMENDED: The basic rules of the priorities system to be administered by the National Production Authority in the Department of Commerce, contained in Regulation 2, have been amended by the issuance of Amendment 2 to this regulation.

<sup>1/</sup> SEE COMMERCIAL FISHERIES REVIEW, NOVEMBER 1950, P. 83.

Exclusion of wood pulp from the National Production Authority's basic priorities regulation was the main purpose of the amendment. As a result, no "DO" priority ratings may be used to obtain wood pulp.

This amendment was made because only 6 or 7 percent of United States consumption of wood pulp is available for purchase on the domestic market. Consequently, only this small quantity has been subject to "DO" ratings. The exclusion of wood pulp from the priorities regulation is designed to prevent disruption in the production and distribution of the several essential grades of wood pulp, NPA officials pointed out.

Wood pulp is the key raw material for paper, paperboard, rayon, cellophane, explosives, and thousands of end products necessary for both the defense program and important non-military uses.

Removal of the limited amount of pulp marketed domestically from the "DO" rating system gives some 400 or more small paper and paperboard mills access to it without seriously interfering with the pulp supply position of the integrated or importing mills.

NOTE: TEXTS OF THE NATIONAL PRODUCTION AUTHORITY REGULATIONS, INTERPRETATIONS, ETC., ARE AVAILABLE FROM THE NATIONAL PRODUCTION AUTHORITY, U. S. DEPARTMENT OF COMMERCE, WASHINGTON 25, D. C., OR FROM DEPARTMENT OF COMMERCE FIELD OFFICES.

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PRIORITIES FOR CERTAIN CONTAINERS, PACKAGING, AND CHEMICALS: An interpretation covering the application of "DO" defense order ratings under the NPA priorities regulation to secure containers, packaging, and chemicals needed to fill defense contracts for food and petroleum was issued on October 24 by the National Production Authority.

Since provisions of the priorities regulation (NPA Regulation 2) do not apply to petroleum and food, "DO" ratings may not be applied to procure these commodities.

However, the interpretation (NPA Interpretation No. 1) makes clear that the Department of Defense and the Atomic Energy Commission may assign to their suppliers of petroleum and food the right to apply "DO" ratings as follows:

1. To secure the drums, cans, and other containers and packaging required for the delivery of petroleum and food.

2. To secure chemicals required for use, either directly in the production of, or in processing the petroleum and food and which will be consumed or converted into byproducts in the course of the processing.

The "DO" ratings may be used only to secure the minimum quantities of containers, packaging, or chemicals required to fill such defense orders.

For containers and packaging, for example, the Department of the Army places an order with a supplier for 100,000 cases of canned fish, which is a food product and is not covered by the priorities regulation. An authorized Army representative may, however, assign to the supplier the right to apply a "DO" rating to secure the packages or containers required for the delivery of the 100,000 cases of canned fish.

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INTERPRETATIONS TO INVENTORY CONTROL REGULATION ISSUED: Three interpretations of its inventory control regulation were issued on November 14. The interpretations cover methods of adjusting orders, the extent of the imported materials exemption, and deliveries of goods through immediate distributors.

The inventory control regulation<sup>1/</sup> (NPA Regulation 1, issued September 18, 1950) limits to a "practicable minimum working inventory" the quantities of a number of listed items which may be ordered, received, or delivered.

<sup>1/</sup> SEE COMMERCIAL FISHERIES REVIEW, NOVEMBER 1950, P. 83.



## Department of State

TERMINATION OF TRADE AGREEMENT WITH CHINA BECOMES EFFECTIVE: The President, on October 12, 1950, signed a proclamation terminating certain United States tariff concessions initially negotiated with China in the General Agreement on Tariffs and Trade concluded at Geneva, Switzerland, in 1947. This action was taken because of the withdrawal of China from the agreement effective May 6, 1950,<sup>1/</sup> according to an October 13 press release from the U. S. Department of State.

Changes in the United States tariff rates resulting from termination of the concessions listed, will be effective on December 11, 1950, the sixtieth day following the issuance of the proclamation.

An exclusive trade agreement between the United States and Cuba, concluded at the same time as the General Agreement, provides that, under certain circumstances, United States tariff preferences on products of Cuba not included in the General Agreement shall be maintained at the margins that were in effect on April 10, 1947. Termination of the concessions to China will, in some cases, by removing the items concerned from the General Agreement, result in adding them to the list of Cuban products entitled to preferential treatment.

<sup>1/</sup> SEE COMMERCIAL FISHERIES REVIEW, OCTOBER 1950, PP. 74-5.



## Eighty-first Congress (Second Session)

NOVEMBER 1950

Congress reassembled on November 27 in continuation of the second session of the Eighty-first Congress.

No bills affecting the fishing and allied industries were introduced or passed in either the Senate or House of Representatives during the few days in November Congress was in session.

