FEDERAL ACTIONS

Department of Commerce

NATIONAL PRODUCTION AUTHORITY

SULFURIC ACID SUPPLY OUTLOOK BRIGHTER: Although individual sulfuric acid producers are to be limited to 90 percent of their 1950 rate of sulfur use, the overall industry's total output of sulfuric acid in the next six months probably will be slightly greater than last year's rate of production, the National Production Authority told the Sulfuric Acid Industry Advisory Committee on October 23.

The purpose of the meeting was to discuss tentative orders which NPA has drafted to place certain restrictions on the production and use of sulfuric acid and on the use of sulfur.

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SUPPLEMENT 4 (REPAIR AND CONVERSION OF SEAGOING VESSELS) TO M-1 REVOKED: Supplement 4 (Repair and Conversion of Seagoing Vessels) to NPA Order M-1 was revoked effective October 22. Priority assistance for the Repair and Conversion of Seagoing Vessels Program, formerly covered by this regulation, is now provided for under CMP regulations.

For details see: Suppl. 4 (Repair and Conversion of Seagoing Vessels) Revocation, issued Oct. 22, 1951, to M-1 (Iron and Steel).

NOTE: SEE COMMERCIAL FISHERIES REVIEW, MARCH 1951, P. 47.

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INVENTORY CONTROL: The inventory control regulation and Interpretations 1, 2, and 3 to this order were amended by NPA on October 22. This regulation's purpose is to prevent the accumulation of excessive inventories of materials in short supply. It does this by limiting the quantities of such materials that can be ordered, received, or delivered.

The revised regulation tightens inventory controls by (1) limiting inventories of a greater number of products and materials than were covered heretofore; (2) providing a more specific definition of items in inventory to include many materials formerly classified as "in process;" and (3) listing in the regulation all existing inventory controls of other NPA orders and regulations.

For details see: NPA Reg. 1 (Inventory Control) and Int. 1, 2, and 3, as amended October 22, 1951.

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CONTROLLED MATERIALS INVENTORIES: CMP Regulation No. 2 regarding inventories of controlled materials was amended on October 12. This regulation provides for the prevention of the accumulation of excessive inventories of controlled materials. It does this by limiting the quantities of such materials that may be ordered, received, or delivered.

For details see: CMP Reg. 2 (Inventories of Controlled Materials), as amended Oct. 12, 1951.

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ADJUSTMENTS REGARDING SHIPMENTS OF CONTROLLED MATERIALS: Two amended directions were issued by NPA on October 22 which required users of steel, copper, or aluminum to cancel or adjust outstanding orders by not later than October 31 when necessary to bring the totals within fourth-quarter allotments under the Controlled Materials Plan.

For details see: Amend. Dir. 7 (Shipments of Controlled Materials in the Fourth Quarter of 1951 which were Scheduled for Shipment in the Third Quarter of 1951) to CMP Reg. No. 1--Basic Rules of the Controlled Materials Plan; issued Oct. 22, 1951.

Amend. Dir. 3 (Shipments of ...) to CMP Reg. No. 6--Construction Under the Controlled Materials Plan; issued Oct. 22, 1951.

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TRANSFER OF RATINGS AND QUOTAS: Conditions under which a company's priority ratings, materials quotas, and other authorizations granted it by NPA may be transferred, along with its other assets and obligations, when it is sold as a going concern to a new owner, are spelled out in NPA Regulation 6 issued on November 5.

For details see: NPA Reg. 6 (Transfer of Quotas and Ratings; Transfer of a Business as a Going Concern), issued Nov. 5, 1951.

NOTE: FULL TEXTS OF MATERIALS ORDERS MAY BE OBTAINED FROM NATIONAL PRODUCTION AUTHORITY, WASHINGTON 25, D. C., OR FROM ANY DEPARTMENT OF COMMERCE REGIONAL OR FIELD OFFICE.

Defense Production Administration

BASIC MATERIALS AND ALTERNATES LIST ISSUED: Issue No. 3 of List of Basic Materials and Alternates was released on October 29 by the Conservation Division of the Defense Production Administration. This list is compiled to reflect the relative availability of certain basic materials and to help save critical materials by indicating more available alternates. It will be published about every two months.

Nearly 400 materials are grouped alphabetically within their commodity classifications according to whether the supply of each is (1) insufficient for essential demand, (2) in approximate balance with essential demand, or (3) fair to good.

For details see: List of Basic Materials and Alternates, Issue No. 3, released Oct. 29, 1951.

Economic Stabilization Agency

OFFICE OF PRICE STABILIZATION

CANNED MAINE SARDINE CEILING PRICES ESTABLISHED: Specific dollars-and-cents ceiling prices for sales by canners of Maine sardines were established by OPS on October 17 by the issuance of Ceiling Price Regulation 85. This regulation became effective October 22, 1951, and superseded prices established by GCPR and CPR 22.

The statement of considerations points out that a price of $10.50 for a case of 100 standard ¼'s keyless cans of Maine sardines packed in oil is a fair and equitable price because the Maine sardine industry has found itself in a most difficult economic position. This increase of 15 percent over the average price which would be permissible under CPR 22 is necessary to take account of the low volume of fish available this year, and the small size of the fish.

Prices in the order apply only to the 1951 pack, and it is expected that these prices will be revised according to the pack and circumstances existing in 1952. The ceiling prices are the same for soybean or cottonseed oil, mustard sauce, or tomato sauce packs.

Dollars-and-cents ceiling prices are established for those items customarily distinguished for pricing purposes by the industry. Differentials of various styles of pack which follow industry distinctions have been recognized. Prices specified are gross prices and customary allowances and discounts must be deducted from them.

These increased prices will be reflected at the wholesale and retail level by the percentage markups provided for in CPRs 14, 15, and 16.

CPR 85—CEILING PRICES FOR CANNED MAINE SARDINES

Pursuant to the Defense Production Act of 1950, as amended, (Pub. Law 774, 81st Cong., Pub. Law 96, 82nd Cong.), Executive Order 10161 (15 F. R. 6105), and Economic Stabilization Agency General Order No. 2 (16 F. R. 738), this Ceiling Price Regulation 85 is hereby issued.

STATEMENT OF CONSIDERATIONS

This regulation establishes specific dollars-and-cents ceiling prices for sales by canners of Maine sardines.

The Maine sardine industry has found itself in a most difficult economic position for reasons that were both unpredictable and uncontrollable. The number of sardines caught off the coasts of Maine and Southern Canada fell off 70 percent from the catch of last year. In 1950 the industry packed 3,844,164 standard cases. The average pack for the preceding ten years was 3,142,167 cases. At the present time there is no carry-over of last year's pack at the canner's level. As of September 15 of this year 663,186 cases had been packed. According to a 10-year average, 62 percent of the pack is prepared by September 15. On this basis, the 1951 pack should be approximately 1,000,000 cases. The size of the individual fish decreased in an even greater proportion. Where normally four to six fish were put into the standard size can, this year's catch requires that upwards of twenty fish be packed into this same size can. Thus, with a greatly decreased volume of fish to pack and with vastly increased labor expense to pack the very small size fish, unit direct costs have advanced sharply. The result has been a tremendous increase in cost per case to turn out this year's pack of Maine sardines.

The ceiling prices of this industry are currently established by CPR 22. Under that regulation, canners' ceiling prices were founded on the 1949 pack, which they selected as their CPR 22 base. That year saw a normal size pack of 3,074,523 standard cases. The sardine canning companies had filed their Form No. 8's in May and June of this year before this year's extremely short pack became an accepted fact. Nor was it known at that time that the run of small fish would continue in the majority for the rest of the season contrary to the normal run of sardines. The additional labor and overhead necessary to pack the sardines this year were not reflected in the prices filed on those forms. When the full situation was realized, a meeting of the Sardine Sub-Committee of the East Coast and Gulf Canned Fish Advisory Committee was held at Portland, Maine, on September 26, 1951. Facts pertinent to this year's operations were reviewed including the cost studies upon which this regulation is based. The results of these studies and the recommendations of the Committee have been given full consideration in arriving at these adjusted ceiling prices.

The Director has decided that a price of $10.50 for a case of 100 standard keyless cans of Maine sardines packed in oil is a fair and equitable price. This increase of 15 percent over the average price which would be permissible under CPR 22, is necessary to take account of the low volume of fish available this year, and the small size of fish. This price is approximately equivalent to that recommended by the Industry Advisory Committee. Even with this increase this price is still below that which prevailed during the years of 1947 and 1948.

It must be emphasized that the prices herein shall apply only to the 1951 pack, due to the abnormal factors discussed above. It is expected that these prices will be revised according to the pack and circumstances existing in 1952.

This regulation establishes dollars-and-cents ceiling prices for those items customarily distinguished for pricing purposes by the industry. Differentials of various styles of pack which follow industry distinctions have been recognized. The prices specified are gross prices and customary allowances and discounts must be deducted from them. These increased prices will be reflected at the wholesale and retail level by the percentage markups provided for in CPR's 14, 15, and 16, and will maintain for Maine sardines, normal price relationships with other competitive canned fish.

In formulating this regulation, the Director of Price Stabilization has consulted with industry representatives to the extent practicable and has given full consideration to their recommendations. In his judgment the provisions of this regulation are generally fair and equitable and are necessary to effectuate the purposes of Title IV of the Defense Production Act of 1950, as amended. The ceiling prices established by this regulation are higher than the prices prevailing just before the date of issuance of this regulation.

As far as practicable, the Director of Price Stabilization gave due consideration to the national effort to achieve maximum production in furtherance of the Defense Production Act of 1950; to prices prevailing during the period from May 24, 1950, to June 24, 1950, inclusive; and to relevant factors of general applicability.

REGULATORY PROVISIONS

Sec.
1. What this regulation does.
2. Where this regulation applies.
3. Ceiling prices for Maine sardines.
4. Conditions and terms of sale.
5. Adjustments.
6. Records.
7. Petition for amendment.
8. Prohibitions.
9. Penalties.
10. Definitions.

AUTHORITY: Sections 1 to 10 issued under sec. 704, 64 Stat. 816, as amended; 50 U. S. C. App. Sup., 2154. Interpret or apply Title IV, 64 Stat. 803, as amended; 50 U. S. C. App. Sup. 2101-2110, E. O. 10161, Sept. 9, 1950, 15 F. R. 6105; 3 CFR, 1950 Supp.

SECTION 1. *What this regulation does.* This regulation establishes specific dollars-and-cents ceiling prices for most sales of canned Maine sardines when such sales are made by the canners of those sardines. These ceiling prices supersede those established by the General Ceiling Price Regulation and by Ceiling Price Regulation 22.

SEC. 2. *Where this regulation applies.* The provisions of this regulation are applicable in the 48 States of the United States and in the District of Columbia.

SEC. 3. *Ceiling prices for Maine sardines.* Your ceiling prices for Maine sardines are as listed below. These prices are for cases of Maine sardines packed in the listed container sizes and types and styles of pack, f. o. b. car at the railroad shipping point nearest the cannery.

A case means a lot of one hundred (100) ¼'s cans or a lot of forty-eight (48) ¾'s cans. The price of a case includes the cost of the shipping container.

Container size and type	Style of pack	Ceiling price per case
Keyless standard pack:		
¼'s	In soybean or cottonseed oil.	$10.50
¼'s	In mustard sauce	10.50
¼'s	In tomato sauce	10.50
¾'s	In mustard sauce	9.00
¾'s	In tomato sauce	9.00
Can pack with key:		
With keys wrapped:		
¼'s	In soybean or cottonseed oil.	12.00
¼'s	In mustard sauce	12.00
¼'s	In tomato sauce	12.00
¼'s	In peanut oil	12.00
With keys in cartons:		
¼'s	In soybean or cottonseed oil.	12.00
¼'s	In mustard sauce	12.00
¼'s	In tomato sauce	12.00
¼'s	In peanut oil	12.00
With keys decorated tops:		
¼'s	In soybean or cottonseed oil.	11.25
¼'s	In tomato sauce	11.25
¼'s	In peanut oil	12.00
With keys plain:		
¼'s	In soybean or cottonseed oil.	11.00
¼'s	In mustard sauce	11.00

SEC. 4. *Conditions and terms of sale.* The ceiling prices set forth in section 3 of this regulation are gross prices and you must continue to apply all customary delivery terms, discounts, allowances, guarantees, and other usual and customary terms and conditions of sale; which you had in effect between Dec. 19, 1950 and Jan. 25, 1951 inclusive, except that in no instance shall the gross selling price of any item covered by this regulation exceed the ceiling price for such item as set forth in section 3.

SEC. 5. *Adjustments.* For container sizes, or types and styles of pack of Maine sardines not listed in section 3 of this regulation, the ceiling price shall be a price determined by the Director of Price Stabilization to be in line with the prices listed in that section 3. Such determination shall be made upon written request addressed to the Fish Branch, Office of Price Stabilization, Washington 25, D. C., showing the size and type of container listed in section 3 to which your unlisted product is most similar and your price differential between the unlisted product and most similar listed product as of June 24, 1950 or the latest date previous to June 24, 1950 on which both products were sold or offered for sale by you. You may not sell your product under this section 5 until you receive written notification of the ceiling price which has been approved for such product. Until you have received a price under this section 5, you may use the prices you filed pursuant to CPR 22, if approved, or your GCPR prices.

SEC. 6. *Records.* After the effective date of this regulation, if you sell or exchange Maine sardines in the course of trade or business or otherwise deal therein, you must make, preserve, and keep available for examination by the Director of Price Stabilization for a period of two years, accurate records of each sale, showing:

(1) The date of sale;

(2) The name and address of the buyer and of the seller;

(3) The price contracted for or received, with a recording of all allowances, discounts, and other terms and conditions of sale;

(4) The quantity, style of pack, and the container size and type.

SEC. 7. *Petition for amendment.* If you wish to have this regulation amended, you may file a petition for amendment in accordance with the provisions of Price Procedural Regulation 1, Revised (16 F. R. 4974).

SEC. 8. *Prohibitions.* On or after the effective date of this regulation, regardless of any contract, agreement, or other obligation, you shall not sell or deliver, and no person in the course of trade or business shall buy or receive any commodity covered by this regulation at prices higher than those established by this regulation, and no person shall agree, offer, solicit, or attempt to do any of the foregoing. The price limitations set forth in this regulation shall not be evaded, whether by direct or indirect methods, in connection with any offer, solicitation, agreement, sale, delivery, purchase, or receipt of, or relating to any of the commodities covered by this regulation, alone or in conjunction with any other commodity, or by way of any commission, service, transportation, or other charge, or discount, premium, or other privilege, or by tying-agreement or other trade understanding, or by changing the selection or style of processing or the canning, wrapping or packaging of the commodities covered in this regulation, or in any other way.

SEC. 9. *Penalties.* Persons violating any provision of this regulation are subject to the criminal penalties, civil enforcement actions, and suits for damages provided for by the Defense Production Act of 1950, as amended.

SEC. 10. *Definitions.* When used in this regulation the term: (a) "Maine Sardines" means canned Atlantic sea herring (ordinarily Clupea harengus) of the sizes customarily packed and sold under the trade designation of Maine sardines.

(b) "¼'s" means drawn cans of the following measurements: 300.5×404×014.5 or 405×211×016.

(c) "¾'s" means three piece cans or drawn cans of the following measurements: 308×412×112 or 304×508×105.

(d) "Canner" means a person who preserves Maine sardines by processing and hermetically sealing them in metal containers.

(e) "You" means the person subject to this regulation.

Effective date. This regulation is effective October 22, 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.

OCTOBER 17, 1951.

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CORRECTION ISSUED FOR CERTAIN CANNED SALMON CEILING PRICES IN CPR 65: Clerical errors in listing prices of three items in section 4 (a) of OPS Ceiling Price Regulation 65 (Ceiling Prices for Canned Salmon), issued on July 30, 1951, were corrected in the August 11 issue of the Federal Register. The corrected prices, which became effective August 8, are as follows:

COPPER RIVER SOCKEYE, 1/2 LB. FLAT......$20.00 INSTEAD OF $19.00

PUGET SOUND SOCKEYE, 1/2 LB. FLAT.......$21.00 INSTEAD OF $20.00

C. R. CHINOOK FANCY, 1/2 LB. FLAT.......$22.00 INSTEAD OF $21.00

NOTE: SEE COMMERCIAL FISHERIES REVIEW, SEPTEMBER 1951, PP. 47-50.

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PRICING STANDARDS ISSUED AND TAILORED REGULATIONS PLANNED: Development of tailored regulations for manufacturers and processors has been ordered by the Office of Price Stabilization. Wherever possible, these regulations will provide "identifiable" ceilings for the benefit of buyers and sellers, with emphasis on dollars-and-cents ceilings, according to OPS. The program contained in Price Operations Memorandum No. 13, dated October 18, has the following objectives:

Quickly building a more stabilized price structure, to guard the nation against the heavier inflationary pressures anticipated in the winter and spring;

Supplanting present interim regulations, and their unavoidable disadvantages, with tailored regulations adopted specifically for each industry or segment of an industry and based on its own particular problems and practices;

Applying identifiable dollars-and-cents ceiling prices in every case this can be done, to make clear to the seller and buyer the legal prices that can be charged and paid;

Reducing ceiling prices under those that now prevail wherever permitted by the specific requirements of law and by the over-all requirement that ceilings must be generally fair and equitable to an industry; and

Increasing ceiling prices in instances where, because of cost increases, existing ceilings are no longer generally fair and equitable.

In the memorandum various pricing techniques are suggested for the guidance of the commodity division directors. While dollars-and-cents ceilings are to be used wherever possible, it is recognized that they usually must be restricted to standardized goods historically sold at substantially uniform prices.

Other techniques available include a straight freeze, where a suitable base period with a satisfactory price level can be found; a modified freeze, where it is possible to find a suitable base period providing prices which can be adjusted to reflect more recent costs; a formula technique, setting ceilings on the basis of some markup (seller's own historical markup or a specified percentage markup) over certain elements of cost.

In addition, general rules for price levels are set out in the standards included in the memorandum.

For details see: Price Operations Memorandum No. 13, dated Oct. 18, 1951.

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MANUFACTURING ORDERS, MANDATORILY EFFECTIVE, PROVIDE FOR OPTIONAL ADJUSTMENT OF CEILINGS UNDER CAPEHART AMENDMENT: In simultaneous moves, OPS ordered on November 9 the general manufacturers' and machinery regulations (CPRs 22 and 30) to become mandatorily effective December 19, and at the same time issued supplements to each regulation providing for optional adjustment of ceilings under the terms of the so-called Capehart Amendment to the Defense Production Act of 1950, recently passed by Congress.

These supplements will allow manufacturers covered by the two regulations to calculate adjustments of their ceiling prices under the Capehart Amendment. This amendment provides for inclusion of costs in addition to those provided in the two manufacturing regulations and gives a later cut-off date for figuring cost increases.

These supplements are the first of a series of regulations which will be issued by the agency to carry out the provisions of the amended law. These two supplements are in effect self-executing.

Originally issued April 25, the general manufacturers' regulation (CPR 22) covers durables, many processed foods (including canned fish), and many other manufactured goods. The machinery order (CPR 30), issued May 4, governs ceilings on many automotive and truck parts, aircraft parts, machinery of all kinds, farm equipment, fabricated structural steel shapes and bars, ships, and similar products.

These regulations have been in effect on an optional basis in recent months. However, most manufacturers covered by CPRs 22 and 30 will have to price under those regulations and their supplements by the mandatory effective date of December 19.

Manufacturers who are eligible for adjustments but who do not wish to recalculate their CPR 22 and CPR 30 ceilings immediately may elect to use the supplements at a later time. As soon as applications are received by OPS under the supplements, manufacturers may use the adjusted ceilings, although the agency intends to review them as promptly as possible, and retains authority to revise them at any time.

Applications must be filed on Public Form 100 available at Regional and District offices of OPS.

The Director of Price Stabilization said that "undoubtedly the supplements and General Overriding Regulations will result in some increases in manufacturers' ceilings."

These are the principal differences between the manufacturing regulations as they were issued and the supplements:

(1) Under CPRs 22 and 30, any of four calendar quarters between July 1, 1949, and June 30, 1950, can be used as a base period for finding pre-Korean prices and costs; under the supplements, manufacturers can use only certain 1950 periods--either the period, January 1 to June 24, 1950, or the two 1950 quarters provided in the original regulations.

(2) CPRs 22 and 30 permit cost increases to be figured from the end of the base quarter selected by the manufacturers. The supplements provide for three alternative methods: increases in cost from the date on which the manufacturer received the highest price between January 1 and June 24, 1950, or June 24, 1950,

for all his commodities, or from the last day of the two 1950 base-period quarters of the regulations.

(3) The two manufacturing regulations provide increases in labor costs up to March 15, 1951, and increases in most materials to either December 31, 1950, or March 15, 1951, depending upon the material involved; the supplements make July 26, 1951, the cut-off date for both labor and materials.

(4) CPRs 22 and 30 take into account only changes in the cost of factory labor and manufacturing materials, while the supplements allow inclusion of all cost increases, including increases in overhead costs, except those considered "unreasonable or excessive."

In general, the items which have been excluded as items of cost in figuring adjusted ceilings under the supplement conform to well known and sound rules of accounting. Some of the exclusions or limitations:

Any depreciation in excess of normal depreciation; any distribution of profits, such as bonuses, payments of any profit sharing plans to workers or management or dividends; interest; capital expenditures; excessive expense accounts or entertainment costs; income or profit taxes; inventory losses, and any other non-operating cost. Increases in charitable contributions are recognized only to the extent permitted under the income tax laws.

By making either the regulations or the Capehart supplements compulsory, OPS has made it possible for manufacturers wishing to take advantage of the increases offered by the law to make only one adjustment in their prices. Moreover, in drafting the supplements, agency officials have attempted to retain as much as possible the pricing methods and techniques of the original regulations, thus making it possible for manufacturers to use many of the calculations they have already made.

In applying for adjustments under the supplementary regulations, therefore, manufacturers will be following tested methods for computing increased costs since Korea, and for this reason the agency is making the supplements virtually self-executing. Applications, of course, are always subject to later review.

The option to use the supplements will remain open, but any manufacturer using them must adjust the ceilings for all products covered by CPR 22 and CPR 30, although under certain conditions adjustments may be made for just a unit of a business.

Most complex problem facing the agency, OPS officials said, was the handling of overhead costs, since it is seldom that all overhead costs are allocated to every individual commodity. Moreover, in many companies it is customary to figure overhead on an arbitrary, estimated or assumed volume of production and sales rather than upon actual production and sales.

In general, these supplements allow manufacturers to use their established methods of allocating overhead costs as much as possible. But where records are insufficient to complete overhead calculations, the rules require that any unallocated factory overhead be related to the cost of production, and that any unallocated general overhead be related to sales.

Usually, overhead is figured on an annual basis, to provide an adequate period for measuring production or sales and take into account costs which are not part of the day-to-day operating expenses. Under the terms of the amended act, however, it was impossible to use an annual basis. Thus, overhead computations will be made on the basis of a comparison of costs incurred in the first half of 1951 with actual costs in the first half of 1950.

Actual overhead costs in the first half of 1951, however, may be adjusted to reflect any changes in prices, wages, or salaries up to July 26, 1951. Selection of alternative periods for figuring overhead costs must be made if either half year is unrepresentative because of a strike, flood, fire or similar event.

CPR 22 was first issued April 25, 1951, with an effective date of May 28, 1951.

CPR 30 was first issued May 4, 1951, with an effective date of May 28, 1951.

Effective date of both manufacturing regulations was postponed until July 2, 1951, at the request of many manufacturers who said they needed additional time to complete their calculation of ceilings.

On June 30 OPS issued General Overriding Regulation 13, providing that manufacturers who had started to price under CPR 22 and CPR 30 would continue to do so, but allowing others to remain under the general freeze order. This step was taken because the 30-day extension of the Defense Production Act for the month of July prohibited rollbacks.

On July 30 GOR 13 was revoked and August 13 was set as the new effective date.

On August 9 the mandatory effective date of the regulation was postponed indefinitely, pending clarification of the amendment and completion of regulations to carry out the terms of the amended law.

For details see: Supplementary Regulation-17--Adjustments Under Section 402 (d) (4) of the Defense Production Act of 1950, As Amended, dated Nov. 9, 1951, to CPR 22 (Manufacturers' General Ceiling Price Regulation).

Amdt. 33 (Mandatory Effective Date), dated Nov. 9, 1951, to CPR 22.

Revision 1 to Supplementary Regulation 1--Alternative Method for Determining Ceiling Prices by Adjusting Ceiling Prices Established Under the General Ceiling Price Regulation Rather Than Base Period Prices, dated Nov. 9, 1951, to CPR 30 (Machinery and Related Manufactured Goods).

Supplementary Regulation 4--Adjustments Under Section 402 (d) (4) of the Defense Production Act of 1950, as amended, dated Nov. 9, 1951, to CPR 30.

Amdt. 20 (Mandatory Effective Date), dated Nov. 9, 1951, to CPR 30.

OPS Trade Guide (OPS-TP-30)--General Manufacturers (Supplementary Regulation 17 to CPR 22), dated Nov. 9, 1951.

OPS Trade Guide (OPS-TP-31)--Machinery and Related Manufactured Goods (Supplementary Regulation 4 to CPR 30 and Supplementary Regulation 1, Revision 1 to CPR 30), dated Nov. 9, 1951.

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<u>TIGHT COOPERAGE AND TIGHT-COOPERAGE STOCK CEILING PRICES ISSUED</u>: A tailored regulation controlling the price of tight-cooperage (including food barrels) and

the cooperage stock from which they are made was issued by OPS on October 19. (CPR 86--New Tight Cooperage). It applies to manufacturers and sellers of tight cooperage and tight-cooperage stock in the United States and Territories and Possessions. Ceilings in some cases are dollars-and-cents prices and in other cases are derived by percentage markups or a combination of both. It became effective October 24.

For details see: CPR 86 (New Tight Cooperage), issued Oct. 19, 1951.

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VEGETABLE PARCHMENT TAILORED REGULATION PROPOSED: A proposed tailored regulation that would spell out dollars-and-cents ceilings on seven basic vegetable parchment grades was discussed by members of the Vegetable Parchment Industry Advisory Committee on October 17 in a meeting with OPS officials. Ceilings on related weights and grades under the proposed regulation would be determined by applying differentials to the dollars-and-cents prices.

Vegetable parchments are water-insoluble and are widely used for wrapping moist and oily foods, including some fishery products. They are made by treating paper materials with acid, glycerine, and other chemicals.

For details see: News release OPS-GPR-931, dated Oct. 17, 1951.

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FISH MEAL AND SCRAP CEILING PRICES EXTENDED TO HAWAII: Because Hawaii was not covered by CPR 39 (which set ceiling prices for fish scrap and fish meal on the Pacific Coast), Amendment 1 to this regulation was issued on September 20 by OPS to make ceiling prices the same in both places for these commodities.

Ceiling prices for fish scrap and fish meal produced in the Territory of Hawaii have been established by the General Ceiling Price Regulation (GCPR). However, normally, prices of fish scrap and fish meal produced in the Territory parallel the prices for mainland-produced fish scrap and fish meal. Ceiling Price Regulation 39, issued May 29, 1951, removed the mainland products from GCPR coverage, but Hawaiian fish meal and scrap continued under GCPR. Therefore, Amendment 1 to CPR 39 issued on September 20 establishes uniform dollar-and-cents ceiling prices on bulk sales at the processor level for fish meal and scrap produced in the Territory of Hawaii, based on the ceiling prices established for Pacific Coast points by CPR 39.

Since no fish solubles and specialty fish feed products are produced in the Territory, the provisions of CPR 39 affecting those products will have no application in the Territory at the present time.

This amendment also provides that if you import fish meal or fish scrap into the continental United States through a Pacific coast port of entry, or if you import fish meal or fish scrap into the Territory of Hawaii, your ceiling price for each grade of fish meal or scrap is the same as the per ton, bulk, f.o.b. ceiling price of Pacific Coast or Territory of Hawaii processors for fish meal or fish scrap of the same protein content.

For details see: Amendment 1 (Extending Coverage to Territory of Hawaii), dated Sept. 20, 1951, to OPS CPR 39 (Ceiling Prices of Certain Marine Feed Products Sold by Processors, Importers, and Distributors).

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PUERTO RICO SALTED COD CEILING PRICES RAISED: Ceiling prices on sales of salted cod in Puerto Rico were increased 2 cents a pound at all levels by the Office of Price Stabilization on September 26. Amendment 2 to CPR 51 was issued to assure continued supply from Newfoundland.

The full text of Amendment 2 to CPR 51 follows:

CPR-51—FOOD PRODUCTS SOLD IN PUERTO RICO

NEW PRICES FOR THE SALE OF CODFISH

Pursuant to the Defense Production Act of 1950, as amended, Executive Order 10161 (15 F. R. 6105), and Economic Stabilization Agency General Order No. 2 (16 F. R. 738), this Amendment 2 to Ceiling Price Regulation 51 is hereby issued.

STATEMENT OF CONSIDERATIONS

This amendment revises the dollar and cents prices established for distributors of salted codfish in Puerto Rico under section 2.1 of the food regulation for that territory. This revision is required because of the increase in the landed cost of the fish.

As noted in the Statement of Considerations accompanying Ceiling Price Regulation 51, about 95 percent of the codfish consumed in the Territory is imported from Newfoundland. Arrangements for the supply of codfish are made on an annual basis between representatives of the Puerto Rican importers and the Newfoundland Association of Fish Exporters, Ltd., otherwise known as NAFEL.

Negotiations with NAFEL for the supply of salted codfish for the coming year commenced in August. NAFEL requested a contract price which was $2.00 in excess of last year's contract price and $4.00 per hundredweight above the price for the codfish in April 1951. It was on the April contract price that the dollar and cents ceiling prices established in CPR-51 were computed, and the increase sought by the Newfoundland suppliers would have required changing the present $0.20 per pound ceiling at retail to $0.25 per pound, an increase of 25 percent on about the most important item in the Puerto Rican food economy. Negotiations were halted upon advice to the importers that the Territorial Office of Price Stabilization would refuse to recommend approval of such a drastic price increase without a well-documented justification of the need therefor.

No codfish has thus far been received from Newfoundland during the month of September, and inventories have now reached the point where, in the absence of additional supplies of Newfoundland codfish within the next several weeks, stocks on hand will be exhausted.

Negotiations were continued when the NAFEL modified its asking price to $16.67 per hundredweight, a reduction of $1.00 from its original request. Subsequently, the Canadian Government, through the Commercial Secretary attached to the Embassy in Washington, engaged in a series of conversations with officials of the Office of Price Stabilization, ultimately reporting that it was the opinion of the Canadian government offices that the prices requested by NAFEL were justifiable.

A contract which provides for a landed cost of codfish at $16.67 per hundredweight has already been signed by NAFEL and the Puerto Rican importers. New ceiling prices are established, therefore, upon the basis of the price which the importers will have to pay under the new contract. This amendment to CPR-51 establishes a ceiling price of $18.30 per hundredweight on sales to wholesalers, a wholesale ceiling price of $19.20 per hundredweight, and a retail ceiling price of $0.22 per pound.

Sellers of codfish in Puerto Rico at all levels of distribution are general distributors and the ceiling prices established by this amendment will not reduce their percentage margins below the customary percentage margins they re-received in the period May 24-June 24, 1950, for the group of commodities they sell.

In formulating this amendment the Director of Price Stabilization consulted with NAFEL, the importers, wholesalers, and retailers, and has given full consideration to their recommendations. In the judgment of the Director, this amendment is necessary to effectuate the purposes of Title IV of the Defense Production Act of 1950, as amended.

AMENDATORY PROVISIONS

Section 2.1 (b) of Ceiling Price Regulation 51 is amended to read as follows:

(b) *Ceiling prices.* Ceiling prices for salted codfish are established as follows:

Salted codfish:	
Sales to wholesaler (per 100 lbs.)	$18.30
Sales at wholesale (per 100 lbs.)	19.20
Sales at retail (per lb.)	.22

(Sec. 704, 64 Stat. 816, as amended; 50 U. S. C. App. Sup., 2154)

Effective date. This Amendment 2 to Ceiling Price Regulation 51 is effective September 26, 1951.

EDWARD F. PHELPS, JR.,
Acting Director of Price Stabilization.

SEPTEMBER 26, 1951.

NOTE: FULL TEXTS OF PRICE ORDERS MAY BE OBTAINED FROM THE OFFICE OF PRICE STABILIZATION, WASHINGTON 25, D. C., OR FROM THE REGIONAL OPS OFFICE IN YOUR AREA.

WAGE STABILIZATION BOARD

GENERAL WAGE PROCEDURAL REGULATION ISSUED: A General Wage Procedural Regulation was issued on September 20 by the Wage Stabilization Board. This regulation establishes the procedural requirements for obtaining rulings and requesting approval of the Wage Stabilization Board for adjustments in compensation.

For details see: General Wage Procedural Regulation, dated Sept. 20, 1951.

Department of the Interior

DEFENSE FISHERIES ADMINISTRATION

FISHERY MARKET NEWS SERVICE ASSIGNED DFA FIELD ACTIVITIES: Field offices of the Defense Fisheries Administration have been discontinued in order to effect an economy in the operation of this defense agency, according to an October 25 announcement by Administrator Albert M. Day.

The seven Market News Service field offices of the U. S. Fish and Wildlife Service's Branch of Commercial Fisheries have been assigned the Defense Fisheries Administration field office functions in their respective areas. These offices, with some aid, as needed, from other Sections of the Service's Branch of Commercial Fisheries, will handle DFA field activities, and will also serve in a liaison capacity between the fishery and allied industries in their regions and the Washington DFA office.

No reduction or change in the Washington staff of the Defense Fisheries Administration is contemplated. This cooperation between the Service's Branch of Commercial Fisheries and the Defense Fisheries Administration will result in a workable operation in handling current field problems.

Market News Service field offices, personnel in charge, and areas covered are as follows:

OFFICE LOCATION	EMPLOYEE IN CHARGE	AREA COVERED
ROOM 10, COMMONWEALTH PIER BOSTON 10, MASSACHUSETTS TELEPHONE: LIBERTY 2-1513-4 TELETYPE: BS-130	J. J. O'BRIEN	MAINE TO RHODE ISLAND, INCLUSIVE
155 JOHN STREET, ROOM 504 NEW YORK 38, NEW YORK TELEPHONE: BEEKMAN 3-4382-3 TELETYPE: NY-1-1809	H. M. BEARSE	CONNECTICUT TO DELAWARE, INCLUSIVE
18 SOUTH KING STREET HAMPTON, VIRGINIA TELEPHONE: 3-3360-9 TELETYPE: HPT. VA-80	C. D. STEWART	MARYLAND TO GEORGIA, INCLUSIVE
1100 DECATUR STREET NEW ORLEANS 16, LOUISIANA TELEPHONE: MAGNOLIA 1674-5 TELETYPE: NO-42	S. C. DENHAM	FLORIDA TO TEXAS, INCLUSIVE
200 NORTH JEFFERSON STREET CHICAGO 6, ILLINOIS TELEPHONE: RANDOLPH 6-2183-4 TELETYPE: CG-1426	A. ALBANO	GREAT LAKES AREA
POST OFFICE BUILDING SAN PEDRO, CALIFORNIA TELEPHONE: TERMINAL 2-5354 TELETYPE: ZA-88-034	V. J. SAMSON	CALIFORNIA
421 BELL STREET TERMINAL SEATTLE 1, WASHINGTON TELEPHONE: MAIN 0740-1 TELETYPE: SE-211	C. M. REARDON	OREGON, WASHINGTON, ALASKA

Interstate Commerce Commission

INCREASED EXPRESS RATES AND CHARGES AUTHORIZED: Increased Railway Express Agency rates and charges were authorized by the Interstate Commerce Commission. A decision in Docket Ex Parte No. 177 (Increased Express Rates and Charges, 1951) was made by ICC on October 23. Among the findings included in that decision of interest to the fishery industry are the following:

1. ALL FIRST-CLASS RATES AND CHARGES UNDER 100 POUNDS GRADUATED IN 1-POUND UNITS: INCREASE BY 30 CENTS PER SHIPMENT; 100 POUNDS AND OVER: INCREASE BY 30 CENTS PER 100 POUNDS; AND ALL MULTIPLES OF FIRST-CLASS RATES AND CHARGES: INCREASE PROPORTIONATELY, MINIMUM CHARGE $1.50 PER SHIPMENT.

2. ALL SECOND-CLASS RATES AND CHARGES: INCREASE TO 75 PERCENT OF THE CONTEMPORANEOUS FIRST-CLASS RATES AND CHARGES, MINIMUM CHARGE $1.50 PER SHIPMENT.

3. CANCEL FIRST-CLASS POUND RATES AND APPLY FIRST-CLASS RATES AS INCREASED IN (1) ABOVE, MINIMUM CHARGE $1.50 PER SHIPMENT.

4. COMMODITY RATES AND CHARGES: NOT TO BE ELIMINATED FOR ARTICLES OF FOOD AND DRINK. ON ARTICLES OF FOOD AND DRINK, UNDER 100 POUNDS: INCREASE BY 22.5 CENTS PER SHIPMENT; 100 POUNDS AND OVER: INCREASE BY 22.5 CENTS PER 100 POUNDS, MINIMUM CHARGE $1.50 PER SHIPMENT. (THE GREATEST PERCENTAGE OF FISHERY PRODUCTS EXPRESS SHIPMENTS FALL IN THIS CATEGORY.)

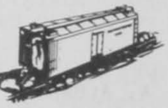
5. SPECIFIC CHARGES STATED IN CENTS PER CONTAINER PUBLISHED ON RETURNED EMPTY CONTAINERS: INCREASE BY 25 PERCENT. EMPTY CONTAINERS SUBJECT TO CHARGES BASED ON FIRST OR SECOND-CLASS RATES: INCREASE ON BASIS OF THE INCREASED FIRST OR SECOND-CLASS RATES, MINIMUM CHARGE $1.50 PER SHIPMENT.

6. ALL C.O.D. SERVICE CHARGES: INCREASED BY 25 PERCENT.

7. CARLOAD SHIPMENTS SUBJECT TO FIRST OR SECOND-CLASS RATES: INCREASE AS PROVIDED IN (1) OR (2) ABOVE.

8. ALL LOCAL AND JOINT INTERNATIONAL RATES AND CHARGES BETWEEN POINTS IN THE UNITED STATES AND CANADA: INCREASE TO SAME EXTENT AS AUTHORIZED FOR APPLICATION WITHIN THE UNITED STATES.

The Railway Express Agency was authorized to establish and maintain on the basis of this decision rates and charges to become effective not later than December 15, 1951, upon 15 days notice as provided in the Interstate Commerce Act. Tariffs have already been filed making most of the increases authorized above effective November 15, 1951.



Department of State

TRIPARTITE NEGOTIATIONS FOR A NORTH PACIFIC FISHERIES CONVENTION: The United States Government has accepted Japan's invitation to participate in Tripartite (Canada, Japan, and the United States) Negotiations for a North Pacific Fisheries Convention, scheduled to commence at Tokyo, Japan, on November 5, 1951.

Informal discussions regarding North Pacific fisheries have been conducted during the past few months between the Governments concerned. In convening this meeting, the Japanese Government is carrying out the provisions of Article 9 of the Treaty of Peace signed at San Francisco on September 8, 1951. Provision was made in that Article for Japan promptly to begin negotiations with the Allied Powers so desiring for the conclusion of agreements providing for the regulation or limitation of fishing and the conservation and development of fisheries on the high seas.

The United States Delegation is as follows:

DELEGATE

WILLIAM C. HERRINGTON
SPECIAL ASSISTANT TO THE UNDER SECRETARY
DEPARTMENT OF STATE

ALTERNATE

MILTON C. JAMES
ASSISTANT DIRECTOR
FISH AND WILDLIFE SERVICE
DEPARTMENT OF THE INTERIOR

MEMBER

WARREN F. LOONEY
OFFICE OF THE SPECIAL ASSISTANT TO THE UNDER SECRETARY
DEPARTMENT OF STATE

ADVISERS

EDWARD W. ALLEN,
ALLEN, HILEN, FROUDE, DEGARMO AND LEEDY, SEATTLE
COMMISSIONER, INTERNATIONAL FISHERIES COMMISSION
AND MEMBER, PACIFIC FISHERIES CONFERENCE

MILTON C. BROODING
CALIFORNIA PACKING CORPORATION, SAN FRANCISCO, CALIF;
CHAIRMAN OF EXECUTIVE COMMITTEE
PACIFIC FISHERIES CONFERENCE

RICHARD S. CROKER
CHIEF, BUREAU OF MARINE FISHERIES
DEPARTMENT OF NATURAL RESOURCES
STATE OF CALIFORNIA

DONALD P. LOKER
GENERAL MANAGER, HIGH SEAS TUNA PACKING COMPANY
SAN DIEGO, CALIFORNIA; MEMBER, PACIFIC FISHERIES
CONFERENCE

HAROLD E. LOKKEN
MANAGER, FISHING VESSEL OWNERS ASSOCIATION, SEATTLE,
WASHINGTON; MEMBER, PACIFIC FISHERIES CONFERENCE

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ITALY SIGNS TORQUAY PROTOCOL TO GATT: The Government of Italy on October 18 signed the Torquay Protocol to the General Agreement on Tariffs and Trade at the headquarters of the United Nations in New York. The provisions of the protocol tariff concessions, which were initially negotiated between the United States and Italy but which have been withheld pending Italy's signature, will become effective on November 17, thrity days after Italy's signature, an October 22 Department of State news release announces.

The scope of United States negotiations with Italy at Torquay was limited because the two countries had concluded much more extensive negotiations at Annecy, France, in 1949. The concessions exchanged at Torquay, however, supplement those previously negotiated at Annecy and should therefore be considered as a part of a comprehensive whole.

At Torquay, Italy granted new reductions in duties or bindings of existing duties against increase on various agricultural and industrial products imported into Italy from this country. However, fishery products were of minor importance.

Fishery items in the United States tariff affected include canned anchovies and antipasto. The United States import duty on anchovies (valued not over 9 cents per pound including the weight of the immediate container) was bound at 22 percent ad valorem, and the duty on antipasto (valued not over 9 cents per pound including the weight of the immediate container) was reduced from 44 percent ad valorem to 22 percent ad valorem. However, United States imports of these items in 1950 were relatively insignificant.

In negotiations with other countries at Torquay, Italy granted concessions on many items (including fishery products) in which United States exporters have an interest, and these concessions will apply to imports from the United States.

Italy, in negotiations with other countries at Torquay, reduced its import duty on kippered herring (canned in oil of the same fish or in tomato sauce) from 30 percent to 20 percent, and also reduced its duties on "substitutes for caviar" and canned mussels.

* * * * *

INDONESIA SIGNS TORQUAY PROTOCOL TO GATT: The Government of Indonesia signed on October 19 the Torquay Protocol to the General Agreement on Tariffs and Trade at the headquarters of the United Nations in New York. Concessions which were initially negotiated between the United States and Indonesia at Torquay (which have heretofore been withheld) will become effective November 18, according to a Department of State news release dated October 22.

At Geneva in 1947 the Netherlands Government negotiated tariff concessions under the General Agreement on behalf of Indonesia, which became a Contracting Party to the agreement in its own name by action of the Contracting Parties in 1950. At Torquay, Indonesia for the first time negotiated in its own name.

Concessions exchanged between the United States and Indonesia at Torquay supplement those which had been negotiated at Geneva in 1947. No fishery products are included.

Eighty-Second Congress (First Session)

OCTOBER 1951

Both the House and Senate adjourned sine die on October 20. Pending bills did not die with adjournment; they remain in committee or on the calendar where they can be taken up after the 82d Congress returns for its second session next January.

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. However, 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:

Tuna Import Duty: H. R. 5693 (Camp) - A bill to amend the Tariff Act of 1930, so as to impose certain duties upon the importation of tuna fish and for other purposes; to the Committee on Ways and Means.

Undersized Fish--To Prevent Shipment in Interstate Commerce: H. R. 5803 (Weichel) - A bill to prevent the shipment in interstate commerce of illegal undersized fish; to the Committee on Merchant Marine and Fisheries. ("Provides that the sending, shipping, and transportation in interstate commerce of fish, undersized or otherwise illegal according to the law of the State wherein such fish were netted, taken, possessed, transported, or shipped, shall be a Federal offense.")

Water Pollution Prevention: H. R. 5742 (Abbitt) - A bill to encourage the prevention of water pollution by allowing amounts paid for industrial waste treatment works to be amortized at an accelerated rate for income-tax purposes; to the Committee on Ways and Means.

CHAMBER ACTIONS:

Collisions at Sea: On October 1 the Senate passed without amendment and cleared for the President H. R. 5013, to authorize the President to proclaim regulations for preventing collisions involving water-borne craft upon the high seas and in waters connected therewith.

Defense Production Act Amendment: On October 4 the Senate passed without amendment S. 2170 by 49 yeas to 21 nays, to amend the Defense Production Act of 1950, regarding price ceilings for manufacturers and processors, after rejecting two Capehart amendments.

Tuna Import Duties: On the call of the Consent Calendar on October 15, the following bill, among others, was passed by the House: H. R. 5693, to impose certain duties on the importation of tuna fish, amended. (As passed, provides for a duty of 3 cents a pound on imports of fresh and frozen tuna, whether or not whole. Also, the U. S. Tariff Commission is directed to undertake an investigation of the competitive position of the domestic tuna industry, including the effect of imports of fresh or frozen tuna fish on the livelihood of American fishermen, and to report the results of this investigation to the Congress on or before January 1, 1953. The Secretary of the Interior is directed to make a comprehensive study of the long-range position of the domestic tuna industry and recommend such measures as may be appropriate to promote necessary adjustments so that the industry may achieve and maintain a sound position in the domestic economy. Report to be submitted to Congress by Jan. 1, 1953.)

COMMITTEE MEETINGS:

Defense Production Act Amendment: House Committee on Banking and Currency on October 11 ordered reported to the House S. 2170 to amend the Defense Production Act of 1950, regarding price ceilings for manufacturers and processors. The bill was amended to change the period which reflects the highest level of prices prevailing during a representative base period from 6 months to a year (July 1, 1949, to June 24, 1950, inclusive).

Fats and Oils: House Committee on Banking and Currency on October 20 deferred action, until after the House convenes in January, on H. R. 5792, repealing section 104 of the Defense Production Act of 1950, dealing with fats and oils.

Tuna Imports: House Committee on Ways and Means: The Camp Subcommittee on tuna imports met on October 8 in connection with its study and investigation of the effect of imports on domestic fishermen and canners of tuna. Meeting with the group were representatives of the Tariff Commission, State Department, and the Treasury Department. Under discussion was the report of the Tariff Commission containing recent data on imports of tuna and on the current slump in domestic tuna fishing and canning. Subcommittee adjourned until October 10 when it held an executive meeting to discuss the possibility of scheduling further hearings on the subject.

On October 12 the House Committee on Ways and Means ordered reported favorably to the House H. R. 5693, amended, which would levy a 3-cents-a-pound tax on imported fresh or frozen tuna fish.

BILLS SIGNED BY THE PRESIDENT:

Collisions at Sea: H. R. 5013, authorizing the President to proclaim regulations for preventing collisions at sea. Signed October 11, 1951 (P. L. 172).

CONGRESSIONAL REPORTS:

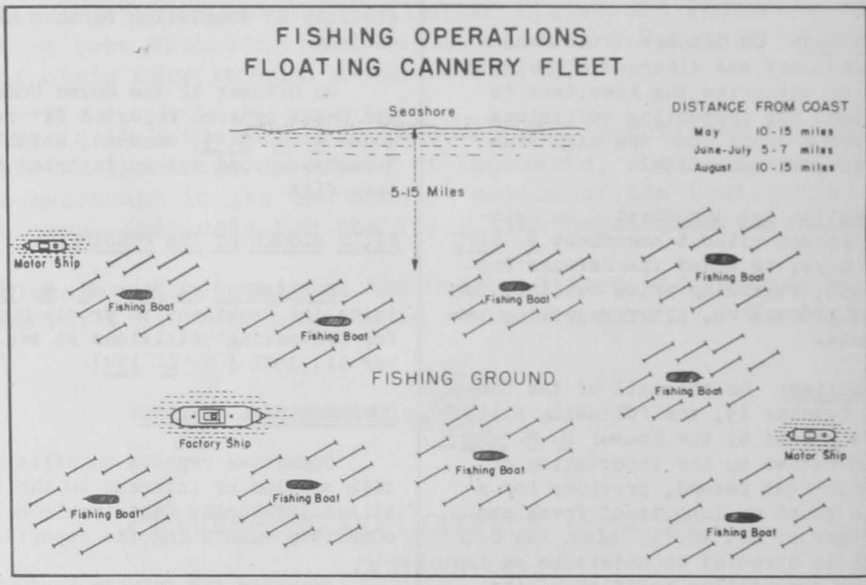
Committee reports on bills reported in this section of interest to the fishery and allied industries (obtainable only from the committee submitting the report):

Amending the Defense Production Act of 1950, As Amended, House Rept. No. 1186, (October 15, 1951, 82d Congress, 1st Session), 8 p., printed, pursuant to S. 2170 (82d Congress, 1st Session), to amend the Defense Production Act of 1950, as amended. The committee on Banking and Currency recommended passage of the bill as amended.

Imposition of Duties on Tuna Fish, House Report No. 1153 (October 12, 1951, 82d Congress, 1st Session), 9 p., printed, pursuant to H. R. 5693, to amend the Tariff Act of 1930, so as to impose certain duties upon the importation of tuna fish, and for other purposes. Committee on Ways and Means recommended passage of the bill as amended. The purpose of the bill is to impose a tariff of 3 cents a pound on fresh or frozen tuna, whether or not packed in ice, and whether or not whole, which is now admitted free of duty. The duty would be effective on the day after the date of enactment of the bill, and would expire on March 31, 1953. Meanwhile, studies would be undertaken by the Tariff Commission and Department of the Interior in order to provide Congress with the necessary information to formulate a longer-range tariff policy with respect to the domestic tuna industry. The report discusses rates of duty under existing law, imports, status of the domestic tuna industry, factors to be taken into account, and what the Committee recommended. A letter giving the State Department's position on the question is included.

CANNED CRAB INDUSTRY OF JAPAN

The Japanese factory ship, or floating cannery, originated in 1914 with the Unyo Maru, a ship of the Fisheries Institute, Japanese Ministry of Agriculture and Forestry, which did experimental canning in the Sea of Okhotsk. The main difficulty encountered was the lack of sufficient fresh water then believed necessary for canning operations. In 1920, the Kureha Maru, a training vessel of the Toyama Prefectural Fisheries Institute, succeeded in adapting sea water to all canning purposes, thus eliminating the necessity of carrying vast quantities of fresh water. These experiments were so successful that in 1920 canning machinery was installed in the 175-ton sailing ship, Kureha Maru, which packed 300 cases that year. Thus, crabs were successfully canned at sea commercially for the first time.



In 1921, a total of 4,019 cases was packed aboard three sailing ships operating in the Sea of Okhotsk. By 1923, 17 vessels were in operation, of which nine were sailing ships and eight were steamers, having a total of 9,048 gross tons. These ships packed 22,996 cases of crab meat. All sailing factory ships were eliminated after 1924, and steamers as large as 2,831 tons were used.

In 1930, the peak year of floating cannery production, 20 factory ships, having a gross of 63,975 tons, operated. Floating canneries in Okhotsk and Bering seas totaled 32,123 tons in 1934. They utilized 98 fishing boats, employed 2,790 fishermen and laborers, and produced 196,019 cases of crab meat with a market value of about ¥7,900,000. All activities were temporarily suspended in 1941. Only two factory ships operated in 1942, all others having been requisitioned by the Japanese Navy. Operations finally were suspended during that year. The seven factory ships in use during 1939, which later were requisitioned by the Navy, were sunk during World War II.

During the operation of the floating factories from 1920-42, 52 different ships engaged in canning crab meat. These ships ranged in size from the 68-ton sailing ship Fumi Maru to the 8,253-ton steamer Taihoku Maru.

--Fishery Leaflet 314