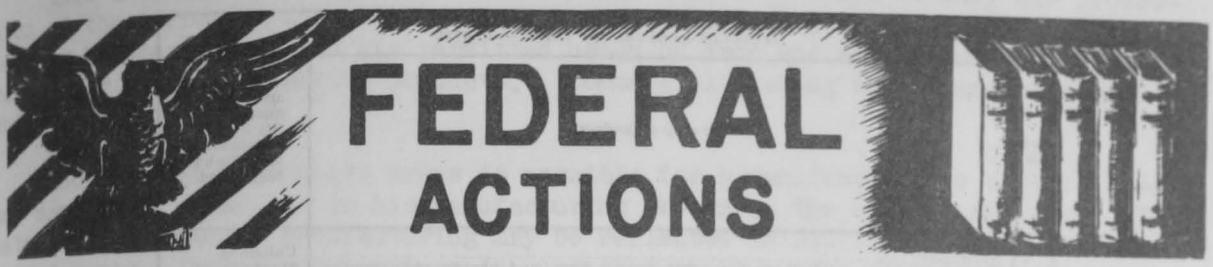


Department of Commerce

NATIONAL PRODUCTION AUTHORITY

ALUMINUM FOIL USE BROADENED: The NPA aluminum foil order has been broadened to include all types except insulation foil. Order M-67, which regulates the use of aluminum foil and which originally covered only aluminum foil used in containers and packaging materials, was amended by the National Production Authority on July 27. This amendment brings in other uses, such as aluminum foil for household purposes, for florists, gift wrapping, and seal and label usages. These had been controlled by Order M-7, which was revoked July 1.

NPA said the amendment would help aluminum foil converters obtain controlled material through one NPA industry division because July 27's change puts all converted foil, except insulation foil, under jurisdiction of the NPA Containers and Packaging Division. Otherwise, a converter might have found it necessary to request a CMP allotment for part of his production from the Light Metals Division, part from the Consumer Durable Goods Division and part from the Containers and Packaging Division.

Converted aluminum foil is plain coil foil which is altered by the converter for a specific use. This includes cutting it into sheets or packaging it for retail sales.

Other changes made by the amendment include:

1. ESTABLISHMENT OF QUARTERLY RATHER THAN MONTHLY QUOTAS. THIS PROVISION IS RETROACTIVE TO JULY 1 TO CONFORM WITH THE ESTABLISHED QUARTERLY PATTERN. THE PURPOSE IS TO GIVE THE CONVERTER MORE FLEXIBILITY IN HIS PRODUCTION OPERATION.

2. A REGROUPING OF ITEMS IN SCHEDULE 1 OF M-67. THIS SCHEDULE GIVES THE PERCENTAGE OF BASE PERIOD CONSUMPTION OF ALUMINUM FOIL WHICH MAY BE USED IN VARIOUS PRODUCTS. ITEMS 2, 3, 4 AND 5 OF THE ORIGINAL ORDER HAVE BEEN COMBINED IN A SINGLE GROUP TO ENABLE A USER TO SHIFT HIS USES WITHIN A GIVEN GROUP TO MEET INDIVIDUAL REQUIREMENTS. FISHERY PRODUCTS PACKAGING IS INCLUDED UNDER ITEM 2 AND THE PERMITTED RATE OF USE IS 90 PERCENT OF THE BASE PERIOD (6-MONTH PERIOD ENDING DECEMBER 31, 1950). SCHEDULE I AS IT APPEARS IN THE ORDER SHOWN ON PAGE 58.

3. ADDITION OF A NEW GROUP 5 WHICH COVERS THE USE PROGRAMS PREVIOUSLY UNDER CONTROL OF M-7. THEIR PERMITTED RATE OF USE, 50 PERCENT OF THE BASE PERIOD, REMAINS THE SAME.

4. ESTABLISHMENT OF AN INVENTORY LIMITATION OF A MINIMUM WORKING INVENTORY OF NOT MORE THAN 60 DAYS.

SCHEDULE I—ALUMINUM FOIL CONVERTED

Item No.	Use or class of product (1)	Permitted percentage of average quarterly quantity by weight of aluminum foil used during the base period (2)
1	Antibiotics	Unlimited.
2	Hygroscopic drugs, medical supplies, photographic films, and photographic supplies, requiring protection from light or humidity; and food products for human consumption, as defined in memorandum of agreement between NPA Administrator and Administrator of Production and Marketing Administration, United States Department of Agriculture, 16 F. R. 3410, including uncooked bakery goods and including food products for human consumption to be stored in locker plants or home freezers, but excluding food products for human consumption listed in item No. 3 of this schedule.	90 percent.
3	Bakery goods (excluding uncooked goods), chewing gum, confections, ice cream, cigarettes, and tobacco.	65 percent.
4	Other uses of aluminum foil in containers or packaging material for protective purposes	65 percent.
5	Household (except for home freezers), carton (except for purposes of protective packaging), florist, gift wrapping, seal, label, and other uses not included in items 1, 2, 3, or 4.	50 percent.

M-67 was issued June 1 to conserve aluminum for the defense mobilization program by limiting the use of aluminum foil in packaging.

At that time, NPA estimated that the action would conserve an estimated nine million pounds of aluminum foil in addition to savings already effected by Order M

For details see: M-67 (Aluminum Foil, Converted), as amended July 27, 1951.

* * * * *

CONSTRUCTION CONTROLS UNDER CMP: The National Production Authority on August amended its basic construction order to bring it into conformity with the Controlle Materials Plan (CMP) regulations, under which construction will be controlled begi ning with the fourth quarter of this year.

The amendment to Order M-4A makes "housekeeping" adjustments to bring M-4A in conformity with the provisions of CMP Regulation 6 and Direction 1 to CMP Reg. 6.

The Defense Fisheries Administration, Department of the Interior, is the clai ant agency for the construction of facilities for the production and processing of fishery products.

For details see: M-4A (Construction) as amended Aug. 20, 1951.

* * * * *

CONSUMER DURABLE GOODS ORDER MODIFIED: Consumer durable goods order M-47A (applies, among others, to commercial fishing tackle and gear) was modified by the National Production Authority on August 2 to permit greater flexibility in the use of iron and steel quotas and to simplify compliance with the order. The action ma no change in the total amount of iron or steel permitted users in the manufacture commercial fishing tackle and gear as well as other commodities listed in the orde as "consumer durable goods."

However, manufacturers will have more latitude in using iron and steel to pro duce consumer goods. Under the original order, manufacturers had to use their qua terly quotas for the production of the same items they produced during the base period. The effect was to "freeze" production on the pattern of the base period without regard for changing consumer needs or seasonal demands.

This action permits the manufacturer of two or more items to vary his production of the different items as he would under normal competitive conditions, so long as he does not exceed his permitted usage of iron and steel, computed separately for List A and List B products. (Commercial fishing tackle and gear are under List B.)

Another change in M-47A makes it possible for a manufacturer to benefit from any savings of materials in his manufacturing process. The saving, in weight of material, in internal manufacturing may be reflected in additional usage of purchased parts. Conversely, savings in purchased parts may be applied to increase the amount of metal available for use in his own plant.

The order also permits manufacturers to disregard, in computing both base period and actual usage, the weight of materials contained in purchased components or subassemblies for which a CMP allotment for the third quarter was issued.

This will permit some manufacturers to increase production without additional grants of material where the use of such parts or subassemblies containing copper or aluminum has limited output. Products in this class are durable goods equipped with electric or gasoline motors bought from another manufacturer.

For details see: M-47A (Use of Iron and Steel, Copper, and Aluminum in Certain Consumer Durable Goods and Related Products) as amended Aug. 2, 1951.

Economic Stabilization Agency

OFFICE OF PRICE STABILIZATION

CONTINUATION OF EXISTING REGULATIONS ANNOUNCED: A notice of continuation of existing regulations was issued by the Office of Price Stabilization on August 1, pursuant to the Defense Production Act of 1950, as amended by the Defense Production Act Amendments of 1951 (Pub. Law 96, 82nd Cong.), Executive Order 10161, and Economic Stabilization Agency General Order Nos. 2 and 5.

The Notice of Continuation of Existing Regulations issued read as follows:

"ALL REGULATIONS, RULES, ORDERS, REQUIREMENTS, AND AMENDMENTS THERETO, ISSUED BY THE OFFICE OF PRICE STABILIZATION, ON OR BEFORE JULY 31, 1951, ARE HEREBY CONFIRMED AND CONTINUED IN EFFECT ACCORDING TO THEIR TERMS."

* * * * *

CANNED ALASKA RED SALMON CEILING PRICES RAISED: Higher canners' ceiling prices on Alaska Red Salmon to mitigate anticipated losses resulting from a very small pack during the current season were announced by OPS on August 30 (CPR 65, Amdt. 1).

The new ceilings, effective August 30, 1951, represent an increase of slightly more than 10 percent over prices for canned Alaska red salmon fixed in Ceiling Price Regulation 65, issued July 30, 1951, and effective on August 8. These ceilings were fixed before the extent of the western Alaska shortage was known.

The new ceilings on Alaska reds, set forth in Amendment 1 to CPR 65, as com pared with the previous ceilings, are as follows:

	F.o.b. Car, Seattle, Bellingham, Everett or Astoria	
	CPR 65, Amdt. 1	CPR 65
	...(48 cans per case)...	
1 pound tall can	$32.00	$29.00
1 pound flat can	33.00	30.00
½ pound flat can	19.25	18.00

The increase in canners' ceilings on Alaska red salmon probably will be pass on by distributors to the public, but they apply to only about 15 percent of the total estimated salmon pack for the season in Alaska and the Pacific Northwest.

OPS said that it will soon issue an action that will contain pricing procedu to be used by primary distributors of the canned salmon covered in this amendment

Also, a companion regulation in process will fix ceiling prices for Alaska r salmon sold by "primary distributors."

These distributors customarily buy from canners and sell to wholesalers and others. Their profit comes from the fact that they are able, as a rule, to purch from canners at a discount because of unusually large orders.

The ceiling price for primary distributors will be the ceiling price of the supplier from whom they buy, plus transportation cost.

SALMON

CANNED ALASKA RED SALMON

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 1 to Ceiling Price Regulation 65 is hereby issued.

STATEMENT OF CONSIDERATIONS

This amendment makes an adjustment in the ceiling prices specified by CPR 65 for canned Alaska Red salmon, so as to reflect increased unit costs.

As was recognized in the Statement of Considerations to CPR 65, Canned Salmon, the highly seasonal nature of the salmon industry requires that ceiling prices be established for each year's pack as it comes to market. Consequently, that regulation established prices only for the 1951 pack and the small carry-over of the 1950 pack. It was stated expressly at that time, that should the 1951 pack actually be abnormally large or small, the ceiling prices contained in CPR 65 would be promptly revised to reflect more accurately the changes in unit costs.

Since issuance of CPR 65, the pack of salmon in western Alaska has been finished and while packing in certain other Alaska areas is still continuing, those areas produce, for the most part, varieties of salmon other than Reds. The pack of Alaska Reds up to August 11, 1951, is 766,336 cases as against last year's pack of 1,086,917 cases for a corresponding date in 1950. In the Bristol Bay area, which comprises a large part of the western Alaska salmon territory, the current pack of Alaska Red salmon is the smallest in fifty-four years.

Due to the nature of the operations of this industry in which a substantial part of the total operating and administrative expense represents fixed commitments, a short pack is bound to result in extreme cost increases. The Office of Price Stabilization, in close cooperation with the industry and with the Defense Fisheries Administration of the Department of the Interior, has sought to reflect as closely as possible the increase in unit costs occasioned by the shortage of the current pack of Alaska Reds, in formulating the price increases effected by this amendment. Moreover an average of all cost increases since June 1950 has been calculated as a yardstick in measuring the increase the industry will need to meet the problems created by this abnormally short pack. An evaluation of cost data available to the Office of Price Stabilization indicates that an increase of 20 percent over the highest prices in effect during June 1950 or, as an alternative, an increase of 8 percent over the average level established by the General Ceiling Price Regulation would appear to reflect most equitably up-to-date increases in unit costs of canning Alaska Red salmon, without unduly distorting the price relationships between this species and others, and without ceeding unreasonably the general l of canned salmon prices otherwise est lished by CPR 65.

The result of this amendment wil to raise the specific ceiling prices est lished by CPR 65 for Alaska Red sal only by slightly over 10 percent. S an upward adjustment is necessary relieve the industry, since various k of red salmon constitute a major iter the total production and because Ala Reds represent the great bulk of salmon canned. While, of necessity, price action makes it likely that the crease allowed manufacturers will passed on to the consumer, it will at same time encourage future availab and distribution of red salmon, a n erately priced high-protein food i which might disappear from the ma if rigid price ceilings were to force ducers to sell this item at a loss.

A companion amendment to the G eral Ceiling Price Regulation prot primary distributors of canned sal against losses resulting from a p squeeze which might otherwise be ca by this amendment. At the same t great care has been taken to pre speculation or improper pyramidin markups.

In keeping with the standards set f in the Statement of Considerations CPR 65, the Office of Price Stabiliza will reexamine, from time to time, specific ceiling prices established the

in the light of unit costs and final salmon pack figures as they become available, to protect that industry against loss as a result of abnormal shortages, but also in order that savings which may result from comparatively larger packs for other species may be passed on to the consumer.

In formulating this amendment 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 amendment are generally fair and equitable and are necessary to effectuate the purposes of Title IV of the Defense Production Act of 1950, as amended.

So 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, as amended: To prices prevailing during the period from May 24, 1950, to June 24, 1950, inclusive: And to relevant factors of general applicability.

AMENDATORY PROVISIONS

The table of prices set forth in section 4 (a) of Ceiling Price Regulation 65 is amended by substituting for the three items listed under the heading of "Alaska Reds" the following:

Alaska Red	1 pound tall	$32.00
Do	1 pound flat	33.00
Do	½ pound flat	19.25

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

Effective date: This amendment shall become effective August 30, 1951.

MICHAEL V. DISALLE,
Director of Price Stabilization.

AUGUST 30, 1951.

* * * * *

FISH SUBJECTED TO SMOKING FOR FLAVORING EXEMPT FROM PRICE CONTROL: Fish which has been subjected to a smoking process for the purpose of imparting a particular flavor rather than as a means of preservation, and which may require the same degree of refrigeration to prevent spoilage as does frozen green fish, is exempt from price control, according to a reliable source. The Office of Price Administration has issued this interpretation in reply to an individual request. Probably the only fishery product that would fall under this category is finnan haddie.

However, processors of other salted, smoked, pickled, and cured fish and shellfish will still operate under the General Ceiling Price Regulation as in the past.

* * * * *

ADJUSTMENTS FOR WHOLESALERS' SALES TO INSTITUTIONAL USERS: Amendment 7 to CPR 14 permits institutional wholesalers who sell to institutional users, such as hotels, restaurants, and other feeding establishments in less than case lots or perform other special services to apply for adjustments in markups under the Wholesale Grocery Ceiling Price Regulation (CPR 14).

For details see: CPR 14, Amdt. 7 (Adjustment of Ceiling Prices for Certain Institutional Sellers) issued Aug. 30, 1951.

* * * * *

ADJUSTMENTS FOR RETAILERS OF IMPORTED GOODS: Retailers are provided with a month's extension on filing, making the new deadline October 1, 1951, and a simplified pricing method by Amendment 7 to Ceiling Price Regulation 31, issued August 30, 1951. New imported commodities may be sold after a waiting period of 10 days even though OPS approval of pricing has not yet been received. A new hardship adjustment clause for importers with abnormally low markups is provided.

For details see: CPR 31, Amdt. 7 (Pricing for Retailers of Imported Goods: Pricing for New Goods and New Sellers; Adjustment Clause) issued Aug. 30, 1951.

* * * * *

PRODUCER EXPORTERS PROVIDED WITH ALTERNATIVE DOMESTIC CEILING PRICE FOR EXPORT SALES: By Amendment 1 to Ceiling Price Regulation 61, producer-exporters are provided with an alternative domestic ceiling price to be used in computing ceiling prices for export sales. The action permits the producer exporter to use either his

domestic ceiling price to a foreign buyer of the same class, or his domestic ceiling price to his largest class of domestic purchaser.

For details see: CPR 61, Amdt. 1 (Export Ceiling Price for Producer Exporters) issued Aug. 28, 1951.

* * * * *

FUR SEAL MEAL EXEMPT FROM PRICE CONTROL: Amendment 4 to Overriding Regulation 7 exempts fur seal meal from price control. This amendment as issued by the Office of Price Stabilization on August 31 follows:

GOR 7—EXEMPTION OF CERTAIN FOOD AND RESTAURANT COMMODITIES

FUR SEAL MEAL

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 4 to General Overriding Regulation 7 is hereby issued.

STATEMENT OF CONSIDERATIONS

This amendment to General Overriding Regulation 7 exempts fur seal meal from price control.

Fur seal meal is a high protein feed ingredient used in animal or poultry feed and for experimental purposes. It is a by-product of the fur seal slaughtering and fur seal hide production operations conducted in Alaska by the United States Government. The Fish and Wildlife Service of the United States Department of the Interior is the only processor of fur seal meal for domestic use, and there are no imports of the product. The quantity of the meal produced for consumption in the United States is negligible. No more than approximately 400 tons of fur seal meal have been produced annually during the period 1939–1949, and the annual gross proceeds from its sale, during the same period, have never exceeded approximately $55,000. Moreover, prices for fur seal meal are effectively controlled by the ceiling prices in effect for fish meal and meat scraps, the two principal, competitive high protein feed ingredients used in this country.

It is clear, therefore, that fur seal meal has little or no effect upon the cost of living, in general, or upon the cost of feeds or feed ingredients. Furthermore, any ceiling price restrictions imposed upon the product would involve an administrative burden out of all proportion to the importance of keeping it under price control.

Exemption of this commodity from price regulation will in no way defeat or impair the price stabilization progr or the objectives of the Defense Prod tion Act, as amended.

In view of the limited applicabilit this action, the Director has not fo it practicable to consult with indu representatives.

AMENDATORY PROVISIONS

General Overriding Regulation amended by adding a new section read as follows:

SEC. 7. *Fur seal meal.* No ceiling p regulation issued or which may he after be issued by the Office of Price S bilization shall apply to sales of fur meal.

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

Effective date. This amendment sh become effective September 5, 1951.

MICHAEL V. DISALL
Director of Price Stabilization

AUGUST 31, 1951.

* * * * *

PUERTO RICAN CEILING PRICES FOR SALTED COD SUSPENDED: Ceiling Price Regulation 51 (Food Products Sold in Puerto Rico), which also contained ceiling prices for salted cod fish sold in Puerto Rico, was suspended indefinitely on July 19 by the Office of Price Stabilization effective July 5, 1951.

For details see: CPR 51 (Food Products Sold in Puerto Rico) Notice of Suspension, dated July 19, 1951.

SALARY STABILIZATION BOARD

EXTENSION OF TIME LIMITATION FOR COST-OF-LIVING INCREASES: Section 10 of General Salary Stabilization Regulation 1[1] provides that increases based on cost-of-living provisions in salary plans shall not be effective subsequent to July 31, 1951. However, the Salary Stabilization Board is at present examining the general policies now in effect for the stabilization of salaries and other compensation of the executive, administrative, professional, and outside sales employees under its jurisdiction. In the meantime, General Salary Order No. 1 (Extension of time limitation with regard to cost-of-living increases under Section 8 of General Salary Stabilization Regulation 1) was issued on August 3. This order gives permission to grant cost-of-living increases under the regulation beyond the termination date of July 31.

For details see: General Salary Order No. 1, dated Aug. 3, 1951

1/SEE COMMERCIAL FISHERIES REVIEW, JULY 1951, P. 73.

* * * * *

PROFIT-SHARING AND OTHER BONUSES REGULATION: General Salary Stabilization Regulation 2 (Profit-Sharing and Other Bonuses) was issued by the Salary Stabilization Board on August 20.

The regulation divides bonuses into three categories. The first category includes contracts or written plans which provide a definite method or formula for both the determination of the profit sharing bonus and its allocation.

The second category of profit-sharing bonuses provided for by the regulation consists of plans that provide a certain percentage of the profits to be set aside for distribution among groups of executive, administrative, or professional personnel, with the method of allocation among the personnel discretionary in the sense that no employee has a contractual right to any bonus unless and until his share has been allocated. The regulation stabilizes the bonus fund under this type of plan in terms of a "base period bonus fund."

The third category of profit-sharing bonuses covered by the regulation is the type that is purely discretionary.

For details see: General Stabilization Regulation 2 (Profit-Sharing and Other Bonuses), adopted Aug. 17, 1951.

WAGE STABILIZATION BOARD

CONTINUANCE OF CUSTOMARY BONUS PRACTICES AUTHORIZED: A new regulation authorizing continuance of customary bonus practices, subject to defined limitations, without prior Wage Stabilization Board approval was issued by that agency on July 24.

Generally, the new regulation (General Wage Regulation No. 14--Bonuses) permits payments which customarily are made only once or twice a year, such as a profit-sharing bonus or a Christmas bonus. The regulation does not apply to bonus payments which are computed by the employer more frequently than every three months or are directly related to the number of hours worked or units produced or sold by the employee receiving the bonus. In the absence of a plan, the total amount or percentage of bonus given to any employee during any bonus year shall not exceed the amount or percentage of bonus paid to the employee during the preceding bonus year.

Applications for approval of bonus payments not authorized by Regulation 14 should be submitted to the nearest appropriate office of the Wage-Hour Division. Under the new regulation, bonus payments which conform to an established plan may be paid without prior Board approval subject to three standards outlined in the regulation.

The regulation provides that any increase in bonus payments, after the January 1950 base date, which results from a change in the method or formula of computing the bonuses, shall be offset against the 10 percent wage adjustment permissible under General Wage Regulation 6.

For details see: GWR 14 (Bonuses) dated July 24, 1951.

* * * * *

FRINGE BENEFITS REGULATION: A new regulation (General Wage Regulation No. 13 - Fringe Benefits) providing for action on cases involving paid vacations, shift differentials, and similar fringe benefits which do not exceed prevailing industry or

area practice either as to amount or type was adopted by the Wage Stabilization Board on July 19. The regulation does not apply to health, welfare, and pension plans.

Pending a review of basic wage stabilization policy, the Board issued this Regulation to deal with paid vacations, paid holidays, premium pay relative to days and hours of work, shift differentials, call-in pay, and such other fringe benefits as it may from time to time determine.

Under Regulation 13, fringe benefits of this type which are approved by the Board will not be offset against the 10 percent general wage adjustment permissible under General Wage Regulation 6.

Petitions for approval of paid vacations or similar fringe items should be submitted to the nearest appropriate Wage-Hour Division field office for transmission to the WSB. The petitions should include proof that the proposed fringe benefits do not exceed prevailing industry and area practice either as to amount or type.

For details see: GWR 13 (Fringe Benefits), dated July 19, 1951.

* * * * *

WAGE AND SALARY ADJUSTMENTS FOR INDIVIDUAL EMPLOYEES: Rules and procedures governing the administration of wage and salary structures within which increases in the compensation of individual employees may be made without specific approval of the Wage Stabilization Board were adopted on July 27 by that Board. General Wage Regulation No. 5, Revised, has been revised so as to provide broad limitations to safeguard the ends of stabilization while leaving maximum flexibility to employers and employees.

These increases do not ordinarily affect the general level of an establishment's wages and salaries. In fact, these individual employee adjustments, when properly made, do not normally increase labor costs, WSB points out.

The Board recognizes the necessity of permitting the administration of existing wage and salary structures to continue in a normal manner with a minimum of governmental interference. It is necessary, however, to make certain that these wage and salary "housekeeping" practices are not abused in order to pirate labor nor cumulated so as to amount to general wage or salary increases.

There is wide diversity of practice with respect to rate adjustments for individual employees. In some cases, formal written plans have been established which include jobs or job classifications grouped into labor and salary grades with prescribed rate ranges and procedures governing the timing and amount of individual adjustments. In others, there are plans of classification which do not formalize the individual adjustments. Some establishments have plans, either written out or established through years of practice, wherein single rates are paid for jobs and labor grades, and which do not contemplate any individual adjustments, preferring to pay all employees in the occupation or labor grade alike. Another, and very large group of establishments, has followed the practice of giving increases to individual employees on the basis of their merit or length of service and has not created written or formal schedules of rates or rate ranges. Often this type of establishment has so few employees in its various occupations and labor or salary grades that a formal policy would be meaningless. This regulation has been designed to permit past practices and policies, when not in contradiction to the purposes of the Defense Production Act of 1950, to continue with a minimum of interference and administrative work.

The Wage Stabilization Board recognizes nevertheless the possibility that the application of this regulation may for particular establishments or industries result in substantial hardship or inequity. In such cases, the Board will give consideration to requests for approval of plans which do not meet the requirements of this Regulation.

This regulation replaces General Wage Regulation No. 5, as amended, which was issued as a temporary regulation on February 12, 1951.

For details see: GWR 5, Revised (Adjustments for Individual Employees), dated July 27, 1951.

* * * * *

WAGE ADJUSTMENTS FOR INDIVIDUAL EMPLOYEES: General Wage Regulation 5 (Adjustments for Individual Employees, Revised), Amendment 2, adopted August 17, prescribes limits within which companies using the personal or random-rate method of wage payment may give merit and length-of-service increases without prior Board approval.

For details see: GWR 5, Revised, Amendment 2, dated Aug. 17, 1951.

* * * * *

RULES AND PROCEDURES GOVERNING ADMINISTRATION OF PIECE AND INCENTIVE RATES: Rules and procedures governing the day-to-day administration of piece and incentive rates under General Wage Regulation No. 15 were established and approved during the latter part of July by the Wage Stabilization Board. This regulation replaces the incentive and piece rate provisions of GWR No. 5, as amended February 12, 1951. These individual adjustments under GWR No. 15 are intended to aid in the conversion and expansion of production required by the national mobilization effort.

Some limitation of these adjustments is required in the interest of wage stabilization. If left uncontrolled, the aggregate impact of day-to-day change in piece and incentive rates could breach the stabilization line. Rules to govern the administration of piece and incentive rate systems of wage and salary payment are necessary, WSB states.

Employers who make incentive wage or piece-rate adjustments without WSB approval shall show upon Board request that the adjustments were made in accordance with the principles outlined in the regulation.

For details see: GWR No. 15 (Incentive Wage or Piece Rates).

* * * * *

PUERTO RICO AND VIRGIN ISLANDS EXEMPTED FROM WAGE STABILIZATION REGULATIONS: The wages and salaries and other compensation of employees in Puerto Rico and the Virgin Islands are exempted from wage stabilization regulations, according to General Wage Regulation No. 16 dated August 30.

For details see: GWR 16 (Exemption for Puerto Rico and the Virgin Islands), dated Aug. 30, 1951.

Federal Security Agency

FOOD AND DRUG ADMINISTRATION

FRESH AND FROZEN SHRIMP INSPECTION REGULATIONS PROPOSED: In response to a request for inspection of fresh and frozen shrimp, the Food and Drug Administration has draft proposed regulations to cover government inspection of plants processing fresh and frozen shrimp, according to the Federal Register of August 2

Prior to final adoption of the proposed regulations, consideration was to be given to any data or views pertaining to these regulations which were submitted in writing to the Federal Security Agency within 30 days from the date of publication of this order in the Federal Register (i.e. not later than September 22, 1951).

These proposed regulations provide for a voluntary inspection service on the processing of fresh and frozen shrimp. Processing of shrimp comprises all the operations, including labeling and storage, necessary to prepare for market shrim in any of the following forms: raw headless (which may or may not be deveined), iced or frozen; cooked peeled, iced or frozen; completely peeled and deveined, which may or may not be battered and breaded before freezing, or partially peeled deveined shrimp battered and breaded and then frozen. Any plant processing shrim in any of the forms described may apply for the inspection service.

The proposed regulations will permit packers and processors of shrimp and oysters to operate in any one of the following ways:

1. WITHOUT ANY GOVERNMENT INSPECTION
2. GOVERNMENT INSPECTION OF SHRIMP CANNING OPERATIONS ALONE
3. GOVERNMENT INSPECTION OF OYSTER CANNING OPERATIONS ALONE
4. GOVERNMENT INSPECTION OF SHRIMP FREEZING AND FRESH ICING OPERATIONS ALONE
5. WITH GOVERNMENT INSPECTION OF ANY COMBINATION OF ITEMS 2, 3, AND 4.

The full text of the proposed regulations as published in the Federal Register follows:

SEAFOOD INSPECTION

NOTICE OF PROPOSAL TO ISSUE REGULATIONS COVERING THE INSPECTION OF FRESH AND FROZEN SHRIMP

Pursuant to the provisions of section 702A of the Federal Food, Drug, and Cosmetic Act (49 Stat. 871; 21 U. S. C. 372a), the Federal Security Administrator has heretofore issued regulations (21 CFR Part 155 and 1950 Supp.) governing the inspection of canned shrimp. The Administrator has determined that it has become necessary to expand the sea-food inspection service to cover frozen and iced shrimp products. Accordingly, notice is hereby given pursuant to the Administrative Procedure Act (60 Stat. 237; 5 U. S. C. 1001) that the Federal Security Administrator proposes to revise Part 155 by adding §§ 155.16 through 155.29, inclusive, as hereinafter set forth. Prior to final adoption of the proposed regulations, consideration will be given to any data or views pertaining thereto which are submitted in writing to the Hearing Clerk, Federal Security Agency, Room 5440, Federal Security Building, Fourth Street and Independence Avenue SW., Washington, D. C., within 30 days from the date of publication of this order in the FEDERAL REGISTER.

INSPECTION OF FRESH AND FROZEN SHRIMP

Sec.

§ 155.16 *Application for inspection service.* (a) Applications for inspection service on the processing of fresh and frozen shrimp under the provisions of section 702A of the Federal Food, Drug, and Cosmetic Act shall be on forms supplied by the Food and Drug Administration. The processing of shrimp comprises all the operations, including labeling and storage, necessary to prepare for the market shrimp in any of the following forms: Raw headless (which may or may not be deveined), iced or frozen; cooked peeled, iced or frozen; completely peeled and deveined, which may or may not be battered and breaded before freezing, or partially peeled deveined shrimp battered and breaded and then frozen. No application for an inspection period filed with the Food and Drug Administration after May 1, preceding such period in any year, shall be considered unless the applicant shows substantial cause for failure to file such application on or before May 1 of such year. A separate application shall be

made for each inspection period in each establishment in which the service is applied for. Each application for an inspection period shall be accompanied by an advance deposit of $525.00 as prescribed by § 155.28 (b). Such deposit shall be paid in the manner prescribed by § 155.28 (e).

(b) An application by two or more packers for inspection service in one establishment to be jointly or severally operated by them shall be accompanied by an agreement signed by such packers binding each to be jointly and severally liable for the payment of all fees and deposits required for such establishment by § 155.28.

(c) For the purpose of §§ 155.16 to 155.29 an establishment is defined as a factory where shrimp may be completely processed in any of the forms described in paragraph (a) of this section.

§ 155.17 *Granting or refusing inspection service; cancellation of application.* (a) The Federal Security Administrator may grant the inspection service applied for when he determines that the establishment covered by such application complies with the requirements of § 155.21.

(b) The Administrator may refuse to grant the inspection service at any establishment for cause. In case of refusal he shall notify the applicant of the reason therefor and shall return to such applicant the payment which accompanied the application, less any expenses incurred by the Food and Drug Administration for preliminary inspection of the establishment or for other purposes incident to such application.

(c) The applicant, by giving written notice to the Administrator, may withdraw his application for inspection service before July 1 preceding the inspection period covered by the application. In case of such withdrawal, the Administrator shall return to such applicant the payment that accompanied the application, less any salary and other expense incurred by the Administration incident to such application.

§ 155.18 *Inspection periods.* (a) Each inspection period shall be for not more than 1 year, and shall begin on July 1 of each year. Upon request of the packer, and with the approval of the Administration, such service during any inspection period may be transferred from one establishment to another to be operated by the same packer. In case of such transfer the packer shall furnish all necessary transportation of inspectors.

(b) For the first year that inspection service is offered on all forms of shrimp processing, the date of the beginning of the inspection period shall be regarded as the date specified for the beginning of the service in the application therefor, or such other date as may be specified by the Administration; but if the Administrator is not prepared to begin the service on the specified date, the date of the beginning of such period shall be regarded as the date on which the service is begun.

(c) Inspection service shall be continuous throughout the inspection period.

(d) The inspection service will not permit processing of shrimp from waters closed by State conservation laws.

§ 155.19 *Assignment of inspectors.* (a) An initial asignment of at least one inspector shall be made to each establishment in which inspection service under §§ 155.16 to 155.29 is granted. Thereafter the Administration shall adjust the number of inspectors assigned to each establishment to the number required for continuous and efficient inspection.

(b) Any inspector of the Administration shall have free access at all times to all parts of the establishment and to all fishing and freight boats and other conveyances catching shrimp for, or transporting shrimp to, such establishment.

§ 155.20 *Uninspected shrimp excluded from inspected establishments.* (a) No establishment to which inspection service has been granted shall at any time thereafter process shrimp which has not been so inspected; but this paragraph shall not apply to an establishment after termination of inspection service therein as authorized by § 155.29.

(b) All shrimp and other ingredients entering into the finished products shall be subject to inspection when delivered to the establishment or at any time thereafter. Certificates of inspection shall be issued on all shrimp handled and processed in accordance with these regulations.

§ 155.21 *General requirements for plant and equipment.* (a) All exterior openings of the establishment shall be adequately screened, and roofs and exterior walls shall be tight. When necessary, fly traps or other approved insect-control devices shall be installed.

(b) Except for raw headless shrimp, which may or may not be deveined, picking and packing rooms shall be separate, and fixtures and equipment thereof shall be so constructed and arranged as to permit thorough cleaning. Such rooms shall be adequately lighted and ventilated, and the floors thereof shall be tight and arranged for thorough cleaning and proper drainage. Open drains from picking room shall not enter packing room. If picking and packing rooms are in separate buildings, such buildings shall not be more than 100 yards apart unless adequate provisions are made to enable efficient inspection.

(c) All surfaces of tanks, belts, tables, flumes, utensils, and other equipment with which either picked or unpicked shrimp come in contact after delivery to the establishment shall be of metal other than lead, or of other nonporous and easily cleanable materials. Metal seams shall be smoothly soldered.

(d) Adequate supplies of steam, nontoxic detergents, sanitizing agents, and clean, unpolluted running water shall be provided for washing, cleaning, and otherwise maintaining the establishment in a sanitary condition.

(e) Adequate toilet facilities of sanitary type shall be provided. Full compliance must be met with the requirements of State laws, city ordinances, or both.

(f) An adequate number of sanitary wash basins, with liquid or powdered soap, shall be provided in both the picking and packing rooms. Paper towels shall be provided in the packing room. Provision shall be made for sanitizing the hands of employees by the use of agents approved by the Administration.

(g) Signs requiring employees handling shrimp to wash and sanitize their hands after each absence from post of duty shall be conspicuously posted in the picking and packing rooms and elsewhere about the establishment as conditions require.

(h) One or more suitable washing devices and one or more suitable inspection belts shall be installed for the washing and subsequent inspection of the shrimp before processing.

(i) Suitable containers, flumes, chutes, or conveyors shall be provided for removal of offal from picking room.

(j) Picking or heading tables shall be equipped with flumes supplied with clean, unpolluted water or with mechanical conveyors for removing the picked or headed shrimp.

(k) Equipment shall be provided for code-marking immediate containers and the master cartons used in the packaging of the shrimp.

(l) Each freezing and cold-storage compartment shall be fitted with at least the following equipment:

(1) An automatic control for regulating temperatures.

(2) An indicating thermometer so installed as to indicate accurately the temperature within the freezing or storage compartment.

(3) A recording thermometer shall be installed on each freezing and/or storage compartment in such a manner as to record accurately the temperature within the compartment at all times. The case which houses the charts and recording mechanism shall be provided with an approved lock, all keys to which shall be in the sole custody of the inspector.

(m) Provision shall be made for water-glazing where such glazing is necessary to maintain the quality of the frozen shrimp. Glazing shall be done with clean, unpolluted water.

(n) Provision shall be made for the immediate icing or cold storage of all packaged shrimp which is destined for sale as unfrozen shrimp.

(o) Suitable space and facilities shall be provided for the inspector to prepare records and examine samples and for the safekeeping of records and equipment.

§ 155.22 *General operating conditions.* (a) The decks and holds of boats catching shrimp for, or transporting shrimp to, an inspected establishment, and the bodies of other conveyances so transporting shrimp shall be kept in a sanitary condition. The shrimp shall be refrigerated immediately after they are caught, and shall be kept adequately refrigerated until delivery to the establishment.

(b) Inspected establishments, freight boats, and other conveyances serving such establishments shall accept only fresh, clean, sound shrimp.

(c) After delivery of each load of shrimp to the establishment, decks and holds of each boat and the body of each other conveyance or container making such delivery shall be washed down with clean, unpolluted water, and all debris shall be cleaned therefrom before such boat or other conveyance or container leaves the establishment premises.

(d) Before picking, heading, or deveining, the shrimp shall be adequately washed with clean, unpolluted water and then passed over the inspection belt and culled to remove all shrimp that are filthy, decomposed, putrid, or otherwise unfit for food, and all extraneous material.

(e) Offal from picking tables shall not be piled on the floor, but shall be placed in suitable containers for frequent removal, or shall be removed by flumes, conveyors, or chutes.

(f) Shrimp shall be picked into flumes which immediately remove the picked meats from the picking tables; except that shrimp may be picked into seamless containers of not more than 3 pints capacity if the picked meats are not held in such containers for more than 20 minutes before being flumed or conveyed from the picking tables. For the purpose of this paragraph, the term "picked" shall include the operation whereby a portion of the shell is removed, leaving the tail in place, and the back of the shrimp is sliced open to remove the alimentary canal or vein.

(g) If shrimp are picked into containers, such containers shall be cleaned and sanitized as often as may be necessary to maintain them in a sanitary condition, but in no case less frequently than every 2 hours. Whenever pickers are absent from post of duty, containers shall be cleaned and sanitized before picking is resumed.

(h) Picked shrimp being transported from one building to another before enclosure in the can or other immediate container shall be properly covered and protected against contamination.

(i) From the time of delivery to the establishment up to the time of final processing, shrimp shall be handled expeditiously and under such conditions as to prevent contamination or spoilage. Shrimp shall be precooled immediately after the final cleaning operation to a temperature not exceeding 40° F. if it is not packaged immediately, or to a temperature not exceeding 50° F. if it is packaged immediately. If such shrimp are to be frozen they shall be placed in the freezing compartment within 1 hour of final preparation.

(j) The packer shall immediately destroy for food purposes all shrimp in his possession condemned by the inspector as filthy, decomposed, putrid, or otherwise unfit for food. Shrimp condemned on boat or unloading platform shall not be taken into the ice box or picking room.

(k) Raw materials other than shrimp which enter into the finished product shall not be used if condemned by the inspector as unfit for food. Such condemned raw materials shall be segregated from usable materials and held for disposal as directed by the inspector, or they may be destroyed forthwith by the packer if he so desires.

(l) All portions of the establishment shall be adequately lighted to enable the inspector to perform his duties properly.

(m) All floors and other parts of the establishment, including unloading platforms, and all fixtures, equipment, and utensils shall be cleaned as often as may be necessary to maintain them in sanitary condition.

(n) The packer shall require all employees handling shrimp to wash and sanitize their hands after each absence from post of duty.

(o) The packer shall require all employees to observe proper habits of cleanliness, and shall not knowingly employ in or about the establishment any person afflicted with infectious or contagious disease, or with any open sore on the hands or face.

(p) Offal, debris, or refuse from any source whatever shall not be allowed to accumulate in or about the establishment.

(q) If batter is employed it shall be used within 1 hour after it is prepared. The temperature of the batter shall not exceed 50° F.

(r) Containers for mixing or holding batter shall be adequately cleaned and sanitized before they are used for a new batch of batter.

(s) Equipment for applying batter shall be adequately cleaned and sanitized at least once an hour while in operation.

§ 155.23 *Code marking.* (a) Permanently legible code marks shall be placed on all immediate containers at the time of packaging. Such marks shall show:

(1) The date of packing.

(2) The establishment where packed.

(3) The size of the shrimp, where the label bears a size designation and the shrimp are not in containers through which they are clearly visible.

Corresponding code marks also shall be placed on the master cartons containing individual packages of shrimp.

(b) Keys to all code marks shall be given to the inspector.

(c) Each lot shall be stored separately, pending final inspection. For the purposes of the regulations in this part, all immediate containers bearing the same code mark shall be regarded as comprising a lot.

§ 155.24. *Freezing, icing, and refrigeration.* (a) The method of freezing is not specified by these regulations. Whatever method is used must be such as will produce a hard-frozen product in a sufficiently short time to prevent decomposition. Bulk packages containing 5 pounds or more of shrimp per package should be hard-frozen within 24 hours; smaller packages should be hard-frozen within 12 hours. freezing, the shrimp shall be stor such manner that its temperature not exceed 0° F. and shall be handl such manner as will maintain the frozen condition.

(b) The storage temperatures shrimp which are not frozen ar follows:

(1) Cooked and peeled shrimp be stored at a room temperature exceeding 35° F.

(2) Raw headless shrimp shal stored at a room temperature no ceeding 35° F. or at a room temper not exceeding 45° F., provided it is iced.

(c) The inspector shall identify record on the thermometer chart the code mark of the lot to which record relates and the date of such ord. The Administration shall such charts for at least 5 years, upon request shall make them avai to the packer.

(d) The packer shall keep for at 1 year all shipping records cove shipments from each lot, and upon quest shall furnish such records to inspector of the Administration.

§ 155.25 *Examination after proc ing.* (a) Adequate samples shall drawn by the inspector from each l processed shrimp and shall be exam to determine whether or not such p essed shrimp conforms to all requ ments of the Federal Food, Drug, Cosmetic Act, amendments thereto, regulations thereunder.

(b) The packer shall destroy for f purposes, under the immediate su vision of the inspector, all proce shrimp condemned by the inspecto not complying with § 155.24 (a) or as the case may be, or as filthy, dec posed, putrid, or otherwise unfit food.

§ 155.26 *Labeling.* (a) Labels shrimp packed and certified un §§ 155.16 to 155.29, inclusive, may b a distinctive mark attesting to s packing and certification. Depend upon the type of processing, such ma if used, shall read as follows:

(1) *Frozen shrimp.* "Packing freezing supervised by U. S. Food Drug Administration. Perishable pr uct—Not warranted against mishand after freezing."

(2) *Fresh, iced, or refrigerated shri* "Packing supervised by U. S. Food Drug Administration. Perishable pr uct—Not warranted against mish dling after packing."

Such marks, if used, shall be plainly conspicuously displayed in type of form size and style on a strongly c trasting uniform background, and s appear on the principal panel or pa of the label so as to be easily observ in connection with the name of article. Labels on inspected shr shall bear the statement "Perishab Keep frozen" or "Perishable—Keep

frigerated," whichever is applicable for the product. The marks referred to in paragraph (a) (1) and (2) of this section shall not be used on the master cartons unless such marks will be defaced by the opening of the carton.

(b) Two proofs, or one proof and one photostat thereof, or eight specimens of all labeling intended for use on inspected shrimp or on or within the cases therefor, shall be submitted to the Administration for approval. If proofs or photostat and proof are submitted, eight specimens of the labeling shall be sent to the Administration after printing. The Administration is hereby authorized to approve labeling for use on or with shrimp inspected under §§ 155.16 to 155.29, inclusive. Approval shall be subject to the condition that such labeling shall be so used as to comply with the provisions of the Federal Food, Drug, and Cosmetic Act, amendments thereto, and regulations thereunder. The Administration is also hereby authorized to revoke any such approval for cause. The Administration shall not approve labeling for shrimp intended for export under the provisions of § 155.27 (e).

(c) No commercial brand or brand name appearing on labeling approved as authorized under paragraph (b) of this section and bearing any of the marks described in paragraph (a) of this section, and no labeling simulating any such approved labeling, shall be used after such approval on shrimp other than that which has been handled, prepared, packed, and stored in compliance with all provisions of §§ 155.16 to 155.29; but this section shall not apply to any packer's labeling after termination of inspection as authorized by § 155.29, or to any distributor's labeling after 3 months' written notice by the owner thereof to the Administration that the use of such labeling on inspected shrimp has been discontinued and will not be resumed.

(d) Shrimp labeling authorized by or approved under paragraph (a) or (b) of this section shall be used only as authorized by §§ 155.16 to 155.29. Unauthorized use of such labeling renders the user liable to the penalties prescribed by the Federal Food, Drug, and Cosmetic Act, as amended.

§ 155.27 *Certificates of inspection; warehousing and export permits.* (a) After finding that the shrimp comprising any parcel: Has been handled, prepared, and packed in compliance with all provisions of §§ 155.16 to 155.29, inclusive; bears labeling approved as authorized under § 155.26; and complies with all the provisions of the Federal Food, Drug, and Cosmetic Act, amendments thereto, and regulations thereunder—the inspector shall issue a certificate showing that such shrimp so complies. The certificate shall specify the code marks to which it applies, the quantity of the parcel so marked, the place where such parcel is stored, the size of the shrimp where there is a label declaration of size, the size and kind of containers, the type of pack, the commercial brand name on the labels, the destination of the lot, and the condition of the shrimp if it is broken. Such certificate shall become void: If such labeling is removed, altered, obliterated, or replaced (but such shrimp may be relabeled under the supervision of an inspector and recertified if the inspector finds that, after being relabeled, it complies with the requirements laid down by this paragraph for the issuance of a certificate); or if mishandling, improper storage, or other circumstances so change the product that it no longer complies with the requirements for the issuance of a certificate.

(b) Unless covered by certificate, shrimp shall be moved from an inspected establishment only for storage authorized under paragraph (c) of this section; or export authorized under paragraph (e) of this section, or for destruction as provided by § 155.25 (b).

(c) Applications to move uncertified shrimp from storage in a warehouse or cold storage elsewhere than in the establishment where such shrimp was packed shall give the name and location of the warehouse, freezer or cold storage in which such shrimp is to be stored. The application shall be accompanied by an agreement signed by the operator of such warehouse, freezer or cold storage that inspectors shall have free access at all times to all shrimp so stored, and that conditions which will preserve the identity of each parcel of such shrimp shall be continuously maintained pending issuance of a certificate thereon or removal as authorized by paragraph (d) of this section. If such application is approved and it appears to the inspector that the shrimp comprising any parcel has been packed in compliance with §§ 155.16 to 155.29, inclusive; is not slack-filled; and conforms, except for the absence of labeling, to all requirements of the Federal Food, Drug, and Cosmetic Act, amendments thereto, and regulations thereunder, the inspector shall issue to the applicant, on his request, a warehousing permit covering such shrimp. Such permit shall specify the code marks to which it applies, the quantity of the parcel so marked, the places from and to which such parcel is to be moved, the size of the shrimp, the size and kind of containers, the type of pack and the condition of the shrimp, if it is broken. When any provision of the agreement is violated, the Administration may revoke any permit issued pursuant to such agreement, and may also revoke its approval of the application for warehousing or cold storage which accompanied such agreement.

(d) Unless covered by certificate, shrimp stored under the authority of paragraph (c) of this section shall be moved from the warehouse or cold storage where stored only for restorage under such authority, or for return upon written permission of the inspector to the establishment where packed, or for export authorized under paragraph (e) of this section, or for destruction as provided by § 155.25 (b).

(e) Section 801 (d) of the Federal Food, Drug, and Cosmetic Act provides that a food intended for export shall not be deemed to be adulterated or misbranded under the act if it accords to the specifications of the foreign purchaser; is not in conflict with the laws of the country to which it is intended for export and is labeled on the outside of the shipping package to show that it is intended for export. An application to export shrimp under the provisions of section 801 (d) of the act shall be accompanied by the original or a verified copy of the specifications of the foreign purchaser; if so required by the Administration, evidence showing that such shrimp is not in conflict with the laws of the country to which it is intended for export; and, if shipment of labeled shrimp is specified or directed, eight specimens of the labeling therefor. If shrimp prepared or packed according to such specifications is not in conflict with the laws of such country, the Administration shall direct the inspector to issue to the applicant an export permit covering such shrimp comprising any parcel ordered by such specifications, when the inspector finds that such shrimp was packed in compliance with the requirements of §§ 155.16 to 155.29 regarding sanitary conditions and processing; is not filthy, decomposed, putrid, or otherwise unfit for food; accords to such specifications; and is labeled on the outside of the shipping package to show that it is intended for export. Such permit shall specify the code marks to which it applies and the quantity of the parcel so marked, and shall show that such shrimp was packed under sanitary conditions, is wholesome, and accords to the specifications. The applicant shall furnish to the inspector documentary evidence showing the exportation of all such shrimp. Shrimp intended for export under this section shall not be stored in any warehouse or cold storage in the United States elsewhere than in the establishment where such shrimp was prepared or packed, except on written permission of the inspector or of the chief of the Food and Drug Administration district within whose territory such warehouse or cold storage is located.

§ 155.28 *Inspection fees.* (a) Except as otherwise provided by the regulations in this part, the fee prescribed for inspection service shall be 25 cents per 100 pounds of whole shrimp or 35 cents per 100 pounds of frozen or fresh raw headless shrimp received by the plant. Advance deposits of not less than $500.00 shall be made whenever necessary to prevent arrears in the payment of fees, unless the Administration on an estimate of output authorizes payment in other amounts. Any excess advance deposits so made for the fiscal year shall be returned to the packer by the Administration after the completion of the fiscal year.

(b) (1) In addition to the fee prescribed by paragraph (a) of this section, an initial deposit of $525.00 shall accompany each application for inspection; thereafter, 11 monthly deposits of $525.00 each shall be made on or before

the first day of each month beginning June 1 and continuing through April 1: *Provided*, That a packer who is concurrently receiving inspection service under the regulations for the inspection of canned shrimp or canned oysters or both shall not pay any additional advance deposits under this paragraph. The Commissioner of Food and Drugs may require the full amount of advance deposits prescribed by this paragraph to accompany the application of an applicant who has defaulted in payment of any advance deposit due for any prior packing season.

(2) Whenever it is determined, without hearing, by the Commissioner of Food and Drugs that an establishment having the inspection service has been damaged by wind, fire, flood, or other calamity to such extent that packing operations cannot be resumed before the end of the fiscal year then current, no advance monthly deposits falling due after such calamity will be required from the operator of such establishment for that fiscal year; but whenever it is determined, without hearing, by the Commissioner of Food and Drugs that an establishment having the inspection service has been so damaged by any such calamity that packing operations must be suspended temporarily and can be resumed before the end of the fiscal year then current, payment of the advance monthly deposits falling due after such calamity and before the month of resumption of operations shall be postponed until operations are resumed and thereupon shall be paid in equal monthly installments during the period between the time of resumption of operations and June 1 of the fiscal year then current: *Provided*, That in the event of a determination described in this subparagraph the total deposits made by the operator involved shall be charged with the cost of the service made available for the establishment, without regard to the method provided hereinafter for computing charges against deposits, and the balance of the total deposits remaining after such charges shall be returned by the Administration to the operator of the establishment after the completion of the fiscal year.

(3) Advance deposits made under this paragraph shall be charged with the cost of the inspection service that has not been provided for by fees under paragraph (a) of this section. The deposits by each packer shall be so charged in the same ratio to the total deposits made under this paragraph and under § 155.12 (b) for the inspection of canned shrimp and under § 155.42 (b) for the inspection of canned oysters and under this paragraph for the inspection of fresh and frozen shrimp, as the number of months of inspection service (including the number of months, if any, for inspecting canned shrimp or canned oysters or fresh and frozen shrimp or any combination of these inspection services) rendered in such packer's establishment bears to the total number of months of inspection service for shrimp and oysters rendered in all establishments. The balance remaining after such charges have been made shall be returned by the Administration to the packers after the completion of the fiscal year. When inspection service is withdrawn from an establishment as authorized by § 155.29 (a), the Administration shall not return to the packer any of the advance deposits made for such establishments; such deposits shall be charged with the cost of the service made available for the establishment, without regard to the method as prescribed in this paragraph, and the balance that would have accrued to such packer shall remain to the credit of the Food and Drug Administration in the special account "Salaries and Expenses, Certification and Inspection Services."

(c) A separate fee shall be paid to cover all expenses, incurred in accordance with the regulations of the United States Government, for salary, travel, subsistence, and other purposes incident to inspection for the purpose of issuing a certificate of warehousing or export permit on shrimp stored or held at any place other than an establishment to which a seafood inspector is then assigned.

(d) When the establishment and the warehouse or cold storage of an establishment are located at different points of such distance apart that transportation between them is required for the inspector to perform his duties in the establishment, the packer shall furnish such transportation or shall pay an extra fee to cover all expenses therefor.

(e) All payments required by the regulations in this part shall be by bank draft or certified check, collectible at par, drawn to the order of the Treasure United States, and payable at Washin ton, D. C. All such drafts and check except for the payment required § 155.16, shall be delivered to the inspe tor and promptly scheduled to the Foo and Drug Administration, Federal S curity Agency, Washington, D. C., wher upon after making appropriate recor thereof they will be endorsed and tran mitted to the Chief Disbursing Office Division of Disbursement, Treasury D partment, for deposit to the speci account "Certification and Inspectio Services, Food and Drug Administra tion."

(f) Refunds to the packers makin advance deposits will be by check draw on the Treasury of the United States pur suant to refund vouchers duly certifie and approved by the designated admin istrative officers

§ 155.29 *Suspension, withdrawal, an termination of inspection service.* (a The Administration may suspend an the Administrator may withdraw in spection service in any establishment-

(1) Upon failure of the packer t comply with any provision of §§ 155.1 to 155.29, inclusive, or

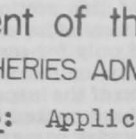
(2) Upon the dissemination by th packer or any person in privity with hi of any representation which is false misleading in any particular regardin the application to any seafood of th inspection service provided by the regu lations in this part.

(b) When inspection service is sus pended in an establishment, as author ized by paragraph (a) of this sectio the Administration shall not lengthe the inspection period in such establish ment to compensate for any of the tim of suspension.

(c) After inspection service for a fis cal year is closed in an establishmen but before the resumption of packin therein during the next fiscal year, th packer may terminate inspection servic under the regulations in this part b giving written notice of such termina tion to the Food and Drug Administra tion.

Dated: August 16, 1951.

[SEAL] JOHN L. THURSTON,
Acting Administrator.



Department of the Interior

DEFENSE FISHERIES ADMINISTRATION

NPA TIGHTENS CONSTRUCTION CONTROLS: Applications for authorization to construct fish processing and production facilities should be postmarked by midnight, October 1 1951, in order to be eligible for consideration for a first quarter 1952 allotment of controlled materials, the Defense Fisheries Administration announced on September 4.

As claimant agency for the fishing industry, the Defense Fisheries Administration will process applications for the construction of fish handling plants, such as fish canneries, fish reduction plants, dock facilities for loading and unloading, and filleting plants.

DFA points out that the National Production Authority has revoked its basic construction order M-4, replacing it with new regulations contained in M-4A, dated August 20. This new order tightens controls over larger building projects but removes the necessity of applications to NPA for permission to begin construction or to get allotments of materials for buildings or projects using relatively small amounts of steel, copper, and aluminum.

The new regulations, while allowing a system of self-authorization for small amounts of critical materials, place all construction under NPA's Controlled Materials Plan beginning with the fourth quarter of 1951. Hereafter, application must be made to the appropriate Government agency (Defense Fisheries Administration in the case of construction for fish handling or processing plants) for permission to build and for an allotment of controlled materials, as provided for in CMP regulations, for all construction projects using more than the minimum amounts of controlled materials for which self-authorization is allowed in the new regulations.

The self-authorization ceiling for industrial plants, factories, or facilities, per project, per calendar quarter, is:

> 25 TONS OF CARBON AND ALLOY STEEL, INCLUDING STRUCTURAL STEEL (NOT TO INCLUDE MORE THAN 2.5 TONS OF ALLOY STEEL AND NO STAINLESS STEEL), 2,000 POUNDS OF COPPER AND COPPER-BASE ALLOYS, AND 1,000 POUNDS OF ALUMINUM.

Persons engaged in construction projects requiring less than the above quantities of controlled materials are authorized to use the self-certification "U-6 certified under CMP-Reg. 6" for the procurement of these materials scheduled for delivery after September 30, 1951, and the preference rating "DO-U-6 certified under CMP-Reg.6" for the procurement of materials other than controlled materials required for such construction, the latter likewise to be scheduled for delivery after September 30, 1951. The self-authorization procedure may be used only when a person requires delivery of controlled materials. If he requires only products or materials other than controlled materials, he may not use the self-authorization procedure but must be authorized to use the DO rating to acquire such products or materials pursuant to an application submitted to DFA on Form CMP-4C.

Prior to October 1, 1951, a prime contractor may commence new construction or continue construction already started provided his requirements of each kind of controlled material for completing such a project, including material for Class A products, do not exceed the above-listed amounts. However, no priority assistance for materials will be made available for any such construction for delivery before October 1, 1951. Nor will priority assistance be made available before that date to acquire products or materials, or to make inventory replacements, or to acquire production machinery or equipment.

Prime contractors requiring controlled materials for constructing fish handling or processing plants in amounts greater than the minimum quantities listed above must apply to DFA on Form CMP-4C in accordance with NPA order M-4A and CMP-6. This form requests (1) approval to commence or continue the project, (2) an allotment of controlled materials, and (3) a preference rating for materials other than controlled materials.

For all subsequent quarters, applications must be postmarked by midnight of the 15th day of the first month of the quarter preceding the one for which the delivery of the controlled materials is scheduled. Only cases involving hardship, disaster, or extreme essentiality can be considered after these dates, and then only if any unallotted amounts of material remain.

This action is necessary, DFA explained, since the quantities of controlled materials for this type of construction are severely limited, and only by considering all applications for any particular quarter at a single time can the most equitable distribution be made. Early filing of requests for permission to construct, and for allocations of controlled material, is likewise necessary so that builders of approved projects can place their orders in time to obtain delivery in the quarter in which the material is required.

Application forms, CMP-4C, and instruction sheets may be obtained from field offices of the Department of Commerce. However, such applications should be mailed directly to the Defense Fisheries Administration, Department of the Interior, Washington 25, D. C. All questions should be answered in as complete detail as possible, with particular emphasis on the instructions contained in Section 1 of Form CMP-4C.

Firms contemplating construction of fish handling or processing plants during 1952 should inform the Defense Fisheries Administration of their plans as far in advance as possible so that controlled materials for the projects can be obtained for the quarter in which they will be required.

For details see: NPA order M-4A as amended Aug. 20, 1951.

NOTE: ALSO SEE P. 58 OF THIS ISSUE.

Department of State

NORWAY SIGNS TORQUAY PROTOCOL TO GATT: The United States Government has been informed by the headquarters of the United Nations that the Government of Norway, on July 3, 1951, signed the Torquay Protocol to the General Agreement on Tariffs and Trade. The terms of the protocol require that the concessions negotiated between the United States and Norway at the recent tariff conference at Torquay, England, but which have heretofore been withheld, be put into effect on the thirtieth day--August 2, 1951--after Norway's signature of the instrument.

At Torquay, Norway granted substantial concessions on its imports of both agricultural and non-agricultural products of the United States. More than half of these concessions were reductions in duty; the remainder consisted of binding of existing duties or duty-free treatment.

In addition to the concessions directly negotiated with the United States at Torquay, Norway made numerous concessions to other countries on products of interest to United States exporters.

Among the products to which United States concessions initially negotiated with Norway apply are special types of canned sardines and herrings and certain other fish products, and fish hooks.

The specific United States concessions which will be put into effect as a result of Norway's signature of the Torquay Protocol will be announced later.

NOTE: SEE COMMERCIAL FISHERIES REVIEW, JULY 1951, P. 26.

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TARIFF CONCESSIONS DENIED TO COMMUNIST BLOC: On August 1, 1951, the President signed a proclamation giving effect to sections 5 and 11 of the Trade Agreements Extension Act of 1951, which provide that, as soon as practicable, he shall withdraw the benefits of trade-agreement concessions "to imports from the Union of Soviet Socialist Republics and to imports from any nation or area dominated or controlled by the foreign government or foreign organization controlling the world Communist movement," and shall prevent the importation of certain furs which are the product of the Soviet Union and Communist China. He also signed a letter to the Secretary of the Treasury under this proclamation (1) providing that reductions in rates of duty made in trade agreements should be suspended after the close of business August 31, 1951, in the case of Albania, Communist China, Soviet Zone of Germany, Estonia, the Communist parts of the Associated States of Indochina and Korea, the Kurile Islands, Latvia, Lithuania, Outer Mongolia, Rumania, Southern Sakhalin, Tanna Tuva, as to which such withdrawal would not on that date conflict with any international obligations and (2) preventing the importation from Communist China of ermine, fox, kolinsky, marten, mink, muskrat, and weasel furs and skins, dressed and undressed after the close of business August 31, 1951.

The Department of State has taken steps to terminate most-favored nation commitments to Bulgaria, Hungary, Poland, Rumania, and Soviet Russia, and withdrawal of trade-agreement concessions from Czechoslovakia. When it is found practicable, as a result of the above steps, to suspend the trade-agreement benefits from these countries, and to prevent the importation of furs from Soviet Russia, the effective dates of such action will be proclaimed by the President.

The Department of State delivered to the Soviet Embassy on June 23, 1951, a note giving notice, according to provisions of the agreement, of the termination of the commercial agreement of August 4, 1937, with the USSR as renewed by the exchange of notes signed on July 31, 1942. The agreement will terminate six months from the date of notice of intention to terminate. On June 27 similar action was taken to terminate the provisional commercial agreement of August 20, 1930, with Rumania, which provides for a thirty-day notification of intention to terminate.

A request to notify the Bulgarian Government of termination of the provisional commercial agreement of August 18, 1932, with Bulgaria has been conveyed to the Government of Switzerland. This procedure is being followed in view of the suspension of relations between the United States and Bulgaria in February 1950. The agreement with Bulgaria provides for advance notice of three months for denunciation.

With Hungary and Poland, the most-favored-nation provisions in customs matters are parts of broader treaties of friendship, commerce, and consular rights. In the treaty between the United States and Hungary signed June 24, 1925, the most-favored-nation provisions appear in Article VII. In the treaty between the United States and Poland, signed on June 15, 1931, the most-favored-nation provisions are contained in Article VI. The Hungarian treaty requires that notice of termination be given one year in advance; the Polish treaty prescribes a six months period of notice.

Notices to modify these treaties by terminating Articles VII and VI respectively, or to terminate the treaties as a whole, were delivered to the Hungarian and Polish representatives in Washington on July 5, 1951. It is also anticipated that the President will promptly take action to set in motion the operation of Section 5 (denial of tariff concessions) of the newly-enacted Trade Agreements Extension Act in the case of satellite countries and areas with which the United States has no commercial agreement.

The United States has requested that the item "Termination of Obligations between the United States and Czechoslovakia" be placed on the agenda of the Sixth Session of the Contracting Parties to the General Agreement on Tariffs and Trade, scheduled to convene at Geneva on September 17, 1951. Since both the United States and Czechoslovakia are contracting parties, the United States proposes that all of the obligations existing between it and Czechoslovakia by virtue of the provisions of the Agreement should be formally terminated, because of nullification of these obligations by political events.

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TRADE AGREEMENT NEGOTIATIONS WITH VENEZUELA: Formal notice of the intention of the United States Government to negotiate with the Government of Venezuela to supplement and amend the trade agreement with that country of November 6, 1939, was announced by the Department of State on August 29, 1951. United States participation will be under the provisions of the Trade Agreements Act of 1934 as amended and extended.

The Interdepartmental Trade Agreements Committee published a list of products on which modification of United States tariffs or other import restrictions may be considered during the negotiations. No fishery products were contained in this list. The notice points out that United States concessions on articles which are provided for in Schedule II of the 1939 agreement, but which are not included in the list of articles published today, will remain unchanged unless such articles are included in any supplemental list which might be published in the future.

However, in the forthcoming negotiations consideration will be given to possible modifications in, or elimination of, concessions on United States products entering Venezuela as provided in Schedule I of the 1939 agreement, and also to the addition of new items to that schedule, or additional concessions on items already covered by it. Therefore, persons interested in any export product were requested to make known their views with regard to whether existing Venezuelan concessions should be maintained or broadened, and whether new concessions on additional items should be sought from Venezuela.

Under the present agreement, preferential rates are given to Venezuelan imports of frozen and canned salmon, canned sardines, and canned shellfish from the United States. Venezuelan import duties on fishery products were substantially increased effective March 1, 1951, except for those items contained in the trade agreement and imported from the United States and from other countries with which Venezuela has commercial treaties or modus vivendi containing most-favored-nation clauses.

Expressions from the fishery trade concerning concessions in the Venezuelan tariff that should be sought or any trade restrictions imposed by Venezuela which have proved burdensome will be considered at the hearings.

Public hearings on the proposed negotiations were scheduled by the Committee for Reciprocity Information on October 9, 1951, at Washington, D. C. Applications for oral presentation of views and information, as well as written briefs or statements, were to be presented to the Committee not later than September 28. Only persons who presented written briefs or statements and filed applications were to be heard.

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WESTERN GERMANY SIGNS TORQUAY PROTOCOL TO GATT: The Mission of the Federal Republic of Germany to the United States has informed the Department of State that

the Charge d'Affairs of the Mission was expected to sign the Torquay Protocol to the General Agreement on Tariffs and Trade at the headquarters of the United Nations in New York on September 1. Under the provisions of the protocol the Federal Republic will become a contracting party to the General Agreement on October 1, thirty days following its signature of the protocol. On the same date the tariff and other trade concessions negotiated by the Federal Republic at Torquay with the other contracting parties to the agreement, including the United States, will go into effect.

The President of the United States is expected to notify the Secretary of the Treasury shortly that the United States concessions initially negotiated with the Federal Republic at Torquay will go into effect on October 1. No changes in United States import duties for fishery products are involved.

The Federal Republic of Germany will thus become the first among the seven "new" countries which negotiated at Torquay for accession to the agreement, to become a contracting party. At Torquay the Federal Republic negotiated with 20 contracting parties to the agreement and with three of the other acceding governments. Its accession brings the number of contracting parties to 31.

All concessions in German import tariffs negotiated at Torquay will apply to goods imported from any country which is a contracting party to the Agreement. Thus many United States products exported to Germany will benefit from German tariff reductions initially negotiated with other contracting parties. The following fishery items may be of interest to United States fishery industries (the new rates on imports into the Federal Republic of Germany are given):

Tariff Item Number	Commodity Description (abbreviated)	Rate of Duty After Torquay
03 01	Fish, live or dead, fresh, chilled or frozen:	
	A. Fresh-water fish (1) Salmon	12 percent
03 03	Oysters, whether in shell or not, fresh, chilled or frozen, salted, dried or simply cooked:	
	1. Spat	Free
	2. Other	30 percent
16 04	Prepared or preserved fish and fish products:	
	(c) "Other," in hermetically sealed containers:	
	Fish of salmon family, sardelles, sprats, and other	25 percent
	Herring, length of live fish not over 16 centimeters, in oil or tomato or both	20 "
23 01 (a)	Flour or meal of fish	Free
ex 23 07	Condensed stickwater	5 percent

German negotiations at Torquay were based upon a draft of an entirely new German tariff law which is to go into effect at the same time that the Federal Republic acceeds to the General Agreement. The new tariff is almost entirely on an ad-valorem rather than a specific basis and is based to a large extent on the model nomenclature recommended in 1949 by the European Customs Union Study Group.

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U. S. CONCESSIONS TO SWEDEN UNDER GATT EFFECTIVE: The President, in a letter of July 3, 1951, to the Secretary of the Treasury, authorized the application, as of July 7, of certain United States tariff concessions negotiated at the 1950-51 tariff conference at Torquay, England, under the General Agreement on Tariffs and

Trade. This action was taken as a result of the signature, by Sweden, on June 7, 1951, of the Torquay Protocol to the General Agreement.

Under the Torquay Protocol a country negotiating there may withhold the concessions initially negotiated with another country until the thirtieth day after that country has signed the protocol and made provision for putting into effect its own concessions.

In addition to Sweden, six other countries with which the United States negotiated at Torquay--the Benelux Customs Union (Belgium, the Netherlands, and Luxembourg), Canada, France, and the Dominican Republic--had previously signed the protocol and United States concessions to those countries were put into effect on June 7.

No changes in United States import duties on fishery products will result from this action.

In negotiations with Canada, Sweden bound free its rate of duty on cod roe in barrels, merely salted, salted sweetened or smoked, and reduced its rate on boiled salmon in tins from 75 kroner per 100 kgs. to 50 kroner. Under provisions of the most-favored-nations clause of the Agreement, these rates are also applicable to imports from the United States.

NOTE: ONE SWEDISH KRONA IS EQUAL TO ABOUT 19 U.S. CENTS.

Eighty-Second Congress (First Session)

JULY 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:

Collisions at Sea: H. R. 5013 (Hart) - A bill to authorize the President to proclaim regulations for preventing collisions at sea; to the Committee on Merchant Marine and Fisheries.

Shrimp Import Duty: H. R. 4999 (Boykin) - A bill to provide for an ad valorem duty on the importation of shrimp; to the Committee on Ways and Means.

CHAMBER ACTIONS--HOUSE:

Defense Production Act Extension: Reported to House, conference report on S. 1717, amending and extending the Defense Production Act of 1950 (H. Rept. 770). Conference report adopted by a vote of 94 yeas to 80 nays. Measure sent to White House.

Defense Production Act Extension Passed by House: The House passed, by a roll-call vote of 323 yeas to 92 nays, after rejecting a recommittal motion by a roll-call vote of 117 yeas to 299 nays, the bill H. R. 3871, amending and extending for 1 year the Defense Production Act of 1950.

Subsequently this passage was vacated when S. 1717, a similar bill, was taken from the Speaker's table, amended to contain the text of the House bill, and passed in lieu of H. R. 3871. The House voted to insist on its amendment to S. 1717; requested a conference with the Senate; and appointed conferees.

Prior to passage a separate vote was demanded on several amendments, among which were included the following:

Adopted the Andresen amendment to bar until June 30, 1953, imports of fats and oils, dairy products, peanuts, and rice, 265 yeas to 148 nays.

Adopted the Hope amendment to prevent the placing of quotas on livestock slaughtering, 249 yeas to 167 nays.

Adopted the Wolcott amendment to delete language enlarging the President's authority to acquire property, including facilities, and to erect plants, factories, etc., and to engage in the marketing, transportation, and storage of such critical materials necessary to the national defense; but authorizes installation of additional equipment, facilities, etc., in Government-owned plants and the installation of Government-owned equipment in privately owned plants, 232 yeas to 184 nays.

Adopted a committee amendment authorizing a rollback of 10 percent below the May 10, 1951, prices of agricultural commodities (beef-price rollback), 234 yeas to 183 nays.

Adopted a committee amendment deleting from the bill language relative to licensing and suspension of licenses of certain businesses covered by the scope of the bill, 333 yeas to 82 nays.

Interior Appropriations: House disagreed to Senate amendments to H. R. 3790, making appropriations for the Department of the Interior for fiscal year 1952; agreed to a conference requested by Senate; and appointed conferees.

Conference report submitted to the House on H. R. 3790, making appropriations for the Department of the Interior (including the Fish and Wildlife Service) for the fiscal year ending June 30, 1952. (H. Rept. 775).

The House by a roll-call vote of 189 yeas to 170 nays, recommitted to the committee of conference H. R. 3790, the Department of the Interior appropriation bill for 1952, with instructions for the House conferees to further insist on disagreement to Senate amendment No. 131, which deletes the Jensen amendment.

Tidelands: House by a roll-call vote of 265 yeas to 109 nays passed and sent to the Senate H. R. 4484, 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. A recommittal motion was rejected by a division vote of 63 yeas to 171 nays. Adopted an amendment providing that all moneys derived from the royalties on leases of land beyond the 3-mile limit be applied to the principal of the national debt; also adopted several perfecting amendments.

CHAMBER ACTION--SENATE:

Defense Production Act Extension: Senate agreed to a conference on S. 1717, amending and extending for 1 year the Defense Production Act of 1950, and appointed conferees.

Interior Appropriations: H. R. 3790, Interior appropriations for 1952 (including Fish and Wildlife Service appropriations), with amendments (S. Rept. 499) was reported by the Senate during recess July 3. Senate began consideration of this bill, adopting some committee amendments and deferring action on others.

Interior Appropriations Bill Passed: By 64 yeas to 4 nays, Senate passed, as amended, H. R. 3790, Interior appropriations for 1952, after taking the following further actions on amendments: Adopted: The remainder of the committee amendments which had been passed over temporarily, including...investigations of resources, Fish and Wildlife Service;...

Sea Lampreys Studies--Additional Funds: H. R. 2995, authorizing additional funds for further research and control of sea lampreys of the Great Lakes area, was reported by the Senate (S. Rept. 545).

Sea Lampreys Studies Funds Increase: Passed without amendment and cleared for the President--H. R. 2995, to increase the appropriation for investigations and studies on eradication of sea lampreys in the Great Lakes.

BILLS SIGNED BY THE PRESIDENT:

Defense Production Act of 1950 Extension: S. 1717, amending and extending for 1 year the Defense Production Act of 1950. Signed July 31, 1951 (P. L. 96).

Sea Lampreys Studies Appropriation Increased: H. R. 2995, to increase the appropriation for investigations and studies on eradication of sea lampreys in the Great Lakes. Signed July 30, 1951 (P. L. 94).