



FEDERAL ACTIONS



Federal Trade Commission

BROKER OF SEAFOOD PRODUCTS ADMITS "TECHNICAL VIOLATIONS" OF ILLEGAL BROKERAGE LAW:

Replying (Answer 7024 Seafood Products) to Federal Trade Commission charges of granting illegal brokerage to some customers, a Seattle broker of seafood products on October 10, 1958, conceded his challenged payments might be "technical violations" of law, but declared they were made to increase rather than injure competition.

The Commission charged in its complaint of July 23, 1958, that the broker favored certain buyers, or their agents, with large allowances in lieu of brokerage through price concessions or rebates. The complaint alleged this practice violates Sec. 2(c) of the Robinson-Patman Amendment to the Clayton Act.

In his answer, the broker states that, in order to reduce freight costs and delays in delivery, buyers normally obtain their basic stock in one combination order covering several types of seafood.

Admitting that price concessions have been offered to obtain such large orders, he asserts this is done when a buyer objects to a particular item's price and the packer refuses to reduce it. The broker must absorb the difference or lose the sale, but this does not mean that the price actually given was inconsistent with the market, he continues.

Asserting that he is a small operator, the broker points out that his gross sales and net income were less than \$400,000 and \$4,500, respectively, in 1956. During that year he admits making price reductions totaling \$565 in 16 transactions invoiced at \$79,000.

Summing up, the broker "concedes that within the transactions questioned may be found technical violations ... as by the Commission contended, but respectfully submits that such violations, were they not considered per se, in no way injured the public, were in furtherance of, rather than restraint of competition, and thus tended to preserve rather than defeat the purpose of the antitrust laws."

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CONSENT ORDER PROHIBITS SEAFOOD PACKER FROM PAYING ILLEGAL BROKERAGE:

A consent order (7147, Seafood), requiring a Washington State seafood packing company to stop making illegal brokerage payments to its customers, was approved by the Federal Trade Commission on November 10, 1958.

This action represents the adoption by the Commission of an initial decision by one of its hearing examiners based on an order agreed to by the company and the Commission's Bureau of Litigation.

A Commission complaint, issued on May 8, 1958, said the company generally sells its canned salmon pack through brokers who are paid commissions ranging from 2 to 5 percent. However, the complaint charged, the company made many sales to brokers purchasing for their own account for resale, and granted them discounts or allowances in lieu of brokerage. Section 2(c) of the Amended Clayton Act forbids this practice.

Joined in the order is the company's president and treasurer.

The agreement is for settlement purposes only and does not constitute an admission by the respondents that they have violated the law.



Interstate Commerce Commission

TRANSPORTATION ACT OF 1958 FISHERY EXEMPTION TRUCK AMENDMENT INCLUDES SPECIALTY PRODUCTS:

The Bureau of Motor Carriers, Interstate Commerce Commission (I.C.C.), issued late in 1958 Ruling 110 which clears up most of the questions about the fishery exemption amendment (exempts fresh and frozen fishery products and specialties from I.C.C. regulated motor carrier regulations) in the Transportation Act of 1958. The fishing industry was in doubt as to how I.C.C. would consider specialty items such as fish dinners and fish cakes because the "basic ingredient" principle was deleted from the Act prior to passage.

In addition to the usual fresh and frozen fishery products, Ruling 110 specifically shows the following fishery items as exempt: Fish (including shellfish): breaded, cooked or uncooked, frozen or fresh; cakes, codfish, cooked or uncooked, frozen or fresh; clam juice or broth, cooked or uncooked, frozen or fresh; cooked or partially cooked fish or shellfish, frozen or fresh; croquettes, salmon, cooked or uncooked, frozen or fresh; deviled crabs, clams, or lobsters, cooked or uncooked, frozen or fresh; dinners, cooked or uncooked, frozen or fresh; fried fish fillets, oysters, or scallops, frozen or fresh; sticks, cooked or uncooked, frozen or fresh.

The Ruling also points out that imported fishery products have the same status as domestic.

A spokesman for the I.C.C. said that canned salted fish would be exempt if the canning process or the salting process was not a treatment for preserving. In other words, if it were necessary to include some other preserving media such as refrigeration, it would likely be considered exempt. Also oyster stew that is frozen uncooked would probably qualify, but cooked oyster stew would be nonexempt.

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TRUCKERS REQUIRED TO AMEND "GRANDFATHER RIGHTS" APPLICATION TO INCLUDE FRESH AND FROZEN FISH:

Shippers of less than truckloads of fresh or frozen fish and shellfish were reminded by the Interstate Commerce Commission (I.C.C.) of the December 10, 1958, deadline for motor carriers to file applications under "grandfather rights." Those shippers using carriers that carry, for example, frozen fruits and vegetables in the same truck with fresh and frozen fishery products were affected.

Carriers who desired common or contract carrier rights could amend their application for "grandfather rights" to include fresh and frozen fishery products.

If a carrier who was satisfactory to shippers failed to amend his application for "grandfather rights," that carrier is excluded from carrying exempt fishery products in the same truck with regulated products.

Applications for "grandfather rights" were to be made on Form BOR-1 for those "exempt" carriers who were carrying before May 1, 1958, commodities that became regulated August 12, 1958. For those carrying those commodities subsequent to May 1, 1958, applications for "Interim" rights were made on Form BOR-2. The application forms do not provide for other "exempt" commodities that did not become regulated even though the carriers had been handling that type of commodity. Through the efforts of fishing industry representatives, the I. C. C. issued "Second Supplement to Information Bulletin No. 1" which provides that applicants may make an amendment to the application to include commodities still in the "exempt" category.

The Interstate Commerce Act provides that "for hire" motor shipment in interstate and foreign commerce of "exempt" commodities in the same truck with "nonexempt" commodities, subjects the "exempt" commodities (fresh and frozen fishery products) to both economic and safety regulation. Therefore, truck operators must also have rights for fishery products to haul those products mixed with regulated products.



Department of the Interior

FISH AND WILDLIFE SERVICE

ADDITIONAL HEARINGS ON COMMERCIAL FISHING REGULATIONS HELD:

Six additional public hearings on the 1959 Alaska commercial fishing regulations were held in Alaska in accordance with instructions received from the Secretary of the Interior on November 19, 1958.

Thus, in accordance with past practice, hearings were held in eight fishing communities in Alaska and in Seattle, Wash., on the proposed regulations.

The original announcement scheduled hearings in Seattle on December 4, 5, and 6; in Juneau on December 10, 11, and 12; and in Anchorage on December 17, 18, and 19. The additional Alaska hearings were scheduled for Kodiak (Jan. 6, 1959), Dillingham (Jan. 7), Cordova (Jan. 9), Sitka (Jan. 12), Wrangell (Jan. 8), and Ketchikan (Jan. 6).

The Secretary on November 8, 1958, instructed the U. S. Fish and Wildlife Service to propose the elimination of fish traps in Alaska in order that the Department of the Interior could adjust its "actions as quickly as possible to the desires of the Alaskans in regard to the disposition of their natural resources." Every effort will be made to publish the 1959 Alaska fishing regulations as early

as possible. The fishing season normally opens around May 1.

After visiting with many Alaskans on his current trip to Alaska--his fourth since he became Secretary of the Interior--the Secretary informed the Bureau of Commercial Fisheries that the keen interest and concern shown by Alaskans in their fishery resources prompted him to expand the original schedule of public hearings. At these additional local hearings fishermen throughout Alaska will have an opportunity to discuss the fisheries conservation program and express their views on regulation changes needed for the coming year.

As announced by the Secretary on November 8, 1958, in the annual Notice of Intention to adopt amendments to existing Alaska fishing regulations, all interested persons were invited to present their views in writing to the Director, Bureau of Commercial Fisheries, or in person at the public hearings.

Note: Also see Commercial Fisheries Review, December 1958, p. 86.

BUREAU OF COMMERCIAL FISHERIES

PROPOSED FROZEN HADDOCK FILLET GRADE STANDARDS:

Proposed United States grade standards for frozen haddock fillets were published in the November 8, 1958, Federal Register. These regulations, when effective, will be the first issued by the Department of the Interior prescribing grade standards for frozen haddock fillets.

The proposed standards describe the product and grades, recommended weights and dimensions, quality factors, definitions and methods of analysis, lot certification tolerances, and score sheets.

The notice of proposed rule making as published in the Federal Register follows:

Fish and Wildlife Service
[50 CFR Part 174]
 UNITED STATES STANDARDS FOR GRADES OF FROZEN HADDOCK FILLETS¹

NOTICE OF PROPOSED RULE MAKING

Notice is hereby given, pursuant to section 4 (a) of the Administrative Procedure Act of June 11, 1946 (60 Stat. 238, 5 U. S. C. 1003), that the Director of the Bureau of Commercial Fisheries proposes to recommend to the Secretary of the Interior the adoption of the regulations set forth in tentative form below to establish grade standards for frozen haddock fillets. These regulations are to be codified as Title 50, Code of Federal Regulations, Part 174—United States Standards for Grades of Frozen Haddock Fillets, and are proposed for adoption in accordance with the authority contained in Title II of the Agricultural Marketing

¹ Compliance with the provisions of these standards shall not excuse failure to comply with the provisions of the Federal Food, Drug, and Cosmetic Act.

Act of August 14, 1946, as amended (7 U. S. C. 1621-1627). Functions under that act pertaining to fish, shellfish, and any products thereof were transferred to the Department of the Interior by section 6 (a) of the Fish and Wildlife Act of August 8, 1956 (16 U. S. C. 742e). These regulations, if made effective, will be the first issued by the Department of the Interior prescribing grade standards for frozen haddock fillets.

Prior to the final adoption of the proposed regulations set forth below, consideration will be given to any written data, views, or arguments relating thereto which are received by the Director, Bureau of Commercial Fisheries, Fish and Wildlife Service, Washington 25, D. C., on or before November 20, 1958.

Dated: November 4, 1958.

A. W. ANDERSON,
 Acting Director,
 Bureau of Commercial Fisheries.

PRODUCT DESCRIPTION AND GRADES

- Sec.
 174.1 Product description.
 174.2 Grades of frozen haddock fillets.

WEIGHTS AND DIMENSIONS

- 174.6 Recommended weights and dimensions.

FACTORS OF QUALITY

- 174.11 Ascertaining the grade.
 174.12 Evaluation of the unscored factor of flavor and odor.
 174.13 Ascertaining the rating for the factors which are scored; appearance, size, defects, and character.
 174.14 Appearance.
 174.15 Size.
 174.16 Defects.
 174.17 Character.

DEFINITIONS AND METHODS OF ANALYSIS

- 174.21 Definitions and methods of analysis.

LOT CERTIFICATION TOLERANCES

- Sec.
 174.25 Tolerances for certification of officially drawn samples.

SCORE SHEET

- 174.31 Score sheet for frozen haddock fillets.

PRODUCT DESCRIPTION AND GRADES

§ 174.1 *Product description.* The product described in this part consists of clean, whole, wholesome fillets or pri-

marily large pieces of clean, whole, wholesome fillets, cut away from either side of a haddock, *Melanogrammus aeglefinus*; the fillets may be either skinless or with skin on. They are packaged and frozen in accordance with good commercial practice and are maintained at temperatures necessary for the preservation of the product. (This part does not provide for the grading of pieces of fish flesh cut away from previously frozen fish blocks, slabs, or similar products.)

§ 174.2 *Grades of frozen haddock fillets.* (a) "U. S. Grade A" is the quality of frozen haddock fillets which possess a good flavor and odor; and for those factors which are rated in accordance with the scoring system outlined in this part have a total score of 85 to 100 points.

(b) "U. S. Grade B" is the quality of frozen haddock fillets which possess at least a reasonably good flavor and odor; and for those factors which are rated in accordance with the scoring system outlined in this part have a total score of not less than 70 points: *Provided*, That no factor receives maximum point score deduction.

(c) "Substandard" is the quality of frozen haddock fillets which fail to meet the requirements of U. S. Grade B.

WEIGHTS AND DIMENSIONS

§ 174.6 *Recommended weights and dimensions.* (a) The recommendations as to net weights and dimensions of packaged frozen haddock fillets are not incorporated in the grades of the finished product since net weights and dimensions, as such, are not factors of quality for the purpose of these grades.

(b) It is recommended that the net weights of the packaged frozen haddock fillets be not less than 12 ounces and not over 10 pounds.

FACTORS OF QUALITY

§ 174.11 *Ascertaining the grade.* The grade of frozen haddock fillets is ascertained by observing the product in the frozen and thawed states and after representative portions have been cooked in a suitable manner. The following factors are evaluated in ascertaining the grade of the product: Flavor, odor, appearance, size, defects, and character.

(a) These factors are rated in the following manner:

(1) *Flavor and odor.* These factors are rated directly by organoleptic evaluation. Score points are not assessed (see § 174.12).

(2) *Appearance, size, defects, and character.* These factors are rated by score points expressed numerically on the scale of 100.

(b) The four factors and the maximum number of points that may be given each are as follows:

Factors:	Points
Appearance	25
Size	20
Defects	40
Character	15
Total score	100

§ 174.12 *Evaluation of the unscored factor of flavor and odor—*(a) *Good flavor and odor.* "Good flavor and odor" (essential requirement for a Grade A product) means that fish flesh has good flavor and odor characteristic of haddock

(*Melanogrammus aeglefinus*); and is free from staleness, and off-flavors and off-odors of any kind.

(b) *Reasonably good flavor and odor.* "Reasonably good flavor and odor" (minimum requirement of a Grade B product) means that the fish flesh may be somewhat lacking in good flavor and odor; and is free from objectionable off-flavors and off-odors of any kind.

§ 174.13 *Ascertaining the rating for the factors which are scored; appearance, size, defects, and character.* The essential variations within each factor which is scored are so described that the value may be ascertained for each factor and expressed numerically. Point deductions are allotted for each degree or amount of variation within each factor. The value for each factor is the maximum number of points allotted for the factor less the sum of the deduction-points within the factor.

§ 174.14 *Appearance.* (a) *General:* The factor of appearance refers to the color of the fish flesh, and to the degree of surface dehydration of the product.

(b) For the purpose of rating the factor of appearance the schedule of deduction-points in Tables I and II apply. Haddock fillets which receive 25 deduction points for this factor shall not be graded above Substandard regardless of the total score for the product. This is a limiting rule.

TABLE I—SCORE DEDUCTIONS FOR COLOR SUBFACTOR

Color	Deduction points	
	"Light" colored portion comprising main portion of fillet	"Dark" colored portion occurring under skin mainly along lateral line
No discoloration	0	0
Slight yellowing	2	1
Moderate yellowing	4	2
Excessive yellowing and/or any rusting	13	12

TABLE II—SCORE DEDUCTIONS FOR DEHYDRATION SUBFACTOR

Degree of dehydration	Surface area affected (percent)		Deduction points
	Over—	Not over—	
Slight—Shallow and not color masking	0	1	0
	1	50	2
	50	100	5
Moderate—Deep but just deep enough to easily scrap off with fingernail ..	1	25	5
	25	50	8
	50	100	16
Excessive—Deep dehydration not easily scraped off ..	1	25	12
	25	100	25

TABLE III—SCORE DEDUCTIONS FOR SIZE OF FILLET PIECES

Number of fillet pieces less than 2 ounces per pound	Deduction points	
	Over—	Not over—
0	0	0
1	1	1
2	2	10
3	3	15
4	4	20

§ 174.15 *Size.* (a) *General:* The factor of size refers to the maximum num-

ber of small pieces under 2 oz. allowed per pound.

(b) For the purpose of rating the factor of size the schedule of deduction-points in Table III apply. Haddock fillets which receive 20 deduction points for this factor shall not be graded above Substandard regardless of the total score for the product. This is a limiting rule.

§ 174.16 *Defects.* (a) *General:* The factor of defects refers to the degree of freedom from improper packing, cutting and trimming imperfections, blemishes, and bones.

(1) *Improper packing.* "Improper packing" means poor arrangement of fillets, presence of voids, depressions, frost, and the imbedding of packaging material into fish flesh.

(2) *Cutting and trimming imperfections.* "Cutting and trimming imperfections" means that the fillets have ragged edges, tears, holes, or are otherwise improperly cut or trimmed.

(3) *Blemish.* "Blemish" means a piece of skin (except for skin-on fillets), scales, blood spot, a bruise, a black belly lining, a fin, or extraneous material. One "piece of skin" consists of one piece at least 1/2 square inch in area; except that any skin patches larger than 1 1/2 square inches shall each be considered as two pieces of skin. "Blood spot" is one of such size and prominence as to be considered objectionable. "Black belly lining" is any piece longer than 1/2 inch. Each aggregate area up to 1 square inch of identifiable fin or parts of any fin shall be considered as one "instance of fin". Each aggregate area up to 1 square inch per fillet of one scale or group of scales shall be considered one "instance of scales". "A bruise" consists of an affected area of 1/2 square inch or more in area; except that any bruise larger than 1 1/2 square inches shall each be considered as two bruises.

(4) *Bones.* "Bones" means any bones that can be identified, and are objectionable. One instance of bone means one bone or one group of bones occupying

TABLE IV—SCORE DEDUCTIONS FOR DEFECTS

Defects, sub-factors	Method of determining sub-factor score	Deduction points	
Improper packing.	Moderate defects, noticeably affecting the products appearance.	2	
	Excessive defects, seriously affecting products appearance.	4	
Blemishes.....	Number of blemishes per 1 lb. of fish flesh:		
	Over 0 not over 1	1	
	Over 1 not over 2	3	
	Over 2 not over 3	5	
	Over 3 not over 4	8	
	Over 4 not over 5	16	
	Over 5 not over 6	30	
Bones.....	Number of instances per 1 lb. of fish flesh:		
	Over 0 not over 1	0	
	Over 1 not over 2	5	
	Over 2 not over 3	10	
	Over 3 not over 4	15	
	Over 4 not over 5	30	
	Over 5	40	
	Cutting and trimming.	Slight defects, scarcely noticeable.	0
		Moderate defects, noticeable but not affecting the usability of any fillets.	4
		Excessive defects impairing:	
(a) the usability of up to 1/4 of the total number of fillets.		8	
(b) the usability of over 1/4 but not more than 1/2 of the total number of fillets.		16	
(c) the usability of over 1/2 of the total number of fillets.		40	

or contacting a circular area of 1 square inch.

(b) For the purpose of rating the factor of freedom from defects, the schedule of deduction-points in Table IV apply.

§ 174.17 *Character.* (a) General: The factor of character refers to the amount of drip in the thawed fillets, and to the tenderness and moistness of the properly cooked fish flesh.

(b) For the purpose of rating the factor of character, the schedule of deduction-points in Table V apply. Haddock fillets which receive 15 deduction points for this factor shall not be graded above Substandard regardless of the total score for the product. This is a limiting rule.

TABLE V—SCORE DEDUCTIONS FOR CHARACTER

Character, subfactors	Method of determining sub-factor score	Deduction points
Texture.....	Texture of the cooked fish: (a) Firm, slightly resilient but not tough or rubbery; moist but not mushy.	0
	(b) Moderately firm; only slightly tough or rubbery; does not form a fibrous mass in the mouth; moist but not mushy.	4
	(c) Moderately tough or rubbery; has noticeable tendency to form a fibrous mass in the mouth; or is dry; or is mushy.	8
	(d) Excessively tough or rubbery; has marked tendency to form a fibrous mass in the mouth; or is very dry; or is very mushy.	15
Amount of drip,	Percent of drip: Over 0 not over 5.....	0
	Over 5 not over 6.....	1
	Over 6 not over 8.....	2
	Over 8 not over 10.....	4
	Over 10 not over 12.....	6
	Over 12 not over 14.....	9
	Over 14 not over 16.....	12
Over 16.....	15	

DEFINITIONS AND METHODS OF ANALYSIS

§ 174.21 *Definitions and methods of analysis*—(a) *Percent of drip.* "Percent of drip" means the percent by weight of "free drip" (the fluid which is not reabsorbed by the fish tissue when the frozen fish thaws, and which separates freely without the aid of any external

forces except gravity) in an individual package as determined by the following method:

(1) *Apparatus and materials.* (i) Water bath.

(ii) Balance, accurate to 0.1 gm; or 0.01 ounce.

(iii) Pliable and impermeable bag (cryovac, pliofilm, etc.).

(iv) Vacuum source (Vacuum pump or water aspirator).

(v) U. S. Standard No. 8 mesh circular sieve (both 8 and 12 inch diameters).

(vi) Stirring motor.

(vii) Identification tags.

(2) *Procedure.* (i) Weigh pliable and impermeable bag (cryovac, pliofilm, etc.).

(ii) Remove frozen material from container (container consists of the carton and the inner and outer wrappings).

(iii) Place frozen product, plus scraps of any material remaining on the container, into the pliable bag.

(iv) Weigh bag and contents and subtract tare to determine the net weight of the product.

(v) Evacuate air from bag by use of suction so that bag closely fits contour of product, with no air pockets.

(vi) Crimp the open end of bag and tie off (a secure and leakproof closure may be created by tying close to product and then folding excess bag and tying again).

(vii) Completely immerse bag and contents in a circulated water bath maintained at 68° F. plus or minus 2° F.

(viii) Allow to remain immersed until the product is defrosted (a "test run", in advance, is necessary to determine time required for each product and quantity of product).²

(ix) Remove bag and contents from bath and gently dry outside of bag.

(x) Open bag and empty contents onto U. S. Standard No. 8 circular sieve so as

²The purpose of the "test run" is to determine the time necessary to thaw the product. The complete thawing of the product is determined by frequent but gentle squeezing of the bag until no hard core or ice crystals are felt. This package which has been squeezed can not be used for drained weight calculations.

to distribute the product evenly, inclining the sieve slightly to facilitate drainage, and allowing to drain for two minutes.

(xi) Weigh sieve and its contents and calculate drained weight. The drained weight is the weight of sieve and fillets less the weight of the dry sieve.

(xii) Calculate percent drip:

$$\frac{\text{Net weight (iv)} - \text{drained weight (xi)}}{\text{Net weight}} \times 100 = \text{Percent of drip}$$

(b) *Cooking in a suitable manner.* "Cooking in a suitable manner" shall mean that the product is cooked as follows: Place the thawed unseasoned product into a boilable film-type pouch. The pouch and its contents are then immersed in boiling water and cooked until the internal temperature of the fillets reaches 160° F. (about 20 minutes).

LOT CERTIFICATION TOLERANCES

§ 174.25 *Tolerances for certification of officially drawn samples.* The sample rate and grades of specific lots shall be certified in accordance with Part 170 of this chapter (regulations governing processed fishery products, 23 F. R. 5064, July 3, 1958).

§ 174.31 *Score sheet for frozen haddock fillets.*

Label:
Size and kind of container:
Container mark or identification:
Size of lot:
Number of packages per master carton:
Size of sample:
Type of overwrap:
Actual net weight:

Factor	Standards score points	Sample score
Appearance.....	25
Uniformity.....	20
Defects.....	40
Character.....	15
Total.....	100
Flavor and odor
Final grade



Department of Labor

PUERTO RICO FOOD PRODUCTS INDUSTRY COMMITTEE RECOMMENDS HIGHER MINIMUM WAGE FOR TUNA CANNING:

A minimum wage rate in Puerto Rico of 85 cents an hour for tuna canning operations was found as economically feasible by the U. S. Department of Labor Industry Committee No. 41-B for the Food and Related Products Industry in Puerto Rico. This was included in the report, findings of fact, and recommendations made by the Committee after hearings held in Puerto Rico September 11-15, 1958.

Under the yeast and canned tuna industry classification, the Committee's findings on tuna canning were as follows:

"This classification is presently composed of two establishments employing a total of 367 per-

sons covered by the minimum wage provisions of the Fair Labor Standards Act ...

"The record reveals that under the provisions of a union contract prevailing in the tuna fish canner, wage rates range from 65 cents an hour, the currently effective minimum wage rate, to \$1.40 an hour, and that average hourly earnings in the plant amounted to slightly over 70 cents an hour during a recent payroll period. Profits on sales of this establishment amounted to 9.7 percent during the year ended May 31, 1958, and, according to testimony, for that year profit on investment amounted to 9 percent. The firm, which had a deficit as of March 30, 1957, had an earned surplus of almost \$625,000 as of May 31, 1958.

"On the other hand, the record reveals that competition in the canning of tuna and tunalike fish and related activities is relatively intense. Also,

imports of canned tuna fish from Japan increased from \$14.3 million in 1956 to \$16.2 million in 1957. Although data on such imports in early 1958 indicate that they are below comparable period 1957 levels, the Committee feels that they are of significance. Furthermore, the Committee finds that an offset in the minimum wage rate in Puerto Rico is justified on the basis of peculiar costs deriving from operation of an establishment of this kind in Puerto Rico.

"On the basis of these facts and on the entire record, the Committee finds that a minimum wage rate of 85 cents an hour for this classification is economically feasible. The Committee finds that this rate will directly affect a fairly substantial number of employees but will not result in substantial curtailment of employment."



Treasury Department

COAST GUARD

HEARINGS HELD TO IMPLEMENT FEDERAL BOATING ACT OF 1958:

The proposed changes in maritime safety standards and regulations to implement the Federal Boating Act of 1958 were published in the Federal Register of November 1, 1958. Undocumented fishing vessels of all types of more than 10 hp. will be affected. A public hearing was held by the Merchant Marine Council on December 9, 1958, in Washington, D. C., to receive comments, views, and data on the proposed standards and regulations as set forth in Items I to III, inclusive, of the Merchant Marine Council Public Hearing Agenda (CG-249), dated December 9, 1958, and in the Federal Register of November 1, 1958.

The unprecedented boom in the use of small vessels, principally pleasure craft, on the waterways of the nation prompted Congress to pass the Federal Boating Act of 1958. This Act modernizes Federal boating laws and provides means for meeting the current needs for greater safety. Briefly, this Act provides:

(a) Effective immediately, the operator of a vessel shall stop and render assistance if involved in a boating accident, and shall furnish his identification to others involved. Further, the operator is required to give notice to and file a written report with the cognizant authorities.

(b) The Coast Guard is authorized to impose civil penalties for reckless or negligent operation of vessels, including pleasure craft of all types.

(c) Every State may assume concurrent jurisdiction on navigable waters of the United States within such State and enter into enforcement agreements with the Federal government.

(d) The present Coast Guard system for numbering of undocumented vessels shall be continued until April 1, 1960, unless a State assumes the functions of numbering prior to that date. On and after April 1, 1960, the Coast Guard will re-number all undocumented vessels propelled by machinery of more than 10 horsepower, unless a State shall have assumed the functions of numbering within that State. An undocumented vessel is one without a marine document issued by the Bureau of Customs.

(e) The Coast Guard shall compile, analyze, and publish information obtained from reports of boating accidents together with the findings concerning the causes of such accidents and recommendations for their future prevention.

(f) The Coast Guard shall establish standards, rules and regulations with respect to some of these functions as described in the law.

The Secretary of the Treasury by Treasury Department Orders 120, dated July 31, 1950 (15 F. R. 6521), and 167-32, dated September 23, 1958 (23 F. R. 7605), assigned the functions in the Act of April 25, 1940, as amended (46 U. S. C. 526-526t), and the Federal Boating Act of 1958 to the Commandant of the Coast Guard.

The proposed standards, rules and regulations required to be prescribed are set forth in the November 1 Federal Register. For convenience, the proposals are divided into three categories, as follows:

Item I - System of Numbering and Statistical Information Applicable to Undocumented Vessels (46 CFR Parts 170-173).

Item II - Boating Accidents Involving Undocumented Vessels (46 CFR Part 136).

Item III - Boarding Undocumented Vessels (46 CFR Part 26).

The proposals in Item I describe the Federal standards for numbering undocumented vessels as well as the requirements for statistical information to be obtained, compiled, analyzed and published.

The proposals in Item II are requirements applicable to the operators of vessels involved in boating accidents. It is proposed to require both a notice and a written report about each reportable boating accident, which will be submitted by the operator of the undocumented ves-

sel. These boating accident reports will be a primary source of information on which statistics will be based, as well as a basis for recommendations for promoting safety of life and property and the prevention of elimination of similar accidents in the future.

The proposal in Item III describes the procedures to be followed in the enforcement of these laws.

Vessel as set forth in subsection 2 (2) of the Federal Boating Act of 1958 "includes every description of watercraft, other than a seaplane on the water, used or capable of being used as a means of transportation on water." This definition includes, but is not limited to, motorboats, sailboats, rowboats, canoes, ships, tugs, towboats, ferries, cargo vessels, passenger vessels, tank vessels, fishing vessels, charter boats, party boats, barges, scows, etc.



NEW TYPE HEADLINE ROPE DEVELOPED

A new type of headline rope developed by the Nanaimo Biological Station, B. C., Canada, is constructed of preformed, alternate, lay galvanized wire rope, sheathed with braided spun nylon rope. It has proved successful in midwater trawls and ocean perch nets.

The braided nylon sheathing eliminates slippage of knots in hanging netting to the headline. The sheathing is marked with a continuous red line to assist in preventing twists and turns being placed in the rope when hanging the netting. The rope can be easily spliced by paring away the nylon sheathing and covering the area with a synthetic tape (National Fisherman, May 1958).

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