



FEDERAL ACTIONS



Department of the Interior

EXPLOITATION OF FLORIDA CORAL REEF PRESERVE TO BE STOPPED:

Approval of regulations protecting the Key Largo Coral Reef Preserve off the Florida coast was announced on September 19 by the Acting Secretary of the Interior Elmer F Bennett.

The regulations become effective on the tenth day after publication in the Federal Register. This emergency action is necessary because of commercial exploitation of the coral structure in the Preserve. This exploitation consists of blasting, dredging, and otherwise defacing or destroying the underwater scenic beauties of the area.

The regulation will prohibit the removal or destruction of the natural features or the shells and shellfish, starfish, and other marine invertebrates of the Preserve; dredging, filling, excavating, or any building; dumping refuse or otherwise polluting the area; tampering with wrecks or cargoes which might be within the boundaries.

Spear fishing and the use of poisons or electric-shocking devices are prohibited but skin diving with camera, for pleasure or observation, is permitted. Scientific specimens may be collected only on permit. No watercraft can be operated in any way that will damage the natural features of the Preserve. Possession or use of firearms, air guns, bows and arrows, slings, spears, harpoons, or any other type of weapon is prohibited.

Key Largo Coral Reef Preserve is a natural coral reef lying on the continental shelf off the southern tip of Florida. It lies partly within and partly without Florida's three-mile limit. It is approximately 21 miles long and about 4 miles wide. It has been made into a preserve by separate but coordinated actions by the State of Florida and the United States.

The United States action was taken March 15, 1960, by a proclamation issued by the President. Florida has recently issued regulations similar to those which are now being promulgated by the Department.

FISH AND WILDLIFE SERVICE
BUREAU OF COMMERCIAL FISHERIES

FISHING VESSEL CONSTRUCTION DIFFERENTIAL SUBSIDY ANNOUNCED:

Regulations governing payment of construction differential subsidies for fishing vessels were published in the Federal Register of September 22, 1960. In the closing days of the 86th Congress, \$750,000 was appropriated for construction differential payments.

Payments of not to exceed $33\frac{1}{3}$ percent of the cost of the fishing vessel to be constructed may be paid under certain very restrictive conditions. Among these, is a requirement that the fishery in which the vessel will fish must be suffering injury or threat of injury by reason of increased imports of a like or similar product.

Other requirements are that the applicant possess the ability, experience; resources, and other qualifications necessary to enable the enterprise to operate successfully; that the vessel be suitable for use in the fishery and for use by the United States for national defense or military purposes during time of war or national emergency; that the vessel will deliver its full catch to ports of the United States except under "force majeure;" that only citizens or aliens legally domiciled in the United States will be employed on the vessel; and that the new vessel will aid in the development of the United States fisheries under conditions that the Secretary considers to be in the public interest.

The regulations as they appeared in the Federal Register follow:

Title 50—WILDLIFE

Chapter II—Bureau of Commercial Fisheries, Fish and Wildlife Service, Department of the Interior

SUBPART F—AID TO FISHERIES

PART 256—FISHING VESSEL CONSTRUCTION

Differential Subsidy Procedures

On page 7538 of the FEDERAL REGISTER of August 10, 1960, there was published a notice and text of a proposed new part, Part 166, Title 50, Code of Federal Regulations. Part 166 now has been changed to Part 256 in keeping with the format of the revised edition of 50 CFR—Wildlife, published in the FEDERAL REGISTER of September 1, 1960. The purpose of the new part is to issue regulations governing the payment of fishing vessel construction differential subsidies.

Interested persons were given 30 days within which to submit written comments, suggestions or objections with respect to the proposed new part. No comments, suggestions or objections have been received, and the proposed new part is hereby adopted with only an editorial change in the language of § 256.4 to provide more flexibility in the submission of detailed plans for the vessel proposed to be constructed. This new part shall become effective at the beginning of the 30th calendar day following the date of this publication in the FEDERAL REGISTER.

Part 256 reads as follows:

Sec.

- 256.1 Basis and purpose.
- 256.2 Definitions.
- 256.3 Eligibility requirements.
- 256.4 Applicants.
- 256.5 Subsidy contract.
- 256.6 Inspection of vessels.
- 256.7 Payment of subsidy.

AUTHORITY: §§ 256.1 to 256.7 issued under sec. 10, Pub. Law 86-516.

§ 256.1 Basis and purpose.

(a) The Act of June 12, 1960 (P.L. 86-516), authorizes the Secretary of the Interior to pay a subsidy for the construction of fishing vessels in shipyards of the United States.

(b) The purpose of this part is to prescribe rules and regulations governing the payment of these subsidies.

§ 256.2 Definitions.

(a) *Secretary.* The Secretary of the Interior or his authorized representative.

(b) *Administrator.* The Maritime Administrator in the Department of Commerce or his authorized representative.

(c) *Person.* Individual, association, partnership, or corporation, any one or all as the context requires.

(d) *Fishery.* A segment of the commercial fishing industry engaged in the catching of a single species or a group of species of fish or shellfish. To be considered as operating in a fishery the catch of such species during the calendar year must amount to at least fifty-one percent (51%) (in the aggregate by ex-vessel weight) of the total catch of the vessel.

§ 256.3 Eligibility requirements.

(a) Injury or threat of injury due to increased imports. Applicants for a subsidy for a vessel to be operated in a fishery which does not qualify under section 4(1) of the Act or which has not been previously found to be injured or threatened with injury by reason of increased imports must present evidence of injury or threat of injury by reason of increased imports. Upon receipt of such evidence, the Secretary will announce by notice in the FEDERAL REGISTER and by notice in writing by registered

mail to parties of record, that factual data may be filed in support of or opposition to, such a finding during the succeeding 30 days. All data filed will be considered, along with such information as may be developed by the Secretary's staff or staffs of other Government agencies and a finding announced by the Secretary. This finding will remain in effect until the Secretary shall announce that he has reason to believe the injury has been remedied or the threat of injury removed. Interested parties will then have 30 days to submit data, after which the Secretary will determine whether or not the injury or threat of injury remains. Injury or threat of injury may be determined, without excluding other factors, by downward trend of production, employment, prices, profits, or wages in the domestic fishery concerned, or a decline in sales, an increase in imports, either actual or relative, a higher or growing inventory, or a decline in the proportion of the domestic market supplied by the domestic fishery concerned.

(b) Aid in the development of the United States fisheries. For a vessel to aid in the development of the United States fisheries under conditions that the Secretary considers to be in the public interest, the vessel must be a modern vessel which will tend to upgrade the fleet and, unless of completely new and advanced design, shall not operate in a fishery which the Secretary deems to have sufficient vessels to economically harvest either the maximum sustained yield of the fishery or the maximum amount which can be marketed in an orderly manner.

§ 256.4 Applications.

Applications for a subsidy shall be made on forms prescribed by the Secretary and shall be filed with the Director, Bureau of Commercial Fisheries, Washington, D.C. The applications must be accompanied by three copies of the cross section, outboard profile, and specifications of the proposed vessel. The Secretary may require such additional complete detailed construction plans as may be necessary after a review of the application and accompanying plans and specifications.

§ 256.5 Subsidy contract.

(a) A contract for the payment of the subsidy will take effect when all contracts between the applicant for such subsidy and the shipbuilder, who is to construct such vessel, have been approved by the Administrator and the subsidy contract has been signed by the Secretary and the applicant; and

(b) The contract shall contain a formula for the computation of the amount of the subsidy that shall be repaid to the Secretary in the event the vessel is operated in any fishery other than the particular fishery for which it was designed as defined in § 256.2(d).

§ 256.6 Inspection of vessels.

The Secretary or the Administrator shall have access at all times to all vessels which are being constructed under a contract providing for a construction subsidy provided for by the Act.

§ 256.7 Payment of subsidy.

The subsidy will be paid to the applicant after the vessel is completed and evidence of full payment to the shipyard constructing the vessel is presented; or jointly to the applicant and the shipyard upon completion and delivery of the vessel.

FRED G. AANDAH, Acting Secretary of the Interior.

SEPTEMBER 16, 1960.

Note: Also see Commercial Fisheries Review, October 1960 p. 96.



Department of Labor

WAGE AND HOUR AND PUBLIC CONTRACTS DIVISION

MINIMUM WAGE FOR TUNA CANNING AND PROCESSING RAISED TO UNITED STATES LEVEL:

A minimum wage rate in Puerto Rico of \$1 an hour for tuna canning and processing operations was announced by the Wage and Hour Division of the U. S.

Department of Labor and published in the September 10, 1960, Federal Register. The wage order as published gives effect to recommendations of the U. S. Department of Labor Industry Committee No. 49-A for the Food and Related Products Industry in Puerto Rico.

This raises the Puerto Rican wage rate to the same minimum level as that which prevails on the United States mainland.



The section of the order (which becomes effective September 25, 1960) titled "The yeast and canned tuna fish classification" as published states: "Wages at a rate of not less than \$1.00 an hour shall be paid under section 6 of the Fair Labor Standards Act of 1938 by every employer to each of his employees in the food and related products industry in Puerto Rico who is engaged in commerce or in the production of goods for commerce who is also engaged in the yeast and canned tuna fish classification of that industry, which is defined as the manufacture of yeast, and the cooking and canning of tuna fish and of tuna-like fish and the manufacture of byproducts therefrom." A wage rate of 85 cents an hour has been in effect since November 17, 1958. The new wage order means an hourly increase of 15 cents. While the tuna canning and processing industry in Puerto Rico comes under the \$1.00 an hour minimum wage, all other types of food canning and preserving have a wage rate of 80 cents an hour (previous rate was 70 cents), and other types of general food processing a rate of 85 cents (previous rate 75 cents) an hour under the new order.

The Fair Labor Standards Act as amended in 1958 provides special industry committees to biennially review and recommend minimum hourly wage rates for Puerto Rican industries operating at or below the \$1.00-an-hour statutory minimum that applies on the mainland. The U. S. Department of Labor appointed Industry Committee No. 49-A to recommend hourly wage rates for the food and related products industry in Puerto Rico. The Committee held its public hearing on August 15 in San Juan, Puerto Rico, and recommended the increase in the minimum wage.

In the "Report, Findings of Fact, and Recommendations of Industry Committee No. 49-A for the Food and Related Products Industry in Puerto Rico," the Committee's findings and recommendations for the Yeast and Canned Tuna Classification were:

"This classification is presently composed of two establishments with 446 covered employees. One firm is a manufacturer of dry yeast employing 13 workers covered by the minimum wage provisions of the Fair Labor Standards Act, and the other manufactures canned tuna fish with a total of 433 covered employees. At the time of the 1958 survey these same two establishments employed a total of 367 covered workers. According to a witness testifying in behalf of a newly-organized firm, it is contemplated that several hundred additional persons will shortly be engaged in the production of canned tuna fish and byproducts. . . .

"Under the provisions of a union contract covering workers at the operating tuna fish cannery at the time of the Wage and Hour Division survey, wage rates ranged from 90 cents an hour to \$1.65 an hour, and there was provision for an increase of 5 cents an hour for all job classifications on October 10, 1960. As a result of a recent election, the employees of this plant are now represented by another union. Average hourly earnings in the plant amounted to over 96 cents an hour at the time of the survey. A company representative appearing before the Committee stated that the company did not claim inability to absorb wage increases. The most recent data available to the Committee indicates that in 1957 the firm had a net profit of 7.1 percent on almost \$5 million sales, and in 1958 it had a profit of 9.7 percent on sales of \$5.6 million. From June 1, 1957, to May 30, 1959, the firm's earned surplus increased from \$77,631 to \$1,306,213.

"On the basis of the entire record, therefore, the committee finds that a minimum wage rate of \$1.00 an hour for the Yeast and Canned Tuna Fish Classification is economically feasible at this time and that this rate will not result in a substantial curtailment of employment in the industry. It is obvious that since this is the statutory minimum rate presently applicable elsewhere in the United States, the recommended rate will not give industry in Puerto Rico a competitive advantage over industry in the United States outside of Puerto Rico. This minimum wage rate will directly affect about 82 percent of the workers in the classification and cause an estimated direct increase in the classification wage bill of about 7 percent. . . .

"Wages at a rate of not less than \$1.00 an hour shall be paid in the Yeast and Canned Tuna Fish Classification of the Food and Related Products Industry, and this classification shall be defined as the manufacture of yeast, and the cooking and canning of tuna fish and of tuna-like fish and the manufacture of by-products therefrom. . . ."

Note: Also see Commercial Fisheries Review, Oct. 1960 p. 97, Jan. 1959 p. 82.



U. S. Tariff Commission

FINAL REPORT ON TARIFF SIMPLIFICATION STUDY ISSUED:

The U. S. Tariff Commission released on November 15, 1960, the final report on its tariff classification study. The report constitutes a recommendation to Congress for revision of the customs laws under which imported articles are classified for tariff purposes.

The study was undertaken by the Commission pursuant to Section 101 of the Customs Simplification Act of 1954. It was intended to lead to a proposal, for Congressional consideration, to simplify and modernize the tariff schedules. The study was not directly concerned with tariff rates.

The Tariff Commission's final report consisted of ten volumes, one of which was Schedule I--Animal and Vegetable Products. An early version of this volume was issued by the Commission in 1958 and was the subject of public hearings.

Note: Copies of each volume in the final report are available for purchase from the U. S. Government Printing Office.

* * * * *

SHRIMP INDUSTRY INVESTIGATION:

In response to a resolution of the Senate Committee on Finance, the U. S. Tariff Commission, under the authority of section 332 of the Tariff Act of 1930, as amended (19 U.S.C. 1332), on September 12 announced and instituted an investigation of the domestic shrimp industry (including fishing, processing, and other related operations), and of imports of shrimp and shrimp products provided for in paragraph 1761 of the Tariff Act of 1930.

The resolution directs the Commission to include in its report to the Committee on Finance the facts relative to United States and world production, and trade; imports; domestic supplies and consumption; the possibilities of world over-production; the interests of consumers, processors, and producers; foreign and domestic wage rates; costs of transportation to principal consuming centers; supplies of shrimp available to domestic and foreign fishermen; and other pertinent factors.

The resolution also directs the Commission to include in its report an analysis of the possible results of an imposition of a duty of 35 percent on all imports of shrimp and shrimp products as provided in paragraph 1761 of the Tariff Act of 1930 as well as an analysis of the possible results of a tariff quota under which all imports not in excess of the imports in the calendar year 1960 shall enter free of duty and all imports in excess of those in 1960 shall be dutiable at 50 percent ad valorem.

A public hearing, at which interested parties will be given opportunity to be present and to be heard, will be held in connection with the investigation in the Hearing Room of the Tariff Commission, Washington, D. C., beginning on January 9, 1961. (Notice published in Federal Register of September 15, 1960.)



UNITED STATES FISHERY LANDINGS BY AREAS, 1958-59

