International

CARIBBEAN ORGANIZATION REPLACES CARIBBEAN COMMISSION

The Agreement for the establishment of the Caribbean Organization was signed in Washington, June 21, 1960, by France, the Netherlands, the United Kingdom, and the United States.

The Caribbean Organization will be the successor body to the Caribbean Commission, established in 1946 to encourage cooperation in economic (including fisheries) and social development throughout the French, Netherlands, British, and United States areas in the Caribbean. The Organization will have broadly the same objectives as the Commission, but its activities will be directed by a Council on which the following are eligible to be represented: the Republic of France for the Departments of French Guiana, Guadeloupe, and Martinique; the Netherlands Antilles; Surinam; the Bahamas; British Guiana; British Honduras; the British Virgin Islands; the West Indies; the Commonwealth of Puerto Rico; the Virgin Islands of the United States.

This change has been made in response to the express wishes of the peoples of the area. The new Organization will reflect the significant constitutional and economic changes which have taken place in the area since 1946.

After the Agreement has been approved or accepted by the signatory parties they will issue a joint declaration bringing the new Organization into existence. It is hoped that this will be done as early as possible in 1961. The headquarters of the new Organization will be located in San Juan, Puerto Rico, to which the Commission headquarters have recently been transferred.

EUROPEAN FREE TRADE ASSOCIATION

UNITED STATES VIEWS:

The views of the United States on the European Free Trade Association were presented to the Sixteenth Session of the Contracting Parties to the General Agreement on Tariffs and Trade at Geneva, Switzerland, on May 17, 1960, by the U. S. Deputy Assistant Secretary of State for Economic Affairs, who was chairman of the United States delegation to the GATT meeting.

"The present session affords the Contracting Parties their first opportunity to review the Stockholm Convention, one of the more significant postwar developments in international commercial policy." (The Stockholm Convention, signed on November 20, 1959, calls for the formulation of a free-trade area among Austria, Denmark, Norway, Portugal, Sweden, Switzerland, and the United Kingdom. The first tariff reduction will take place on July 1, 1960.)

"The European Free Trade Association has now been ratified by all seven member states and will shortly enter into force. In our view it represents an important effort to lower trade barriers and to strengthen economic cooperation among its members. As such it commands the sympathetic and serious consideration of us all. . . .

"Our over-all view of the Stockholm Convention is that, on balance, it deserves the support and approval of the Contracting Parties. While there will be questions concerning specific aspects of the trade arrangements provided for in the convention and, we hope, responsive adjustments on the part of the parties to the convention, nevertheless, as a whole, it is in our judgment in harmony with the spirit and broad objectives of the General Agreement.

"Together, the seven countries which make up the EFTA represent a group with considerable influence on the volume and direction of international trade. Like all regional trading arrangements, the EFTA will mean change. It will require adjustments for producers and consumers inside the Association and in countries which trade with the Seven. These adjustments may raise problems. But they will also provide opportunities. If sound and liberal policies are followed by the Seven in the endeavor they are now beginning, the result can be increased trade and prosperity both for the member states and for their trading partners. Ministers of the Seven meeting at Stockholm on November 20, 1959, pointed out that 'as world trading nations, the countries of the European Free Trade Association are particularly conscious of Europe's links with the rest of the world.' As the EFTA enters into force, the United States is con-

International (Contd.):

fident that the convention will be carried out in a manner to maximize trade-creating effects and to minimize problems for other countries, both in Europe and in other parts of the world.

"We believe that the procedures whereby the Contracting Parties will consider and, we hope, approve the Stockholm Convention are important. For reasons which we will set forth in detail in the working party my delegation is of the opinion that the provisions of article XXIV alone are not fully adequate to cover the Stockholm Convention. The exemption from the free-trade provisions of the EFTA of the entire economic sector of agriculture and the question as to how the third-country trade in agriculture will be affected by bilateral agreements related to the EFTA seem to us to warrant consideration of the Stockholm Convention by the Contracting Parties under GATT procedures other than those set forth in article XXIV.

"I would like to express satisfaction with the declaration in article 37 of the Stockholm Convention which reaffirms the obligations of member states undertaken in the GATT. Also it is reassuring to have the statement contained in the replies from the member states to the questions submitted by contracting parties that member states intend to administer and interpret the origin rules in a liberal spirit. I think it unnecessary to discuss in detail provisions of the Stockholm Convention relating to quantitative import restrictions. My delegation would, however, like to indicate its view that the imposition, maintenance, and administration of quantitative import restrictions for financial reasons should depend exclusively on the balance-of-payments position of individual member states.

"Mr. Chairman, this in brief is a general statement of our views. . . ." (Department of State Bulletin, June 13, 1960.)

FOOD AND AGRICULTURE ORGANIZATION

VESSELS MOST COSTLY PART OF FISHING:

The fishing vessel itself, not its gear or harbors, processing plants, or the stores needed to sell the products produced, is beginning to be the most costly investment of the world's fishing industry. The investment in fishing boats in highly developed countries runs higher than the investment in harbors, canning plants, and retail stores combined.

A survey by the Canadian government in 1958 showed vessels accounted for 67 percent of the total investment in the Canadian fishing industry. This figure is compared with 45 percent in 1917 and 59 percent in 1935.

The following countries accounted for 92 percent of the world's fish catch. Japan, whose 5,399,000-ton catch led the world in 1957, also leads the world in the variety of fishing vessels in use. Japan has 14 individual major types, followed by the U.S.S.R. with 11 and Norway with 10. The United States has 9 different major types. The United Kingdom, Canada, and Iceland list a total of 7 types; Portugal, France, Sweden, and India, 6 each; the Faroes, Germany, the Netherlands, and Italy 5; Denmark, Indonesia, and the Union of South Africa, 4.

The most popular vessel in use is the trawler in one or other of its various forms--35 nations use it. Then comes the drifter, employed by 29 nations, followed by the purse-seiner used by 26 nations. The troller is used by 12 nations and the whale catcher by 11.

Time-and-motion studies done on board a new $840,000 German stern trawler show that stern trawling takes less time than side trawling. While trawling is regarded as the most advanced method of fishing, other methods are constantly improving.

Most boats today are still small--between 80 and 90 feet in length and not costing more than $100,000--and are too heavy. Generally built of wood, they are constructed on the principle of the thicker the timber the safer the boat. Selecting 22 successful fishing vessels in this class, studies were done on the thickness of the boats' timbers and estimates made as to what thickness could have been safely used. Studies published show Danish boats to be 40 percent and Swedish boats 30 percent heavier than necessary. ("Fishing Boats of the World 2," Fishing News, London, England; book based on papers and discussion at Second FAO World Fishing Boat Congress held in Rome April 1959.)

GENERAL AGREEMENT ON TARIFFS AND TRADE

SIXTEENTH SESSION IN GENEVA:

Problems of major importance for the future development of international trade will confront the 42 countries that participate in the work of the General Agreement on Tariffs and Trade (GATT) which convened in Geneva on May 16, 1960. Among the important subjects to be dealt with at the session will be (1) the elimination of quantitative restrictions on imports, (2) the European Free Trade Association, (3) the Latin American Free Trade Association, (4) the avoidance of market disruption caused by sharp increases in imports of particular commodities, and (5) the trade problems of less-developed countries. Harry Shooshan, International Activities Assistant, Technical Review Staff, will represent the U. S. Department of the Interior at the meetings.

During the Sixteenth Session, the convention of the European Free Trade Association (EFTA), which has recently been ratified by Austria, Denmark, Norway, Portugal, Sweden, Switzerland, and the United Kingdom, will be examined. The United States Government together with other contracting parties will consider the convention in the light of relevant provisions of the GATT and seek to assure that the convention will be administered in a liberal manner which guarantees equitable treatment to the trade of countries outside the Association.

Another regional market arrangement, the Latin American Free Trade Association, will also be on the agenda for the session. The arrangement was provided for in the Treaty of Montevideo, signed February 18, 1960, by representatives of four countries which participate in GATT (Brazil, Chile, Peru, and Uruguay) and three which do not (Argentina, Mexico, and Paraguay). It is expected that Contracting Parties will hear a preliminary explanation of the Montevideo Treaty by the signatory countries and that individual countries will indicate their general reactions to the various aspects of the Treaty.

The Contracting Parties decided at their last session, held in Tokyo in November 1959, to study the problem of market disruptions caused by sharp increases of imports over a brief period of time and in a narrow range of commodities. The problem is to find the means to ameliorate the adverse effects of an abrupt invasion of established markets while continuing to provide steadily enlarged opportunities for trade. This problem will be considered at the Sixteenth Session with the help of a factual report which has been prepared on the subject, including a survey of import restrictions which various countries maintain in order to prevent market disruption.

The GATT Committee on Balance of Payments Restrictions holds several series of consultations each year with those countries which still maintain import restrictions to safeguard their monetary reserves. In these consultations, the Contracting Parties examine quantitative import restrictions still in force, their effects, and the prospects for their removal or reduction. The Committee has been an important influence leading to the reduction of quantitative import restrictions, particularly those discriminating against United

International (Contd.):

States exports. Consultations are being held before and during the Sixteenth Session with Austria, Brazil, Greece, India, South Africa, and Uruguay.

The Contracting Parties will review the reports of the committees which have been studying ways to (1) expand international trade in agricultural (including fishery) commodities and (2) assist the exports of less-developed countries. In addition, the Session will deal with a variety of trade issues, including import restrictions maintained by Italy, Germany, and Belgium; developments within the European Economic Community; reports prepared by panels of experts regarding restrictive business practices, subsidies, state-trading enterprises, antidumping and countervailing duties, and facilities for the temporary admission of professional equipment and packing materials; and a number of other matters in the field of international trade.

* * * * *

UNITED STATES PROPOSES LIST OF FISHERY PRODUCTS FOR NEGOTIATION:

The United States has made public an extensive list of imported commodities, including fishery products, on which it will offer to make tariff concessions in the international negotiations at Geneva in September 1960. At the same time the State Department issued a companion list of products on which the United States will seek foreign tariff concessions to boost United States exports. On May 27, 1960, the United States Government announced its intention to participate in the multilateral trade-agreement negotiations under the General Agreements on Tariffs and Trade (GATT). At the same time, it published two lists and notices concerning the preparatory stages for participation in the negotiations. The lists of products proposed to be considered include certain fishery products and were presented to provide full opportunity for all interested persons to make their views known either through public hearing or in writing, as to whether concessions should or should not be offered by the United States or sought from other countries participating in the conference.

Included among the items on the list are such fishery products as fish and marine animal oils; fresh or frozen swordfish; wolffish (ocean catfish) fillets; dried, salted, and smoked cod; canned smoked sardines valued at over 30 cents per pound; canned herring in tomato sauce, kippered or smoked, in containers with contents over 1-pound each; mild-cured salmon; salted herring; smoked or kippered herring; canned clams (except razor clams and clam chowder); caviar and other fish roe; agar agar; and sodium alginate.

One publication (State Department Publication 6986) contains, in addition to explanatory statements and legal notices, a list of products which the United States may consider as a basis for offering tariff concessions in return for concessions of benefit to the United States export trade as may be granted by other countries. The other publication (State Department Publication 6987) contains a list of products of significance to the United States export trade on which the United States may seek concessions from other countries with the view to increasing export opportunities for United States products.

The actual negotiations, sponsored by the GATT, are scheduled to begin in Geneva, Switzerland, in September 1960. The conference will be held in two phases, the first concerned with negotiations with the newly-formed European Economic Community (Common Market) and the second, starting January 1961, with an exchange of new concessions between the contracting parties.

These negotiations will be another step in the Government's efforts, through the reciprocal trade agreements program, to promote the expansion of international trade and thereby to foster greater economic strength and solidarity among the nations of the free world.

The lists of products to be considered were issued to provide an opportunity for all interested persons to submit information on whether or not the United States Government should offer or request concessions on individual products. Public hearings before the Committee for Reciprocity Information and the Tariff Commission were scheduled to begin on July 11, 1960. The Tariff Commission in its "peril point" hearing was to investigate the extent to which concessions on listed products may be made without causing or threatening serious injury to domestic industries producing like or competitive products.

Under the Trade Agreements Extension Act of 1958, the President is authorized to enter into trade agreements until June 30, 1962. In negotiating such trade agreements, the President may reduce the United States duties existing on July 1, 1958, to the lowest rate calculated by any of three alternative methods:

1. Reducing the rate by not more than 20 percent, provided that no more than a 10 percent reduction may be made effective in any one year.

2. Reducing the rate by not more than 2 percentage points ad valorem (or its ad valorem equivalent in the case of a specific rate or a combination of ad valorem and specific rates). The reduction in any one year under this alternative may not exceed 1 percentage point.

3. Reducing to 50 percent ad valorem or its equivalent any rate which is in excess of that level, provided that not more than one-third of the total reduction may become effective in any one year.

The President may also agree to "bind" (continue) existing duties or the duty-free treatment for articles on the free list.

The export list was published to obtain the views and supporting information from U. S. exporters concerning additions or deletions, the countries from which concessions should be sought, and the extent of any modification in the customs treatment that should be requested. The possibility of obtaining concessions will depend, in part, on the extent to which the product is supplied or may be supplied by the United States to the country concerned.

The United States expects to negotiate at Geneva with the Common Market, which will represent the six member states (Belgium, France, Germany, Italy, Luxembourg, and the Netherlands), and with Australia, Austria, Canada, Chile, Denmark, the Dominican Republic, Finland, Haiti, India, Israel, Japan, New Zealand, Nicaragua, Norway, Peru, Spain, Sweden, Switzerland, Tunisia, United Kingdom, and Uruguay. Additional countries may, however, decide to participate in the negotiations.

The fishery items proposed to be considered are described in the following tables:

International (Contd.):

Table 1 - List of Fishery Products to be Considered for Possible United States Concession in Duty

Import Tariff Par.	SCHEDULE A Stat. Class. (1959)	Brief Description	Duty July 1, 1958	U. S. Imports 1959
				US$1,000
5	8350 110	Sodium alginate	12½%	488
	2260 260	Salts derived from vegetable oils, animal oils, fish oils; animal fats and greases, n.e.s., or from fatty acids thereof	12½%	17
34	2220 250	Drugs, advanced in value or condition: Shark-liver oil, including dogfish-liver oil	4% plus .85¢ lb.	142
	2220 260	Shark oil, including dogfish oil	4% plus .85¢ lb.	1/
	2220 270	Fish oils, n.e.s. (except cod oil and herring oil, and not including whale oil)	4% plus 1.25¢ lb.	17
	2220 290	Halibut liver oil	5%	10
	2220 300	Fish-liver oils, n.e.s. (except cod-liver oil)	4% plus 1.25¢ lb.	1,563
41		Glue, glue size, and fish glue: Valued less than 40 cents per pound:		
	0934 000	Glue size and fish glue, n.s.p.f.	0.5¢ lb. plus 7½%	242
	0940 300	Valued over 40 cents per pound	4¢ lb. plus 12½%	7
	2800 000	Agar agar	15%	992
	0941 700	Isinglass	21%	39
52		Whale oil:		
	0803 000	Sperm, crude	1¢ gal.	1,621
	0803 100	Sperm, refined or otherwise processed	3.5¢ gal.	263
	0803 500	Whale oil, n.s.p.f.	2.5¢ gal. plus 1.25¢ lb.	3
	0808 800	Marine animal and fish oils, n.s.p.f. (except cod, cod-liver, herring, menhaden, sod, and shark oil including dogfish)	10% plus 1.5¢ lb.	6
	0816 000	Seal oil	3¢ gal. plus 1.5¢ lb.	-
	0808 710	Shark oil, including oil produced from dogfish, n.s.p.f	4% plus 0.85¢ lb.	-
	0990 100	Spermaceti wax	2.5¢ lb.	39
60	8722 000	Ambergris	10%	16
717(a)	0055 300	Swordfish, fresh	1¢ lb.	1,925
	0055 500	Swordfish, frozen	1.5¢ lb.	947
717(b)	0060 320	Filleted, skinned, boned, sliced, or divided into portions; swordfish	1.5¢ lb.	4,178
	0060 450	Wolffish (sea catfish)	1.5¢ lb.	1,852
717(c)	0062 000	Cod, haddock, hake, pollock, and cusk, dried and unsalted.	5/8¢ lb.	493
718(a)		In oil or in oil and other substances:		
	0063 560	Sardines, not skinned or boned, smoked, valued over 30¢ per pound	12½%	5,358
	0066 200	Antipasto, valued not over 9¢ lb.	22½%	-
	0066 300	Antipasto, valued over 9¢ lb.	12½%	204
718(b)		Not in oil or in oil and other substances, in airtight containers:		
	0067 000	Anchovies	12½%	77
	0067 300	Fish cakes, balls, pudding	5%	360
	0067 600	Herring, smoked or kippered or in tomato sauce, in containers with contents, over one pound each	10%	242
719		Pickled or salted:		
	0068 000	Salmon	8½%	7
	0069 000	Cod, haddock, hake, pollock, cusk, not skinned nor boned, containing not over 43% moisture by weight	0.5¢ lb.	4,363
	0069 900	Cod, haddock, hake, pollock, cusk, skinned or boned	1.25¢ lb.	2,125
	0070 400	Herring, bulk or in containers weighing with contents over 15 pounds each and containing each over 10 pounds of herring, net weight	0.25¢ lb.	3,688
720		Smoked or kippered:		
	0075 100	Herring, whole or beheaded, hard dry-smoked	5/16¢ lb.	152
	0075 300	Herring, boned	1.25¢ lb.	199
	0075 400	Herring, eviscerated, split skinned or divided into portions	1.25¢ lb.	105
	0075 600	Cod, haddock, hake, pollock, cusk, filleted, skinned, boned, sliced or divided	1.5¢ lb.	680

1/Less than $500.00.

(Continued on the following page.)

International (Contd.):

Table 1 - List of Fishery Products to be Considered for Possible United States Concession in Duty (Contd.)

Import Tariff Par.	SCHEDULE A Sta. Class. (1959)	Brief Description	Duty July 1, 1958	U. S. Imports 1959
				US$1,000
721(b)	0081 500	Clams other than razor clams and clams in combination with other substances (except clam chowder) in airtight containers	20%2/	753
721(c)	0078 500	Fish paste and fish sauce	10%	68
721(d)	0079 590	Caviar and other fish roe, except sturgeon, boiled and packed in airtight containers	7½%	35
775	1250 210 (part)	Soups, soup rolls, soup tablets or cubes, etc.	17½%	658
	1250 250 (part)	Pastes, balls, puddings, hash and similar mixtures of vegetables, meat, or fish, n.s.p.f.	21%	14
1519(a)	0737 600	Fur sealskins, dressed	12½%	36
	0737 620	Fur sealskins, dressed and dyed	15%	24
1528		Pearls and parts, not strung or set:		
	5953 500	Natural	5%	595
	5953 900	Cultured or cultivated	5%	13,083
1530(c)		Reptilian and shark skin leather:		
	0334 000	Upper for shoe purposes	10%	1,364
	0334 100	Other	15%	164
1538	0990 290	Shells and mother-of-pearl, engraved, cut, ornamented or manufactured	15%	332
1540	2950 080 (part)	Moss and sea grass, eel grass, and seaweed, dyed or manufactured, n.s.p.f.	5%	519
1558	2260 240	Fatty acids, n.s.p.f., derived from vegetable oils, animal or fish oils, or animal fats or greases (except from linseed oil)	10%	60
	1190 800	Dogfood, unfit for human consumption	10%	939
1669	2210 980	Drugs of animal origin, not edible, crude, n.e.s.: Fish oils, n.e.s. (except cod, herring, and dogfish oil) and fish-liver oils, n.e.s. (except cod-liver, halibut-liver, shark-liver and dogfish-liver oils)	Free plus 1.25¢ lb.	-
1681	0723 500	Seal furs and fur skins, undressed	Free	190
1722	2950 080 (part)	Seaweeds not further manufactured than ground, powdered, or granulated	Free	-

2/Based on American selling price.

Table 2 - List of Fish and Fish Products on Which the United States May Seek Concessions from Other Countries

Salmon, frozen, cured or canned
Sardines or pilchards, canned
Mackerel, canned
Oysters, fresh, frozen or canned
Shrimp, fresh, frozen or canned
Fish oils and fats
Fish-liver oils
Fish meal and solubles
Vitamins and viasterols, medicinal fish oils and fish-liver oils and concentrates, including vitamin A and cod-liver oil.
Pearl essence

INTERNATIONAL PACIFIC SALMON FISHERIES COMMISSION

ARTIFICIAL SPAWNING AREA FOR SALMON DEVELOPED:

A new development in the study of artificial measures for producing salmon is being undertaken by the International Pacific Salmon Fisheries Commission. An artificial spawning channel 3,000 feet long and 20 feet wide is now being constructed by the Commission adjacent to Seton Creek near Lillooet, British Columbia. The channel is expected to substitute for pink salmon spawning areas flooded out by a power company's diversion dam constructed in 1960 on Seton Creek. Land for the project has been made available by the power company. It is estimated that a minimum of 10,000 pink salmon can spawn successfully in the area with at least double the rate of production from spawning in the natural stream below the power dam.

Operations of the Seton Creek spawning channel will be carefully controlled and recorded as to cost and efficiency that comparisons can be made with the operations of the new Pitt River experimental hatchery scheduled for completion in August of this year.

Experimental spawning areas under investigation by the Canadian Department of Fisheries and the Commission since 1953 have proven to be very effective in increasing salmon fry production and the cost of operation appears to be considerably less than for the standard type hatchery.

International (Contd.):

OCEANOGRAPHY

TO BE ABLE TO FORECAST BEST FISHING AREAS IS AIM OF EUROPEAN OCEANOGRAPHIC-DATA GATHERING SURVEY:

Two marine research vessels sailed from Aberdeen, Scotland, early in June 1960 bound for the Faroes for a week-end rendezvous with seven similar vessels for an international sea science expedition. The expedition is to survey the two-hundred-or-so mile wide submarine ridge between Faroe Islands and Iceland.

Leader of the expedition is head of the hydrographic section of the Marine Laboratory, Torry, Aberdeen. He sailed on the Laboratory's research vessel, Explorer, which was accompanied from Aberdeen by the Royal Research ship Discovery II.

A three-week "top to bottom survey" was planned of the sea ridge by scientists and oceanographers aboard the international fleet of nine research vessels from Russia, Iceland, Norway, Germany, England, and Scotland.

This is the biggest effort of its kind to be staged in the interests of commercial fisheries from a scientific perspective.

The hydrographers and oceanographers will measure the surface, mid-water, and bottom currents as well as internal waves flowing over the ridge, which is a natural barrier between the Arctic and Atlantic oceans.

They will gather samples of theflora and fauna in the overspill and try to photograph the sea bottom, which is 8,528 feet at the deepest point.

The survey is important to all European fishing nations because the cold heavy water on the ridge is believed to have great effects on sea fishing in Northwest Europe.

The scientists will also measure the cold water overspill to test the theory that cold-water currents undermine the warmer waters of the Atlantic, pushing the warmer water nearer to the surface and the fish food and consequently the fish with it.

If the theory about the effect of cold currents is correct, it may be possible for the "experts" to forecast as much as three years ahead where the best fishing will be.

"We hope to be able to get closer to the answer of the problematical fluctuation of fish breeding," said the leader of the expedition.

The expedition, which took many months to prepare, is a corollary of the polar front survey investigations of the International Geophysical Year. (The Fishing News, June 3, 1960.)

TERRITORIAL WATERS

BRITISH-NORWEGIAN TALKS MAY YIELD COMPROMISE ON FISHING LIMITS:

It was learned in Oslo on May 29, 1960, that the possibility of a "six plus six" (six miles territorial waters and an additional six miles for exclusive fishing limits) agreement among the Atlantic nations was raised during the Anglo-Norwegian discussions on fishing limits. Foreign trawlers might, however, be allowed to fish within the outer six-mile belt during a ten-year transition period.

This agreement, it is felt, would represent a compromise between the clashing Norwegian inshore and deep-sea fishing interests. It would also be in line with the Anglo-Danish arrangement for the Faroe Islands.

The exploratory discussions which took place between British and Norwegian representatives was followed by an official communique which merely stated that there had been "a free and frank exchange of opinions." It added that there was hope of further talks at a later date.

Norway's intention to extend her fishing limits from 4 to 12 miles had been known by the British Government for a long time, and it became a reality after the failure of the recent Law of the Sea Conference at Geneva.

It means that Britain is now faced with getting a settlement with Norway as well as ending the dispute with Iceland.

International (Contd.):

Neither Norway nor Iceland is in a position to act promptly, and in Norway the industry is divided on the subject. The distant-water trawling faction in Norway is against the proposal because it is facing increasing prohibitions in foreign grounds. It is the inshore industry, mostly confined to the north, which is demanding a 12-mile limit to preserve its grounds from "foreign invasions." (The Fishing News, June 3, 1960.)

Angola

FISH OIL EXPORTS:

In 1959, Angola's exports of fish oil were estimated at 8,000 metric tons as compared with 8,500 tons in 1958. Most exports were to West Germany. From year to year Angola's stocks of fish oil are only a few hundred tons. (U. S. Foreign Agricultural Service Report, Leopoldville, April 15, 1960.)

Austria

MARINE OIL IMPORTS, 1958 AND 1959:

Total Austrian imports of nonedible marine oils decreased from 769.8 metric tons in 1958 to 551.0 metric tons in 1959. No marine oils were imported from the United States in either 1958 or 1959. (U. S. Foreign Agricultural Service report, Vienna, April 14, 1960.)

Austria's Imports of Nonedible Marine Oils, 1958 and 1959

Country of Origin	1959	1958
	(Metric Tons)	
West Germany	183.9	159.2
Netherlands	98.4	6.7
Norway	248.0	544.2
Sweden	15.3	40.5
Others	5.4	19.2
Total	551.0	769.8

Marine oils, crude and refined in units of more than one liter, under Austrian Import Customs Tariff Code 15.04 B can be imported free of duty. Liberalization of imports of fats and oils from the dollar area extends to all duty-free items. Thus, the nonexistent imports from the dollar area are not the result of Government restrictions.

Belgium-Luxembourg

MARINE-OIL IMPORTS AND EXPORTS, 1958 and 1959:

In 1959, Belgium-Luxembourg imported 17,906 metric tons of raw and refined marine oils--down about 2.3 percent from 1958. These exports came principally from Japan (8,713 metric tons in 1959 and 10,390 tons in 1958) and from the Netherlands (4,594 tons in 1959 and 3,959 tons in 1958).

Exports, on the other hand, amounted to 783 tons in 1959 and 587 tons in 1958, shipped mainly to the Netherlands, Western Germany, and France. (U. S. Foreign Agricultural Service Report, Brussels, April 27, 1960.)

Brazil

FISHING INDUSTRY IN STATE OF SAO PAULO DEVELOPING RAPIDLY:

The Santos Fish Depot, constructed and owned by the Brazilian Government, has been operating on a commercial scale since September 1959, producing 100 metric tons of ice daily and storing up to 450 tons of fish. The Sao Paulo State Government in May 1960 was taking steps to purchase the depot from the Federal Government in 1961 (lease expires March 1961). The decision to purchase the depot indicates the interest of the State Government in developing fishing operations off the coast of Sao Paulo and increasing existing storage capacity. In this respect, the Santos Fish Depot is an important link in the chain of ice-making and fish-storage facilities which are being put up by the Sao Paulo State Government along the coast.

At Ubatuba, a fish depot with capacity to produce 10 tons of ice daily and store up to 10 tons of fish is already operating. At Sao Sebastiao, a depot (to be completed in 1961) is being built to produce 25 tons of ice daily and store 20 tons of fish. A few miles away, at Ilha Bela, an ice-making plant with capacity for 100 tons of ice daily, is under construction. South of Santos, at Itanhaem, is a small depot producing four tons of ice daily and storing up to 10 tons of fish, while further south along the coast, at Iguape and Registro, two twin depots, each to produce four tons of ice daily and accommodate up to 10 tons of fish, were due to go into operation in June. In addition, when construction of the projected Centro de Abastecimento (Supply Center) near Sao Paulo is completed in 1962, facilities for making 100 tons of ice daily and storing up to 5,000 tons of fish will then become available.

In 1959 the State Government established the fishery biology service at Santos to study aquatic animals. A research staff from the Oceanographic Institute, the University of Sao Paulo, and the Secretariat of Agriculture, with the assistance of a techinician from the Food and Agriculture Organization (FAO), set up a laboratory in the Santos Fish De-

Brazil (Contd.):

pot and are looking into the abundance of fish and classifying the species in Brazilian waters, the effect of fishing on natural stocks to determine the most effective methods of fishing without endangering the supply, and charting and plotting of currents and tides.

Of importance to the local canning industry is the research work carried out jointly by the Sao Paulo and Federal Governments on the canning of "manjuba" (sand smelts) at a pilot plant at Registro.

The Sao Paulo State Government is concerned about the primitive methods of commercial deep-sea fishing off the State coast. Aside from the Japanese-owned fishery company that operates modern trawlers and fishing equipment, practically all fishermen work on vessels 20 or more years old, and use obsolete and primitive gear. In an effort to renew the existing fishing fleets and render their operation more effective, the State Government is considering financing the purchase of modern vessels and equipment, at a total outlay of 300 million cruzeiros (about US$1.6 million), the United States Consul at Sao Paulo reported on May 31, 1960.

Canada

MARINE OIL PRODUCTION, FOREIGN TRADE, AND CONSUMPTION, 1959:

Production: Marine-oil production in Canada from 1957-1959 increased steadily--3.8 million Imperial gallons in 1957; 5.5 million gallons in 1958; 6.0 million gallons in 1959. Herring oil on the west coast and cod oil on the east coast were responsible for the increase in output from 1958 to 1959.

Indications are that marine-oil production in 1960 will be lower due to the tie-up of Canada's west coast herring fishing fleet because of low ex-vessel prices.

Early in 1960, storage facilities for byproducts were taxed to the limit. This, plus low-priced competition from Peru, forced closure of the herring fishery after Christmas 1959.

Table 1 - Canada's Production of Marine Oils, 1957-1959

Type	1959	1958	1957
	.... (Imperial Gallons 1/)....		
Atlantic:			
Cod oil	845,323	620,224	823,323
Herring oil	n.a.	n.a.	107,900
Other (seal, etc.)	453,996	785,185	712,843
Total	1,299,319	1,405,409	1,644,066
British Columbia:			
Herring oil	4,746,304	4,127,761	2,180,510
Canada Total	6,045,623	5,533,170	3,824,576

n.a. - Not available.
1/One Imperial gallon equals 1.2009 United States gallons.

Exports: Canadian marine oils have enjoyed an export boom over the past three years--climbing from 0.8 million Imperial gallons in 1957, to 1.6 million gallons in 1958, to a new peak of 3.7 million gallons in 1959. Decreasing demand at home has caused Canadian marine oils to seek foreign markets.

In 1957 the United States was the principal buyer of Canada's marine oils. But in 1958 and 1959 the United States has received a smaller proportion of Canada's marine-oil exports each year. Importation of cod-liver oil is the exception since exports of that product to the United States have increased steadily.

Table 2 - Canada's Exports of Marine Oils by Type and Country of Destination, 1957-1959

Type and Destination	1959	1958	1957
	..... (Imperial Gallons)		
Cod-liver oil, pharmaceutical, crude and sun rotted:			
United Kingdom	103,706	96,974	29,425
United States	675,456	443,893	571,585
Other Countries	270	-	540
Total	779,432	540,867	601,550
Herring oil, industrial:			
United Kingdom	2,217,372	298,666	-
Netherlands	-	277,733	-
United States	58,769	-	20,100
West Germany	146,975	162,837	-
Total	2,423,116	739,236	20,100
Whale oil:			
United Kingdom	189,817	262,888	-
Netherlands	98,137	-	-
France	-	-	720
United States	66,020	87,290	193,312
El Salvador	84,870	-	-
West Germany	60,600	-	-
Total	499,444	350,178	194,032
Fish oils, other:			
Alaska	-	400	63
United States	511	4,676	33,347
Other Countries	8	2	7
Total	519	5,078	33,417
Canada Total	3,702,511	1,635,359	849,099
Total marine-oil exports to United States & Alaska	800,756	536,259	818,407

Imports: Canadian marine-oil imports continue to fluctuate. Imports amounted to 0.4 million Imperial gallons in 1957, increased to 1.4 million gallons in 1958, and fell sharply to 0.7 gallons in 1959.

Some cod-liver oil imported by Canada came from the United States, but those imports dropped from 537 gallons in 1957, to 11 gallons in 1958, and to an insignificant amount in 1959. The United Kingdom was Canada's principal supplier of cod-liver oil during the 1957-59 period.

Imports of whale and sperm oil from the United States have steadily increased from 1,118 gallons in 1957, to 10,119 gallons in 1958, and to 19,783 gallons in 1959. On the other hand, both the United Kingdom and Norway have been shipping less whale and sperm oil to Canada. The bulk of the other fish oils were imported from the United States.

Consumption: Marine oils in Canada are used principally in margarine and shortening. But this type of use in 1959 hit a six-year low (table 4). The use of substitutes for ma-

Canada (Contd.):

Table 3 - Canada's Imports of Marine Oils by Type and Country of Origin

Type and Origin	1959	1958	1957
	(Imperial Gallons)		
Cod-liver oil:			
United Kingdom	218,698	225,883	96,454
Iceland	-	1,087	-
Norway	7,355	4,100	25,040
Netherlands	3,074	-	-
United States	-	11	537
Total cod-liver oil	229,127	231,081	122,031
Fish oil, unclassified:			
Japan	18,267	25,178	21,311
Norway	758	9,570	-
United States	379,852	1,375,162	280,563
Total unclassified	398,877	1,409,910	301,874
Whale & sperm oil:			
United Kingdom	4,223	7,169	8,203
Norway	7,058	3,857	15,176
United States	19,783	10,199	1,118
Total whale & sperm oil	31,064	21,225	24,497
Total all marine oils	659,068	1,662,216	448,402
Total United States	399,635	1,385,372	282,218

rine oils in the production of margarine and shortening is mainly responsible for this decline. In margarine production, soybean and cottonseed oil as well as lard are displacing marine oil, while in the making of shortening, animal fats now predominate.

Smaller quantities are used in paints, varnishes, and lacquers--327,000 pounds in 1956 and 388,000 pounds in 1957. Still smaller quantities are used in the soap and washing compounds industry--8,355 pounds in 1957. (Data on use in paint and soap industries for 1958 and 1959 not available to date.)

Table 4 - Canada's Consumption of Marine Oils in Margarine and Shortening, 1957-1959

	1959	1958	1957
	(1,000 Lbs.)		
Margarine:			
Production	152,472	145,607	130,645
Marine oils used	12,776	19,806	17,070
Percent	8.3	13.6	13.0
Shortening:			
Production	160,077	163,288	152,047
Marine oils used	5,061	16,741	26,377
Percent	3.1	10.2	17.3

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ONTARIO FISH LANDINGS DOWN SHARPLY FIRST QUARTER OF 1960:

The preliminary estimate of commercial fish production for the first quarter of 1960, by the Ontario Department of Lands and Forests, shows 827,000 pounds reported for the Province with a value to the fishermen of C$115,000. This represents a decrease of 71 percent from the 2,891,000 pounds reported for the first quarter of 1959.

The drop in Lake Erie commercial landings, resulting from a late start in March, accounted almost entirely for this decrease. Production of all species was down from 1,994,000 pounds for the first three months of 1959 to 177,000 pounds worth C$23,000 for the first quarter of this year. Perch was down from 1,247,000 pounds to 94,000 pounds; white bass from 283,000 pounds to 4,000 pounds; sheepshead, from 178,000 pounds to 8,000 pounds; and yellow pickerel from 183,000 pounds to less than 1,000 pounds. Smelt production increased slightly to 71,000 pounds.

Not included in the January-March 1960 production of commercially-licensed fishery operations, experimental trawling gear operated by the commercial fishermen landed an additional 547,000 pounds of smelt from Lake Erie.

Production reported for the northern inland waters dropped 6 percent to 423,000 pounds valued at C$50,000 to the fisherman. Yellow pickerel was down from 112,000 pounds to 94,000 pounds; whitefish from 70,000 pounds to 49,000 pounds; and northern pike from 103,000 pounds to 92,000 pounds.

Lake Ontario landings fell from 288,000 pounds to 116,000 pounds, valued at C$23,000. Carp dropped 77 percent to 48,000 pounds; and whitefish decreased from 24,000 pounds to 13,000 pounds. Yellow pickerel landings gained slightly to 27,000 pounds.

In Lake Superior over-all production decreased nearly 50 percent to 47,000 pounds. Of this 31,000 pounds was herring; 8,000 pounds yellow pickerel; and less than 1,000 pounds lake trout.

Production in other areas was: Southern inland waters 35,000 pounds; North Channel 13,000 pounds, and Lake Huron 2,000 pounds; no production was reported for Georgian Bay, the United States Consul in Toronto reported on June 21, 1960.

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Canada (Contd.):

PROGRESS IN OYSTER REHABILITATION ON EAST COAST:

With regard to the problems which have beset the oyster industry in the Maritime Provinces of Canada, in particular the epidemic disease which by the end of 1958 had ravaged almost all the main oyster areas in New Brunswick and Nova Scotia, good progress was reported at the final session of the Federal-Provincial Atlantic Fisheries Committee, early in May 1960 in Ottawa.

In 1959, test lots of oysters indicated no further spread of the mortality.

The Canadian Department of Fisheries 1959 transplant of disease-resistant oysters from Prince Edward Island proceeded as planned. A total of 3,200 barrels of the disease-resistant oysters were transplanted in New Brunswick and Nova Scotia, and it is expected that the full program of transplanting 10,000 barrels will be completed this year. In all areas examined, the transplanted oysters suffered only normal mortality or less, and continuing good growth was demonstrated.

The Department is intensifying its efforts to develop a method of raising seed oysters to stabilize the industry. In this project, 40,000 cement-coated egg-case fillers were suspended in various Maritime areas. Growth was excellent, with a harvest of 600 barrels of oyster spat. In its seed-farming work a mechanical digger using an escalator principle, which had been tested for clams and modified for oyster work, was used successfully.

Ceylon

JAPANESE ENGINEERS REPORT ON FISHING PORTS:

The team of Japanese harbor engineers who visited Ceylon in February 1960 at the request of the Government of Ceylon, has completed its report on the potential development of a network of small fishing ports in that country. The report is not yet available, but it is understood that the locations recommended as feasible are: Mutual, Galle (east and west), Trincomalee, Jaffna, Kalpitiya, Negombo (two ports), Point Pedro, Mannar, Puttalam, Beruwela, Tangalle, Hambantota, Arippu, Batticales, and Chilaw.

Much emphasis was laid on the development of the fishery industry in the Ten Year Plan which incorporated the recommendations of another Japanese team's report made in 1958. Construction of ports and shelters are a primary concomitant to the introduction of the large number of mechanized fishing craft recommended, but implementation will be slow because of financial limitations. (United States Embassy, Colombo, June 3, 1960.)

Chile

FISHING INDUSTRY GRANTED SPECIAL CONCESSIONS:

The Chilean President (Decree Law No. 266 of March 31, 1960) authorized special concessions and exemptions for individuals or companies engaged in any phase of the fishery industries. The decree law was published in Diario Oficial 24,613, April 6, 1960, and became effective with publication. Concessions and exemptions granted under this decree-law may not extend beyond December 31, 1973.

The decree law applies only to those legal entities or individuals exclusively engaged in one or more of the following: (1) extraction, fishing or hunting of marine resources; (2) freezing, conservation, elaboration or transformation of marine resources; (3) construction or repair of industrial or commercial fishing boats.

Time devoted to construction and manufacture of equipment, accessories, and materials for own use will be considered as within these activities.

Concessions and exemptions authorized to entities or individuals engaged in one or more of those activities are:

(1) A 90-percent reduction in taxes on profits and earnings including dividends distributed to stockholders or partners. Personal Tax (Global Complementario) or additional tax on such income will be reduced to one-tenth, i.e. by 90 percent.

(2) A 90-percent reduction in real estate tax and all taxes, contributions, surcharges, duties or charges levied on land, buildings, constructions, installations, and expansions destined for the direct use of one or more of such activities. The same concession is applicable to construction contracts, approval of plans, and to permits relative to those activities, and to rental, grant, or use of

Chile (Contd.):

state land, beaches, shore land, and water area or sea floor.

(3) Exemption from all taxes effecting distribution, sale, or purchase of: (a) fresh, frozen or canned fish, whales, shellfish, crustacean, and other marine resources except oysters, lobsters, crabs, and sea urchins; (b) fish meal, whale meat and bones, and fish oil.

(4) Exemption from tax established by Law No. 12,120[1/] of purchase contracts covering the following: marine motors and cargo hoists; fuel and lube oils; machinery, spare parts and accessories; cold-storage plant equipment and machinery, spare parts and accessories; freon gas; cold-storage units for exhibition and sale of seafoods; tin plate and containers; sheets and other steel products for use in construction or repair of fishing boats; nets, string, sisal or other ropes; cables, flexible or rigid, galvanized or not; and navigation and fishing equipment.

(5) Exemption from "cifra de negocios" tax (sales tax) on contracts covering construction, repair, and rental of fishing boats, manufacture of containers for fish products, and water and electric power for specified industrial activities.

(6) Exemption of seal and stamp tax on public deeds relative to formation, modification, reorganization, capital increase or expansion of companies engaged or to engage in one or more of the specified activities related to the fisheries industry.

(7) To classify as a capital increase rather than income differences in value derived from damage fire and indemnization in cases of shipwreck, disaster, or other risks, loss, abandonment, boarding of ship, salvage, or through transfer of goods, provided such funds are invested within three years in renovation, repair, or expansion of the industry.

(8) Exemption of fishing boats from cabotage fees and taxes, lighthouse and buoy contributions, and other maritime fees applicable to them. Fishing products and boats will be granted special tariffs which will be no more than 50 percent of existing rates on port charges, docking, use of wharves, freezing plants, radio equipment, and naval aids.

(9) Profits withdrawn from a business subject to third or fourth category income tax (Clause 12, Article 48 b of Income Tax Law) and invested in one or more of the specified fisheries activities may be excluded for the purpose of Personal Income or Additional Tax. However, should these funds be withdrawn before five years from date of capitalization they will become subject to tax.

(10) Exemption from import duties, statistics, ad valorem, storage, and all taxes and charges and consular fees and any other contribution, deposit or guarantee on the following imports: fishing boats of over 10 tons; machinery for exclusive use of fisheries industry; nets; completely equipped refrigerator boats, cars or trucks; marine motors and winches; and equipment parts and accessories for fisheries industry.

(11) The same exemptions will be granted the following imported products if authorized by the Foreign Exchange Commission on basis of a recommendation from the Direccion General de Produccion Agraria y Pesquera and a statement from the Ministry of Economy which certifies that the merchandise is not produced in the country in adequate quantity, and quality at reasonable prices: all types of petroleum, combustibles and lubricants for fisheries industry; equipment, machinery, and units for freezing plants, parts, and accessories; special refrigerator equipment, machines, and units for exhibition and sale of frozen seafoods; tin plate with protective varnish coating, printed or not, for use in export of fish products; tackle, strings, and ropes of natural or synthetic fiber, cables, flexible and rigid, galvanized or not; and navigation and fishing aids.

To enjoy the concessions and exemptions authorized by Decree Law No. 266, companies or individuals must register in the "Rol de Industrias Pesqueras, Anexas y Complementarias" maintained by the Direccion de Produccion Agraria y Pesquera, Ministry of Agriculture. Conditions and requirements for registration will be established by Regulation.

Such companies or individuals for the first 10 years must capitalize no less than 75 percent of profits by investment in development of said industry, financing other related activities, or construction of workers' housing. The ten-year period will begin with the first fiscal year following the granting of the privileges, and the form and conditions by which this requirement must be carried out will be established by Regulation.

The decree granting the privileges authorized by Decree Law No. 266 to an individual or company will be made a public deed and will include the capitalization program and modus operandi for the investment referred to above.

Fishermen's cooperatives, with recommendation of Direccion General de Produccion Agraria y Pesquera and the Departamento de Cooperativas de Ministerio de Economia may be granted the privileges authorized by this decree even though not dedicated to the lines of business specified, provided the members are engaged in these activities.

Machinery, equipment, and materials imported free of duty and other charges or under contracts exempt from tax established by Law 12,120 may not be sold or transferred as to domain, use, possession or simple holding without prior authorization of the Direccion General de Produccion Agraria y Pesquera. Finished products, to be defined by regulation, may be sold without prior authorization.

The President may revoke at any time the decree granting these privileges if, in his judgement, any act may have been executed which constituted an infraction of the 10-year capitalization program, sale or transfer of machinery equipment and materials, or one or more of the requisites specified. Companies or individuals so affected must pay all taxes, duties, surcharges, contributions and other

1/Law 12,120 of September 7, 1956, published Diario Oficial 23,586 of October 30, 1956, established a tax on purchase sale and barter exchange of certain products. The amount of the tax varies with the various articles specified in the law.

Chile (Contd.):

charges from the date on which the exemptions were in force, without prejudice to the sections that might be applied.

Decree Law No. 266 met with general approval and is considered by the industry to give fisheries operations in Chile a new lease on life. The concessions and tax exemptions granted by the Decree Law, together with the loan program announced by Corporacion de Fomento de la Produccion will enable the various phases of the industry to round out its organization to permit profitable commercial operations. Capital has been spread thin in most of the industry and the fleet, particularly, is inadequate to support industrial plants. The 13-year period of tax relief will permit the companies and individuals to weather the off-years and build up their working capital, the United States Embassy in Santiago, reported on June 11, 1960.

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INCREASED FISH-MEAL PRODUCTION BOOSTS EXPORTS:

In 1959 Chilean fish-meal production increased by 1,692 metric tons. Production in 1959 was 20,200 tons as compared with 18,508 tons in 1958.

Chile's Fish-Meal Production, Exports, and Consumption, 1957-1959

Item	1959	1958	1957
	(Metric Tons)		
Production	20,200	18,508	16,260
Exports	7,000	4,640	4,506
Domestic consumption	13,200	13,868	8,015

Because of a decreased demand at home (13,868 tons were consumed in 1958 as against only 13,200 tons in 1959), the excess production was exported. Exports in 1959 increased 2,360 metric tons--from 4,640 tons in 1958 to 7,000 tons in 1959. Exports for calendar year 1958 to the United States (the best customer for Chile's fish meal) were 2,101 tons, while during the first eight months of 1959 exports totaled 2,193 tons. This means that total 1959 exports to the United States will be considerably greater than 1958. Exports to West Germany totaled 1,508 tons in 1958 as compared to 1,757 tons for only the first eight months of 1959. Holland in 1959 also became an important outlet for Chilean fish meal.

A United States company has brought three fishing vessels to Chile to conduct a training program for fishing captains in new methods used in locating and catching fish. The United States Operation Mission in Chile is participating. The President of the company has one of the boats fishing and its catches have been satisfactory in spite of bad weather. The training program was expected to get under way shortly.

Chile has 29 fish-meal plants, none of which have an adequate supply of raw fish to maintain plant production at a third of plant capacity. (U. S. Foreign Agricultural Service Report of April 25, 1960, and United States Embassy report of May 20 from Santiago.)

Ecuador

IMPORTS AND CONSUMPTION OF MARINE-ANIMAL OILS:

Imports: Imports of marine-animal oils into Ecuador rose sharply from 1957 to 1958, but declined rapidly in 1959. Decreased amounts of liver-oil imports from Norway in 1959 were mainly responsible for the decline. Liver-oil imports alone, from the United States, followed the same pattern, increasing in 1958 and dropping off in 1959.

It is expected that total imports of fish oil, including body and liver oil, should increase to 35,274 pounds in 1960. An increase in total sperm-whale oil imports is also anticipated--from 368 pounds in 1959 to 882 pounds in 1960.

Table 1 - Ecuador's Imports of Marine-Animal Oils by Country of Origin, 1957-1959

Commodity and Country	1959 1/		1958 2/		1957 3/	
	Pounds	US$	Pounds	US$	Pounds	US$
Cod- or Shark-Liver Oil:						
United States	1,675	1,017	4,015	566	3,137	1,627
United Kingdom	2,125	507	3,999	681	12,826	2,595
West Germany	672	128	220	35	220	37
Norway	25,146	3,768	62,214	9,051	37,771	5,877
Costa Rica	-	-	2	3	-	-
Italy	7	4	-	-	-	-
Total	29,625	5,424	70,450	2/10,336	53,954	3/10,136
Sperm-Whale Oil:						
West Germany	132	44	1,113	376	496	197
United States	236	73	201	102	-	-
Total	368	117	1,314	478	496	197
Total All Oils	29,993	5,541	71,764	10,814	54,450	10,333

1/Revised.
2/Preliminary.
3/Includes body and liver oil.
Note: Values converted at rate of 15.00 sucres equal US$1.

Consumption: The consumption of fish oil (about 51,000 pounds in 1959), including body and liver oil, in Ecuador is maintaining a fairly steady level, with a maximum fluctuation of about 4,000 pounds during the period 1958 through 1960. Sperm-whale oil consumption decreased from 1958 to 1959, but a partial recovery is anticipated in 1960. (U. S. Foreign

Ecuador (Contd.):

Table 2 - Ecuador's Consumption of Marine-Animal Oils, 1958-1960

Species	1960[1]	1959[2]	1958[3]
	(Pounds)		
Fish oil[4]	48,501	50,706	46,297
Sperm whale oil	882	441	1,433
Total	50,706	51,147	47,730

1/Forecast
2/Preliminary
3/Revised
4/Includes body and liver oil.

Agricultural Service Report, Quito, April 19, 1960.)

French West Africa

TUNA FISHING SEASON 1959/60 ENDS WITH RECORD LANDINGS:

The French West African (Senegal) 1959/60 albacore tuna fishing season, which began on November 1, 1959, closed on April 30, 1960, with record landings of 17,500 metric tons. This amount exceeded the goal of 16,000 tons by about 9.4 percent. During the season 57 tuna clippers participated in the fishery.

The tuna landings were utilized as follows: 6,500 tons were canned for export to the French market; 3,000 tons were sold for export to a large United States west coast tuna canner; 3,000 tons were sold to Italy; and the balance of 5,000 tons are due to be shipped to France for processing.

Despite the good season, the Dakar canneries were not in a very favorable world competitive position, as can be seen by the fact that France had agreed to purchase 750 additional tons of canned tuna if the canneries were able to sell another 750 tons for export elsewhere above commitments already made, which they were unable to do. An official in the Fisheries Division of the Senegalese Ministry of Rural Economy stated that there are several factors which account for this. The most important is the high operating cost of the canneries. Other factors are the cost of electricity, which is 8 times as much as in France; relatively low productivity; labor, which is paid higher wages than similar Japanese and Spanish workers in fish canning; European supervisors and technicians, who are paid high salaries, and are needed to run the canneries; most of the processing equipment must be imported; and the use of relatively high-priced locally-produced peanut oil. Other considerations are high freezing costs, and high storage and transportation fees.

The Government and private industry have been drawing up plans to lower the high canned tuna production costs by such things as the "California" type factory. The newly-created Fisheries Council had its inaugural meeting on April 29, 1960, and discussed the 1960 tuna campaign, the creation of a company to study the construction of a large capacity cannery, the utilization of the port freezing facilities, and the fish trade in general. The Council also decided to create a Commission to deal with fiscal matters relating to fisheries, trawling, tuna markets, improved native fishing equipment, the creation of a School of Fisheries, and the commercialization of locally-canned products.

The rapid growth of the tuna industry in Dakar is reflected by the annual tonnage increase. In the 1954/55 season only 400 tons were landed. This amount increased to 1,400 tons in 1955/56, to 7,000 tons in 1956/57, 11,000 tons in 1957/58, 12,000 tons in 1958/59, and jumped sharply to a total of 17,500 tons for the past season.

The number of tuna clippers rose from 5 in the 1954/55 season to the present figure of 57. However, it should be noted that the clippers were carefully chosen for the task before being permitted to start in the fishery. This would account for the successful 1959/60 season despite unfavorable weather conditions. Also, the Senegalese Government reportedly made a great effort at restricting the number of boats coming here from France after the bad experience of the 1957/58 season. At that time, over 90 clippers came and flooded the French market with tuna, and much could not be sold.

The price of whole tuna rose from about US$128.64 per short ton to about US$169.10 a ton landed in Dakar during the 1959/60 season. However, the top price of $213.20 a ton was reached in the 1957/58 season, the United States Consulate in Dakar reported on May 12, 1960.

German Federal Republic

FISH-MEAL PRODUCTION UP DESPITE HEAVY IMPORTS:

West Germany's production of fish meal increased 13,000 metric tons in 1959. Production of fish meal (made mostly from sand launce) was up 11,000 tons and herring meal up 3,000 tons. Cod meal, however, was down 1,000 tons.

In 1959, sea and coastal waters yielded 156,000 tons of fish as raw material to 22 plants for the production of fish meal and oil--43,500 tons more than in 1958. Sand launce ("sanspierling") and herring comprised the bulk of the raw material. Whole fish, however, accounted for only 37 percent of the raw material in 1959; fish waste was the principal source of supply for fish-meal factories. Sand-launce production (caught only for reduction purposes) rose from 52,621 tons in 1958 to 58,842 tons in 1959. Since the sand-

Table 1 - German Federal Republic[1] Fish Meal Production, Type and Quantity, 1958-1959

Type	Quantity	
	1959	1958
	(1,000 Metric Tons)	
Cod meal[2]	15	16
Herring meal[2]	21	18
Fish meal[2]	53	42
Other meal[3]	4	4
Total	93	80

1/Including West Berlin; Saarland included since July 1959.
2/Requirements:

	Minimum (%)		Maximum (%)	
	Protein	Ca Phosphate	Fat	Salt
Cod meal	60	18	3	3
Herring meal	55	8	12	8
Fish meal	55	15	8	5

3/Including production from shrimp.

Table 2 - German Federal Republic Supply and Distribution of Fish Meal

	1959	1958
	(1,000 Metric Tons)	
Stocks beginning of year	2	1
Production	93	80
Imports	156	133
Total supply	251	214
Exports[1]	8	4
Domestic consumption	237	208
Stocks end of year	6	2

1/Includes exports to Soviet Zone of Germany: 1959, 7,000 tons; 1958, 2,000 tons.

German Federal Republic (Contd.):

launce season occurs at the time when raw material from other sources is scarce, it helps to level off season fluctuations in the fish-meal industry.

In addition to fish meal, the same factories produced 19,002 tons of fish body and liver oils in 1958 and 24,325 tons in 1959.

During 1959 the fish-meal market was dominated by large and cheap imports from Peru; in fact, three-fifths of the imports were Peruvian. This abundant supply caused a sharp decline in prices which continued from May of 1959 into March 1960. (U. S. Foreign Agricultural Service Report of April 14, 1960, from Bonn.)

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KNOT FREE TRAWL NET IN PRODUCTION:

A firm in Bremerhaven, West Germany, has begun production of a knotless ocean fish trawl net. The Director of the German Institute for Gear Research in Hamburg had good experience with the trawl when it was tested on the research vessel Anton Dohrn during a trip to the Barents Sea.

The factory began its experiments in the manufacture of a knotless trawl in 1955. While the Japanese machinery for producing knotless gear has not been able to guarantee uniform mesh widths, the German firm has succeeded in mastering this problem. It adapted a machine now used for the manufacture of curtains, shirts, upholstery material, etc., to plait or braid threads together in the same manner as curtains to produce a knotless fish trawl in only three hours. The method already has been patented, according to the report in Fiskaren, a Norwegian fishery trade periodical, of June 8, 1960.

Guatemala

JAPANESE FISHING COMPANY TO TRAWL FOR SHRIMP IN JOINT VENTURE:

A Japanese fishing company is to trawl for shrimp in partnership with interests in Guatemala. The shrimp resources of Central America are said to be the world's richest, and Mexico to the north and Panama to the south are noted for their shrimp fisheries. In the past 2 or 3 years the shrimp resources off these two countries have been declining, and the shrimp fishing vessels of the Central American coast are congregating on the east coast of Guatemala.

At present Guatemala does not have any large-scale fishery facilities, but it has been found that the coast around San Jose has possibilities as a rich shrimp ground. The Japanese company is sending the chief of its planning section to Guatemala to prepare for entering this promising fishery. The company will complete business arrangements by the beginning of the shrimp fishing season in November and will send one of its trawlers for experimental fishing. Of the Japanese company's eight medium-size trawlers, two are oil-burning steamboats. These boats are unable to compete in the East China Sea grounds with modern Diesel boats, and the company sees the Guatemala venture as a way of using them. The company is planning on gross sales of about 800 million yen (US$2.2 million) annually.

On the San Jose coast of Guatemala white shrimp are found in shallow waters, while brown shrimp are taken in waters about 20 fathoms deep. The shrimp are frozen and shipped to the United States. (The Suisan Keizai, May 22, 1960.)

Iceland

FISHERY TRENDS, 1959:

Landings: Icelandic fishery landings in 1959 for all species were considerably higher (up 11.8 percent) than in 1958--564,407 metric tons for 1959; 505,038 metric tons for 1958.

The rich ocean perch grounds which had yielded so much to the Icelandic fishing fleet earlier in 1959 began to fail as the year wore on. Lacking discoveries of new banks, the ocean perch catch during the last quarter of 1959 trailed off to 13,692 metric tons, compared with 46,664 tons for the same quarter of the preceding year. However, at the end of the year there was a revival in ocean perch fisheries when 6 or 7 Icelandic trawlers, following up on the findings of two West German trawlers, harvested good catches from new ocean perch beds off Newfoundland. Part of the decrease in the ocean perch fishery, however, was accounted for by a shift to the cod fishery. Record prices were received for landing iced fish, mostly cod, in Hull and Grimsby, England.

Although there was some increase in the amount of herring landed off the south coast, the quality of the herring was not up to that of the preceding year's. Contracts for salted south coast herring deliveries to Eastern Europe were not as great as for the preceding year. In September and October the herring catch was generally very poor and the quality low. Then in early November there was a large run of her-

Iceland (Contd.):

meal prices as a result of large exports of Peruvian and West African meal. There was a backup of Icelandic sales in the United States of frozen fish blocks and fillets commencing in the fall of 1959. This has resulted in a smaller part of the frozen pack being prepared for the United States market.

Foreign Trade: The largest item in Icelandic exports to the Soviet Union consisted of frozen fish fillets: in 1959 28,800 metric tons compared with 25,416 metric tons in 1958. The 1957-59 protocol of the Soviet Trade Agreement called for 32,000 metric tons of fish fillets. Early in 1959 Icelandic exporters reduced this amount tentatively to 26,000 metric tons. The extraordinarily good catch led to subsequent efforts, partly successful, to have the amount under contract increased. The Soviet Union turned out to be by far the largest buyer of salted herring during 1959, taking 12,384 metric tons out of total exports amounting to 27,296 metric tons. Soviet purchases of salted herring were about the same as during 1958, 12,177 metric tons out of total exports of 30,523 metric tons. One of the principal declines registered in exports to East Germany was for salted herring. Whereas nearly 5,000 metric tons of salted herring had been exported to East Germany in 1958, only 778 metric tons were exported in 1959. The value of Polish imports of frozen fish fillets in 1959 came to only a fifth of those in 1958. ring around the Westman Islands. However, this herring was not of high enough quality to use for salting. Part was used for bait; the greater part went for meal and oil production. The bulk of the fall herring catch occurred in December off the west coast of Iceland. A delay in salted herring deliveries to the Soviet Union ensued, not only due to the lateness of the herring season and a strike of the salters, but difficulties in getting laborers over the Christmas season. A relatively high proportion of the 1959 south coast herring catch went for freezing and reduction as compared with 1958. In spite of mounting stocks of herring meal and oil, a larger percentage of the catch went for meal and oil uses than in the 1958 period. There was also a considerable upswing in the amount of herring diverted to reduction during the north coast summer herring season, when 79 percent of the 1959 summer herring catch had gone for reduction as compared with only 44.1 percent in 1958.

Marketing: An interesting development during the last quarter of 1959 was the increase in Icelandic deliveries of iced fish (largely cod) to the ports of Grimsby and Hull, England, despite difficulties closer to home with the so-called "cod war." During October only two trawlers discharged their catches of iced fish in Grimsby. A third, the Hardbakur, was called away when the Union of Dock Workers there refused to discharge the vessel because of antagonistic feeling. However, this labor union was overruled by the Labor Federation and the action was opposed by the British Trawler Owners, as contrary to the 1956 fish landing agreement with Iceland. Landings increased during the quarter and in several cases the Icelandic ships received almost twice as much per kilogram of landed fish in England as they received in Germany: ranged in December 1959 from 2.07 kronur to 3.02 kronur per kilogram (5.8-8.4 U. S. cents a pound) in Germany, whereas in England they received during the same month from 2.35 kronur to 4.64 kronur per kilogram (6.6-12.7 cents a pound).

The value of fish on ice exported (includes direct landings by Icelandic fishing vessels at British and German ports) from Iceland during 1959 was about 26 million Icelandic kronur (US$1,699,000) as compared with 17 million Icelandic kronur (US$1,046,000) for the year 1958. The value of Icelandic iced fish landings in Great Britain rose from 7.6 million Icelandic kronur ($467,000) in 1958 to 10.6 Icelandic kronur ($652,000) during 1959 with the larger part sold in November and December 1959. Corresponding figures to West Germany were respectively 9.9 million and 15.8 million Icelandic kronur ($609,000 and $972,000).

Year-end carryover stocks of fish products amounted to some $16.8 million in foreign exchange value. They were approximately 46 percent higher than at the end of 1958. This increase was largely made up of undisposed stocks of herring oil and meal. A large part of these 1959 stocks of oil and meal have now been sold, but large stocks of fish meal and oil are piling up again. The delay in meal sales was occasioned by a general world depression of herring

Growing consumption in the United States of Icelandic fish fillet blocks and frozen fillets played a large part in increasing exports. Last year's cut in the United States tariff on frozen fish blocks of almost 50 percent undoubtedly played a role in increasing these exports during the latter half of 1959. Exports of fish fillets to the United States rose from 18,191 metric tons in 1958 to 21,727 metric tons in 1959, which is reported to be a record. On the other hand, the United States dropped off sharply as an importer of Icelandic salted herring having purchased 366 metric tons from Iceland in 1958, but only 22 metric tons in 1959. The value of United States imports of cod-liver oil rose from 3.5 million kronur (US$215,250) in 1958 to 4.2 million kronur ($258,300) in 1959. Exports to the United States of frozen shrimp and lobster rose from 2.5 million ($153,800) in 1958 to 3 million kronur ($184,500) in 1959.

Other exports to the United States included canned fish, fish roe, and salted cod.

Icelandic exports to West Germany dropped considerably. The main items of decline in exports to West Germany consisted of fish meal and herring and other fish oils, items prominent in the carryover. Exports of fish meal to West Germany dropped from 26.7 million kronur ($1,642,000) in 1958 to 7.1 million kronur ($436,000) in 1959, while ocean perch meal exports declined from 15.8 million ($971,700) to 3.1 million kronur ($190,700). (U. S. Embassy dispatch from Reykjavik, May 13, 1960.)

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FISHERIES TRENDS, MAY 1960:

The Icelandic winter cod-fishing season ended in mid-May and proved to be very favorable in all parts of the country.

The summer herring season was due to start at the end of May. On May 23, the management of the State herring factories and the Fishing Vessel Owners Association proposed to the Minister for Fisheries a price for herring for reduction of 110 kronur per 75 kilograms (about US$35 a short ton at exchange rate of 38 kronur to US$1). This price is 10 kronur under the 1959 price. The reduction in the price of herring for reduction is due to the drop in herring meal prices by 35 to 40 percent from last year. The new price for the raw fish is reportedly greater than the processors would obtain for the finished product on world markets today.

Sales of salted herring were good and advance orders total about 220,000 barrels. It is expected that the price for herring for salting will increase slightly over last year's.

What was expected to be a good lobster season also began in May off the south coast of Iceland.

The first two days of the whaling season started auspiciously May 23 and 24 with the landing of 13 whales.

Iceland (Contd.):

It was reported that the Norwegians engaged in seal hunting off the northwest coast of Iceland were earning good money. (U. S. Embassy in Reykjavik, May 27, 1960.)

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ICELANDIC FREEZING PLANTS CORPORATION HOLDS ANNUAL MEETING:

On May 25, 1960, the Icelandic Freezing Plants Corporation, which exports 80 percent of Iceland's frozen fish, convened its annual meeting. Proposals before the group highlighted export policy.

One of the most important of the 18 proposals was to use up to 2 percent of the "free on board" value of fish shipments for developing new markets, including advertising cost.

Another was related to the long-standing project to construct a storage and processing plant in the European Common Market area. This specifically called for approval to take a foreign loan of US$400,000.

A third proposal sought authority for establishment of three research laboratories in coastal Icelandic towns. (U. S. Embassy in Reykjavik, May 27, 1960.)

Iran

SHRIMP TRAWLERS AT KARACHI FOR REPAIRS:

Seven 60-foot Iranian shrimp trawlers were reported hauled out at the Pakistani port of Karachi for repairs the latter part of May this year. These are shrimp trawlers that were purchased in 1959 and transported from the United States aboard freighters to the Perisian Gulf to fish for shrimp for a firm controlled by a New York City importing and distributing firm. A freezership also makes up part of the fishing and freezing operation under the control of the United States firm.

The shrimp fishing and freezing fleet operates out of the Persian Gulf port of Bandar Abbas, Iran. The shrimp fishing vessels, each with a three-man crew, reportedly landed 1,500 metric tons of shrimp in 1959. (United States Embassy in Karachi, May 26, 1960.)

Japan

EXPORTS OF MARINE PRODUCTS TO THE UNITED STATES, 1958 AND 1959:

During 1959, Japanese exports to the United States of all marine products (frozen and canned fish, marine oils, and miscellaneous items) of 127,289 metric tons were valued at US$75.3 million, a decrease of 2.4 percent in quantity but an increase of 11.5 percent in value as compared with 1958. Frozen tuna exports (65,482 tons) to the United States in 1959 were valued at about US$19.5 million, an increase of 5.3 percent in quantity and 2.7 percent in value over 1958. Exports of all marine products were higher in 1959 as compared with 1958, except for canned tuna and marine oils.

Japan's Exports of Marine Products to the United States, 1958 and 1959

Item	Quantity		Value	
	1959	1958	1959	1958
	(Metric Tons)		(US$1,000)	
Tuna, frozen	65,482	62,190	19,479	18,973
Tuna, canned	9,905	13,727	10,493	11,754
Crab meat, canned	3,114	2,547	7,542	5,816
Other canned	29,549	19,590	23,839	15,644
Other fish and shellfish	17,578	16,465	12,053	9,391
Fish and marine animal oils	1,661	15,893	1,911	5,962
Total all marine products	127,289	130,412	75,317	67,540
Pearls, natural and cultured	-	-	11,759	9,047

In addition to the marine products mentioned, a substantial amount of natural and cultured pearls was shipped to the United States. (U. S. Embassy in Tokyo, May 13, 1960.)

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CANNED TUNA EXPORT PRICE NEGOTIATIONS STILL STALEMATED:

The directors of the Export Tuna Canners' Association in June 1960 were given full authority to negotiate with the trading companies on prices and sales methods. They met with trading company representatives on June 23 and at the meeting a spokesman for the pro-

Japan (Contd.):

ducers said that they would lower the price of white meat by 50 cents a case, but wanted to increase the price of light meat by 20 cents. The trading companies' representatives met to discuss this proposal on June 24, and the overwhelming consensus was that the packers' proposal is completely unreasonable under present circumstances.

They decided to continue to press for a $1 cut in the white meat price and to maintain the light meat price at the present level. (The Suisan Tsushin, June 25, 1960.)

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EXPORT PRICE FOR YELLOWFIN TUNA UNCHANGED:

The Japan Frozen Foods Export Association and the Export Tuna Freezers' Association held a joint yellowfin tuna conference on June 20, 1960, to discuss the agreed price for July. They agreed to keep it at the same level as for the April-June period, with a base of US$260 per short ton for 20- to 80-pound gilled and gutted clipper-frozen fish f.o.b. Japan, and so informed the joint sales company.

It was also decided that when a producer consigns fish to the joint sales company, designating the trading firm that is to handle it, and the designated trader does not make an export contract within 10 days, the joint sales company will be free to sell the fish to another trading company. (The Suisan Tsushin, June 21, 1960.)

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PRICE FOR FROZEN TUNA EXPORTS TO ITALY DROPS:

According to recent reports, the price in Japan for frozen tuna for export to Italy has been reduced to US$270 a metric ton c. & f. for June to August only, but most of the Japanese trading companies claim that the new agreed price is still considerably above the actual market price, which is said to be about $245-$260 a ton. For this reason, all sales negotiations with the Italians were difficult. Informed sources point out that sales conditions, which had continued good for two years, have completely changed this year. (The Suisan Tsushin, June 18, 1960.)

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FROZEN TUNA TO BE TRANSSHIPPED TO THE UNITED STATES FROM THE PACIFIC:

A large Japanese fishing company is to export about 800 tons of frozen tuna to the United States by transshipping it from the Fijian port of Suva. This is the first case of transshipment export from the Pacific.

The company's plan is to load about 600 tons of frozen albacore and yellowfin from the current Tenyo Maru mothership fleet operations, and about 200 tons of frozen skipjack from the land-based operations that began in May 1960 at Shamil Island in North Borneo, aboard the No. 28 Banshu Maru and send it directly to San Francisco and Astoria. The Japanese Fishery Agency's formal permission has already been secured, and the Banshu Maru was expected to arrive at Suva as early as the end of June.

The company hopes to make two or three similar transshipments in the future. If the practice becomes generalized, it is certain that other operators will make plans to transship to the United States the products of tuna motherships and tuna clippers through South Pacific islands or ports around the Indian Ocean (for example, Singapore).

The first transshipment through Suva will all come out of the Japanese operator's quotas for yellowfin and albacore exports from Japanese ports. (The Suisan Tsushin, June 27, 1960.)

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MORE FUNDS PROPOSED FOR U. S. TUNA MARKET SURVEY:

The Japan Export Trade Promotion Organization (JETPO) has at present a representative in Long Beach, Calif., to investigate and report on tuna fishing conditions, auction prices, etc. There are, however, many points that are not clear about trends in the United States, and there are a number of adverse con-

Japan (Contd.):

ditions in the frozen tuna export trade, so next year two more staff members will be stationed in the United States to study conditions in the fishery, auction prices, and the activities of canners.

Recently negotiations have been started with the Ministry of Agriculture and Forestry and other government agencies concerned for budget support for this increase, and the organization is seeking a doubling of government aid from the 37.7 million yen (US$104,700) of the 1960 budget to 77.6 million yen (US$215,000) next year.

Exports of frozen tuna to the United States in 1959 were about 72,754 short tons, an increase of about 48 percent from 1956. In particular, transshipment exports from the Atlantic Ocean have increased, but there have been many problems of claims in connection with these exports. (The Suisan Keizai, June 24, 1960.)

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SUMMER ALBACORE TUNA CATCHES DROP SHARPLY AFTER TYPHOONS:

The summer albacore fishery, which was having good fishing, has been almost brought to a halt by the effects of typhoons nos. 3 and 4, and the industry fears that the end of the season may come without any recovery. Great hopes had been held for this summer's fishery, because of the poor catches of the past two years. In mid-May the catches picked up, and through the first 10 days of June there were fairly substantial landings. The low water temperature zone on the south side of the Kuroshio was wider than in the average year, and the dense schools were extensively distributed around its outer boundary. However, after the passage of the typhoons the low temperature zone became even more greatly extended and the schools scattered, with the result that all of the good fishing areas disappeared.

According to reports from vessels at sea, there are few boats that are catching as much as 5 tons a set, and on the average they are getting only about 1 ton from a school. Consequently the landings at Yaizu dropped off until they were only 91 metric tons on June 20, 79 tons on the 22nd, and 63 tons on the 23rd.

Summer albacore landings for the season through June 23 are estimated at around 13,000 or 14,000 tons, little more than 20 percent of the 60,000 tons required by canners and freezers. If the season ends as predicted, some sources feel that prices as high as those of last year will prevail. The ex-vessel price on June 20 was US$353 a short ton, putting the price back up to about the same level as in May. (Suisan Keizai, June 24, 1960.)

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CARIBBEAN INVESTIGATION FINDS GREEN TUNA UNPREDICTABLE:

The findings of the Caribbean cruise of the Japanese Fishery Agency's research vessel Shoyo Maru have recently been compiled. The Agency reports, with regard to ways of dealing with the green meat problem in tuna, that in yellowfin the only correlation found was with the size of the fish. Above the weight of 88 pounds, there was found to be a danger of green meat occurrence. It was further reported that almost all big-eyed tuna had green meat.

The main points of the Shoyo Maru's report of research were as follows:

In processing of yellowfin ashore it is held that occurrence of green meat can be deduced from the color of the raw fish, but in processing experiments aboard the Shoyo Maru this was found to be impossible. Hitherto it has been said that green meat is likely to occur in fish in which the meat pigment has oxidized, but green meat appeared unpredictably in cases where the oxidation was not distinguishable by the naked eye. Fish weighing up to about 88 pounds were found to be all right, regardless of the area of capture, but off-colored fish turned up in those of 110 pounds or larger. This was true only for the Caribbean, and not one case of green meat was seen in large fish from the North Atlantic. The condition was unrelated to whether the fish was fresh or frozen,

Japan (Contd.):

but the texture of the meat was somewhat poorer in frozen fish.

Albacore from the Caribbean were of good quality, somewhat between Japanese summer and winter albacore in size.

It was concluded that there is a need for biological study of yellowfin over 88 pounds in order to discover the cause of the formation of green meat. These large fish, even though the meat is not green, yield a poor color after processing.

There was no problem with albacore from near the Equator; however, if processing was not done well, the color was dark. There is a special need for detailed study of albacore from the vicinity of 30 degrees north and south latitude. (The Suisan Keizai, June 25, 1960.)

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FISHERY AGENCY SETS POLICY ON TUNA IMPORTS FROM RYUKYU ISLANDS:

In recent months the Japanese Fishery Agency has been studying the probable effects on the Japanese fishing industry caused by the future liberalization of Japan's imports of fishery products. As regards tuna, the Agency and the Japanese industry have been most worried by the prospect of fish from the Ryukyus entering Japan in considerable quantities. These fears have been reinforced by the Okinawans' desire to build up their tuna fishery, as evidenced by their efforts to buy second-hand tuna boats in Japan.

The Japanese fishery trade press reports that an understanding on this matter has now been reached between the Fishery Agency and the Ryukyu Government. According to these reports, the Ryukyuans will not take any actions that would impair the effectiveness of Japanese administrative controls over tuna fishing and the trade in tuna products. For its part, the Japanese Fishery Agency will approve the importation of up to 500 metric tons yearly of tuna and spearfishes from the Ryukyus and the exportation of 2,000 tons of tuna boats over a five-year period.

Press comment on this development emphasizes Japan's residual sovereignty over the Ryukyus, stressing the opinion that since the Ryukyus are not really a foreign country it is appropriate for Japan to assist the development of the fishing industry there. At the same time, the Fishery Agency has made it clear that it cannot allow direct landings in Japanese ports by Ryukyuan tuna boats, and the import of tuna from the Ryukyus will be formally handled by designating tuna as a permissible import item under the category "Materials from Southern Countries." (United States Embassy report from Tokyo, June 3, 1960.)

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SALMON CATCH LIMITS FOR LAND-BASED GILL NETTERS SET:

On June 20, 1960, the Japanese Fishery Agency informed the Hokkaido Government and other local jurisdictions of its policies for allocating the salmon catch quota for land-based vessels operating within the Japan-Soviet treaty area south of 48° N. latitude. The Agency's announcement relates to the 264 boats of over 30 tons gross which have licenses from the Minister of Agriculture.

The catch quotas are to be 33.8 metric tons for each vessel of 30 to 39.99 tons gross, and 39.8 tons for each vessel over 40 tons gross. Operating licenses for the treaty area were to be issued at the boat owner's application after June 25.

The changes in operating area limits which had been strongly demanded by the All-Japan Salmon Fishermen's Federation were refused by the authorities, and a final decision was made to add to the operating area for these vessels only the rectangle bounded by 46°-48° N. lat. to 165°-168°35' E. long., which will be open to land-based fishing after the first of July. The Fishery Agency expressed the view that no other adjustment of the fishing area was possible because of the closing of two new areas this year and the closing of the large triangular area east of the Kuriles last year.

The decision as to how to allocate the catch quota of 13,500 metric tons for

Japan (Contd.):

land-based vessels in the treaty area among various vessel tonnage classes was left entirely up to the Salmon Fishermen's Federation. In addition to the 264 vessels which have ministerial licenses, there are 151 vessels licensed by the Governors of the Prefectures. For the latter, the catch limits will be 9.8 metric tons for 5- to 10-ton vessels, 11.8 tons for 10- to 15-ton vessels, 19.8 tons for 15- to 20-ton vessels, and 33.8 tons for 20- to 30-ton vessels. (The Suisan Tsushin, June 21, 1960.)

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NORTH PACIFIC SALMON FACTORYSHIP OPERATIONS OFF TO GOOD START:

The Japanese North Pacific salmon factoryship fleets all reached their fishing grounds on May 25, 1960, and began to take on fish from nets that had been set by the catcher boats which preceded them. On the average, each mothership received about 40 tons of salmon on the 25th. Of this amount as much as 80 percent was red salmon, marking a good start for the season. It was expected that full-scale landings, with all catchers hauling nets, would begin around May 27. The fleet escaped the usual May storms. (The Suisan Tsushin, May 28, 1960.)

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NORTH PACIFIC SALMON FISHERY TRENDS, JUNE 1960:

On June 21, 1960, the Japanese Ministry of Agriculture reported as follows on the progress of this year's North Pacific salmon fisheries:

The mothership fishery, as of June 15, had taken slightly under 15,000 metric tons. This was about 27 percent of the mothership's 54,000-ton catch quota. Last year at the same time about 20,000 tons had been taken, but the lower catch this year is the effect of delay in the fleets' sailing. The over-all success of the season would be decided by the catch in the period beginning in late June, when pink salmon appear.

There are no accurate reports as yet of the operations of the land-based gillnet fishery, but the operators say that the catch is about 20 percent below last year's. However, the price is up, so the profit situation is not too bad.

So far Japanese patrol boats have caught four salmon boats violating regulations, and the Government is going to deal with them sternly, so as to prevent violations in the future. The Soviets have not yet cited any Japanese boats for violations.

The Hokkaido Fisheries Experiment Station in mid-June released the following on ocean conditions and fishing conditions in the first 10 days of June:

Ocean conditions: Because salmon fishing was concentrated west of 155° E., sea conditions east of that longitude and off northeastern Honshu were unknown. East of 150° E. water temperatures were 1 to 2 degrees higher than in the preceding 10-day period, but there were no major general changes.

Fishing conditions: Small salmon boats under 7 tons gross were concentrated in the three ports of Kushiro, Akkeshi, and Hanasaki on the east coast of Hokkaido, and pink salmon availability was not as good as in the preceding period. Offshore there were still no boats operating east of 155° E. Fishing was concentrated in a zone of 42.8°-46.4° F. water temperatures extending from 149° E. northwestward to 155° E. In the area centered around 42° N., 149°-150° E., small vessels in large numbers were fishing for pinks and having extremely poor luck. Most of the larger boats were concentrated in the area centered around 43° N., 151°-152° E. The area centered around 44° N., 154° E., continued to be occupied largely by long-line boats. Pink salmon catch rates were fair until June 14 or 15, when they became poor. (Suisan Keizai Shimbun, June 21 and 22, 1960.)

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NORTH PACIFIC SALMON PRICE NEGOTIATIONS ABOUT CONCLUDED:

Negotiations over the ex-vessel price of North Pacific salmon have been under way since early in May between the North Pacific Mothership Council (formed of 8 salmon mothership operating companies)

Japan (Contd.):

and the Japanese Federation of Salmon Fishery Cooperative Associations (the catcher boat owners' association). On June 22, 1960, negotiations were to enter the final stage at Tokyo. Both sides wanted to settle salmon prices quickly, and an agreement was expected by the end of June.

The outstanding feature of this year's negotiations is that both mothership operators and fishing boat owners have revealed their operating expenses in an attempt to work out a reasonable fish price. At a meeting on June 20 it turned out that the figures offered by the two sides were based on different estimates. Therefore, a meeting was held on June 22 for a final reconciliation of views.

In 1959, salmon prices were raised about 11 percent above those of the previous year, and averaged for all species about 97,000 yen (US$270) a metric ton. This year the fishing boat operators are again asking for an increase, because the Japan-Soviet fishery negotiations resulted in a cut in the total salmon catch quota, and it looks as if a raise of the average price for all species to over 100,000 yen (US$278) a metric ton will be unavoidable. (Nippon Keizai Shimbun, June 22, 1960.)

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EARLY SALES CONTRACTS TO UNITED STATES FOR CANNED PINK SALMON DELAYED:

Generally in mid-June contracts are made for early shipments of pink salmon (No. 4 cans[1/]) to the United States, but this year production in Hokkaido has been light, and there are indications of an overall drop in pink salmon production. As a result, there does not seem to be any particular necessity for promoting sales to the United States. Buyers in the United States also are showing no haste to buy because of prospects for increased production in Alaska. For these reasons the Japanese joint sales company and the trading firms have not actively opened sales talks. There was a strong possibility that signing of sales contracts would be delayed until July. Furthermore, there were good prospects that the quantity available for early shipment would be only about half of last year's approximately 70,000 cases.

The beginning of packing in Hokkaido was delayed by about one week this year and because of high ex-vessel prices packing was held down. There is also a tendency to wait until late in the season to pack No. 4 cans, due to a low profit margin, and it is estimated that the pack would not be on hand until the latter part of July. It is probable that the pack of No. 4's, including factoryship pack, will be at most only about 150,000 cases, so that there is little need for rushing ahead with contracts for early shipment. It is estimated that the US$17 price per case of the last half of the 1959 season will be maintained (last year's price for early shipment was $16.75). (The Suisan Tsushin, June 18, 1960.)

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KING CRAB QUOTA INCREASED FOR BRISTOL BAY FACTORYSHIP:

On June 21, 1960, the Japanese Fishery Agency granted a 10,000-case increase in the production quota of the Bristol Bay king crab factoryship Tokei Maru, formally raising the quota to 80,000 cases. The increase had been requested some time ago by the three joint operating companies.

In connection with this quota increase the operators of the other Bristol Bay crab mothership, the Shinyo Maru, had also requested a larger production quota, but the authorities withheld action on that request. The Tokei Maru was expected to fill her original 70,000-case quota by the end of June, and it was considered possible that she would complete production of the 80,000 cases by the middle of July. (The Suisan Tsushin, June 22, 1960.)

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BERING SEA FISHERY FOR BOTTOM FISH TO BE RE-EXAMINED:

The Japanese Fishery Agency is to re-examine its licensing policy for the Bering Sea freezership-mothership flatfish fishery fleet and similar trawling operations due to begin in September 1960. This re-examination will involve the condition of the resources, the problem of

1/Equal to U. S. 1-lb. can.

Japan (Contd.):

competition with the fish-meal factory-ship-mothership fleets, and the number of licenses to be issued this year.

This year there are already four trawling fleets in the Bering Sea with the fish-meal factoryships Renshin Maru, Shinyo Maru, Gyokuei Maru, and Soyo Maru. They have been operating for four months and have already passed last year's catch of 140,000 metric tons of fish, and operations are continuing.

Beginning in September, the same grounds will be fished by fleets producing frozen flatfish. This year three large fishing companies are planning to send out a total of four such freezerships--the Chiyo Maru, Miyajima Maru, Kashima Maru, and Kyokuzan Maru.

The Fishery Agency foresees that with the 8 fleets, plus a 9th fleet out for arrow-toothed halibut, competition on the fishing grounds will become sharper. Furthermore, changes in the resources are appearing as a result of the fish-meal operations, and there will have to be discussion of such questions as: Whether or not it is all right for the industry to go ahead with its planned fish-meal and fish-freezing operations? What problems will come up from the standpoint of economical operation of the fleets? How are the fishing grounds to be assigned? (The Suisan Keizai, June 22, 1960.)

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CATCHES OF FISH-MEAL FLEETS DROP SHARPLY:

Of the five Japanese fish-meal factoryship fleets operating this year, the Soyo Maru and Tenyo Maru fleets are operating northwest of St. Paul Island, while the other three--Kinyo Maru, Renshin Maru, and Gyokuei Maru--are fishing in Bristol Bay. During April and May this year each fleet was making catches of around the planned 600 metric tons a day, but in June a downward trend in the catches appeared, and they were able to take only about 300 tons a day, some days even less.

Japanese Fishery Agency authorities are watching the trend of the fish-meal fleet catches closely, in connection with the licensing of the frozen flatfish fleets, which are scheduled to begin operating in mid-August. They have begun an investigation of the causes of the sudden drop in catches in June, and the prevailing view is that there is a limit to the resource, because the fishery works on bottom fish and because the fishing grounds are limited in extent.

Taking the experience of one of the fish-meal fleets as an example, catches for the first 5 days of June ranged from 378 to 483 metric tons. From the 6th to the 9th they improved to between 580 and 720 tons, but from the 10th on they declined again. On the 22nd the catch was 220 tons, the lowest since fishing began at the end of April and a catch level that was completely unanticipated. The Fishery Agency will make a report and try to devise some countermeasures, as soon as some conclusions have been reached, but it does not appear that the Japanese authorities are considering cutting down on the frozen flatfish fleets because of the poor catches of the fish-meal fleets.

Present plans are for 6 flatfish freezing fleets to operate this year, after the salmon mothership fishing season. One large fishing company will send out two flatfish freezerships, and three other companies will send out one each. In addition the mothership Otsu Maru will operate in cooperation with the Hokkaido Trawlers' Federation. (The Suisan Tsushin, June 25, 1960.)

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IMPORT RESTRICTIONS ON SOME FISHERY PRODUCTS LIBERALIZED:

The Japanese newspaper Suisan Keizai of June 23, 1960, reported the following schedule planned by the Japanese Government for the liberalization of imports of fishery products: Items to be liberalized immediately: edible frogs, frozen rainbow trout, fish eggs, shark fins, fish livers; canned oysters; scallops; red, silver, and pink salmon; tuna, mackerel, saury, sardines, king crab, shrimp, squid, abalone, topshells, clams, fish eggs, crustaceans; and whale oil, harpoons, artificial gut line, and fish nets.

Items to be liberalized within three years: frozen tunas, broadbill sword-

Japan (Contd.):

fish, marlins; salted and frozen salmon and sea cucumbers; shrimp; and agar-agar.

Items not to be liberalized: whale meat; fresh marlins, snappers, yellowtail, mackerel, herring, sardines; frozen cod; eggs of herring, cod, and salmon; dried scallops, squid, and seaweed; and fish meal.

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SEAWEED INDUSTRY TRENDS, JUNE 1960:

Bidding for this year's gelidium or agar-agar seaweed began in June 1960 at various Japanese producing areas. In some places the price was very high. The raw seaweed for agar-agar is commanding higher prices because of the decline in production and the increase in demand in 1959.

Last year the gelidium crop was poor, with production on the Muroto coast of Kochi Prefecture down by 50 percent, and for the country as a whole down about 20 percent. Gracilaria production was only about one-sixth of normal in the main producing area of Akkeshi Bay, and for the country as a whole it was down about 35 percent. For several years the average annual production has been about 11,578,000 pounds of gelidium and about 8,270,000 pounds of other agar-producing seaweeds. On the other hand, the demand is considered to be about 16,540,000 pounds of gelidium and about 9,097,000 pounds of other kinds of seaweed.

The difference is made up by imports from other countries. Until 1958 imports were about 2.5 to 3.3 million pounds, but last year imports jumped to 6.6 million pounds. Prior to 1958, imports were all from Korea, but last year seaweed was bought from countries all over the world, and it is thought that the problem will become quite complicated in the future.

In 1959, a phenomenon appeared which merits the attention of the agar-agar industry. At the city of Hachioji, the Japan Seaweed Industry Corporation built a large factory. The company's production plans are said to call for making 1.2 million pounds of agar-agar from gelidium and 300,000 pounds from gracilaria. Calculated in terms of raw weed, this is nearly 5 million pounds of gelidium and 840,500 pounds of gracilaria. This new fact poses a big problem for the producers, as to how to devise a rational and profitable system for supplying raw material.

It is expected from present indications that the national production of seaweeds this year will be 10 to 20 percent above 1959. However, demand has grown more than this, and competition for raw material is growing more vigorous, raising prices with it. This raises the danger of the processors' turning to imported material. (The Suisan Keizai, June 17, 1960.)

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KOREAN AGAR-AGAR SOON TO REACH JAPAN:

The agar-agar from South Korea, which a Japanese trading firm is importing for the Japan Sea and Land Products Export Association, was expected to reach the port of Kobe, Japan, the latter part of June. The quantity is 150,000 pounds. The shipment was delayed because the Korean exporters asked for a price increase, but the Japanese purchasers gave ground to the extent of US$1.25 a pound, and the deal went through.

The Japan Sea and Land Products Export Association, in order to maintain overseas markets for Japanese agar-agar and expand exports, made its first importation of 300,000 pounds of Korean agar in 1959 and re-exported the material. The present shipment is the second importation by the Association. The agar-agar will be sorted in bonded customs warehouses and then exported.

Exports from January to December of 1959 were 1,597,176 pounds, valued at 694,864,000 yen (US$1,931,722). Since December 1959, when controls on quantity and price were imposed, exports have been as follows: December 1959, 56,159 pounds (US$79,249); January-March 1960, 612,931 pounds (US$957,557). (Nippon Suisan Shimbun, June 24, 1960.)

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Japan (Contd.):

PEARL EXPORTS IN 1959 SET NEW RECORD:

The All Japan Pearl Culture Cooperative (AJPCC) in Ise City, Mie, exported 39,983 kg. (88,147 pounds) of cultured pearls during 1959, valued at ¥8,570 million (US$23.8 million), the highest export record in the industry's history. This exceeded the 1958 exports by 6,400 kg. (14,109 pounds) in weight and ¥2.2 billion ($6.1 million) in value and the industry's 1959 export goal by $3.8 million.

The United States took 55 percent of the export total as the largest customer, followed by Switzerland which bought 14 percent, West Germany with 7.5 percent, and India with 4 percent. The average ex-factory price for export pearls showed a fairly sound market price of ¥802 ($2.23) per momme (3.75 gr., about 0.132 ozs.) despite some overproduction. Due to a typhoon--which killed a great number of mother-oysters due for harvesting in 1960--the cooperative anticipated a strong market through the first half of 1960. (United States Embassy, Nagoya, December 28, 1959.)

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PEARL-SHELL OPERATIONS IN ARAFURA SEA, JUNE 1960:

The Japanese Arafura Sea (off northern Australia) pearl-shell fleet reached the fishing grounds on May 23, 1960. As of June 11, the fleet had worked one-and-a-half tidal cycles and had gathered 59 metric tons of shell. This year the shell is small, but the quality is extremely good, and those concerned consider that the limit of 415 tons will be reached. The mothership Yamato Maru and 11 luggers worked off Port Darwin from May 23 to June 11. Operations will continue to the end of October, with the latter part of the season to be spent in the vicinity of Thursday Island.

The world market for pearl shell began to fall around 1955 and hit the bottom last year. It is expected to recover somewhat this year. The Japanese pearl-shell company considers that the resource is in good condition, which is also recognized by the Australians, and with good shell quality, they are expecting an upturn in the market. It is also expected that there will be a favorable effect on next year's negotiations with Australia over the fishery. Last year the catch limit was 375 tons, but only 346 tons were taken. This year it is considered quite possible to take 390 to 400 tons. The fleet is scheduled to return to its base at Kushimoto about November 15. (Nippon Suisan Shimbun, June 15, 1960.)

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FISHING VESSEL CONSTRUCTION, JUNE 1960:

The Shimonoseki branch of a large Japanese fishing company has begun work on its fourth large stern trawler, which will be the largest in Japan. Keel-laying ceremonies for the 1,850-gross-ton vessel, as yet unnamed, were held on June 18, 1960, at the company's shipyard. Completion is scheduled for the end of September.

A Japanese fishing company will begin construction of a 1,300-gross-ton tuna long-liner, the Eiho Maru, on July 11 at Shimizu. The vessel will be a sistership to the owner's recently-completed Eio Maru, and will be finished around November. Particulars are: gross tonnage 1,280; length 238.5 feet; beam 37.7 feet; depth 17.4 feet; refrigerated holds 52,900 cubic feet; maximum speed 14.5 knots; main engine, a 1,000-hp. Diesel.

A Nagasaki shipyard has recently begun construction on a 1,246-gross-ton tuna long-liner ordered by a large Japanese fishing company. This vessel is designed to carry 4 small fishing boats, for which it will serve as a mothership in operations off the West African coast. The vessel will be 219.8 feet long, 39.4 feet in beam, and will have a variable pitch propeller. Launching is scheduled for September 7 and completion for mid-October. Also, a 243-gross-ton tuna long-liner is being built for a private owner in Yaizu.

The above vessels are included among 49 construction permits for fishing vessels issued by the Japanese Fishery Agency on May 27, 1960. (Nippon Suisan Shim-

Japan (Contd.):

bun, June 22, and Suisan Keizai, June 24, 1960.)

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TRAWLER REPORTS GOOD FISHING OFF NORTHWEST AFRICA:

A large Japanese fishing company's 1,490 gross ton stern-trawler No. 62 Taiyo Maru started fishing early in June off the Canary Islands, off northwest Africa. Reports reaching the owner's Shimonoseki offices indicate that catches are better than expected, running 10 to 20 metric tons a day. The catches are more than 90 percent red snappers, with gurnards and croakers also appearing in the catch. The vessel is scheduled to return to its home port of Shimonoseki the latter part of August.

The owners say that in addition to this vessel, the northwest African grounds are also being fished by the same company's No. 6 Taiyo Maru, based at Tangier, and by the Uji Maru, operated by another large Japanese fishing company. Other Japanese trawlers headed for the area are the No. 63 Taiyo Maru, which will begin fishing June 23, the Asama Maru, Tatsuta Maru, and Seiju Maru. (Nippon Suisan Shimbun, June 22, 1960.)

Kuwait

SHRIMP FISHERY IN PERSIAN GULF INITIATED:

A United States firm of New York City in partnership with a Kuwaiti firm has been engaged in shrimp fishing in the Persian Gulf since the first of 1960. Two shrimp trawlers were purchased in Florida by the Kuwaiti firm for US$180,000 in 1959 and were brought to Kuwait (south of Iraq on northwest coast of Persian Gulf) late in the year. The captain and engineer on each boat are American and the remainder of the crew, an assortment of Persian Gulf fishermen--Persians, Arabs from the Trucial Coast, and Baluchis.

This activity has been profitable for all the participants. Although the boats did not start operations until the middle of the season (August 15-April 15 in this part of the Gulf), they caught over 240,000 pounds of shrimp which were deheaded, frozen, and packed in five-pound cartons on board the trawlers. The frozen shrimp are delivered to freighters for shipment and subsequent sale in the United States. The local firm reportedly realized about $150,000 in the sales and after deducting production expenses of about $50,000 realized a gross profit of $100,000. The United States firm, which has put out no capital, acts solely as a selling agent in the United States.

The United States captains of the trawlers are paid $1,500 per month plus a bonus of $25 a ton of shrimp delivered. The engineers are paid $800 per month and a bonus of $15 a ton of shrimp. The crew members are given room and board and paid wages of about $41--considerably above the usual rate in the Gulf.

The shrimp trawlers fish in waters of 35-45 feet, but their range is quite limited. They rarely go beyond 40 miles from Kuwait territory and, as Kuwaiti fishermen object if they come too close to shore, they usually remain about 8 miles from mainland Kuwait.

The shrimp are found in considerable quantity within the restricted area fished and, according to the United States fishermen, these waters could probably support sustained catches of over one million pounds per year. Much of the fish, which are caught incidentally during shrimp trawling, is sold on the local market. The Government will not permit its sale for export. (United States Consulate, Kuwait, May 31, 1960.)

Malaya

IMPORTS OF MARINE OILS, 1959:

Malaya imported 250 long tons of marine-animal oils in 1959 as compared with 137 tons in 1958--only one ton was exported each year. Singapore and Pe-

Malaya (Contd.):

nang are free ports and have no import duties on marine-animal oils. But the Federation of Malaya full and preferential import duty on marine-animal oils is 25 percent. (U. S. Foreign Agricultural Service Report, Kuala Lumpur, April 12, 1960.)

Mexico

MARINE-OIL IMPORTS AND EXPORTS, 1958 AND 1959:

Imports of marine-animal oils by Mexico increased to 859 metric tons in 1959 as compared with about 680 tons in 1958. Oils imported from the United States rose sharply--from 87 tons in 1958 to 355 tons in 1959. In 1959 the United States was Mexico's main source of sperm-whale oil and fish-liver oil, and a leading source of whale oil. Practically all the sperm, cod, and fish-liver oils shipped by the United States to Mexico are re-exports.

Mexico's Imports of Marine Oils, 1958 and 1959

Product and Origin	1959	1958
	(Metric Tons)	
Whale Oil:		
United States	24.6	14.2
Great Britain	29.9	34.4
Germany	8.9	15.8
Norway	17.4	1.3
Italy	3.4	-
Total whale oil	84.2	65.7
Sperm Oil:		
United States	31.8	1.5
Great Britain	8.8	10.3
Norway	5.6	-
Germany	0.3	-
Total sperm oil	46.5	11.8
Cod Oil:		
United States	75.7	57.5
Norway	365.9	364.8
Great Britain	11.2	11.2
Germany	3.4	5.7
Argentina	-	1.1
Total cod oil	456.2	440.3
Fish-Liver Oil:		
United States	222.9	13.5
Norway	38.2	130.8
Great Britain	11.2	17.1
China	-	0.4
Total fish-liver oil	272.3	161.8
Total all marine oils	859.2	679.6
Total imports from U. S.	355.0	86.7

The 365 tons of cod oil imported from Norway in 1959 and the 364 tons in 1958 were responsible for Norway's position as Mexico's main supplier of marine-oil products.

Exports of marine oils by Mexico in 1959 consisted of 100 tons of whale and shark oil to the United States as compared with 66 tons in 1958. El Salvador, Mexico's only other buyer of marine oils, received less than 1 ton in 1959 and none in 1958. (U. S. Foreign Agricultural Service Report, Mexico, April 19, 1960.)

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PRESIDENT STATES POLICY ON TERRITORIAL WATERS AND CONTINENTAL SHELF:

The President of Mexico in his Navy Day address on June 1, 1960, referred to his policy concerning the natural resources of the territorial waters and the continental shelf. According to the June 2, 1960, issue of the Mexico City newspaper Novedades, the President said: "The resources of our territorial waters as well as those of the continental shelf form part of our patrimony. Their exploitation, performed by Mexicans, in benefit of the people is a legitimate national aspiration. Consequently we shall oppose with all energy the utilization of such resources on the part of those who, having the material means for realizing it, nevertheless lack all right."

The above statement is a reiteration of the sentiment expressed in the 1959 constitutional amendments, according to a June 3, 1960, dispatch from the United States Embassy in Mexico City.

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SHRIMP FISHERY TRENDS, MAY 1960:

Price negotiations between the Mexican fishermen's cooperatives and vessel owners for the 1960-61 shrimp catch were postponed in mid-May. Current contracts were extended for a period of 90 days which were to expire August 13. Unless agreement was reached by mid-August, it was probable the fishermen would tie-up the vessels.

The Carmen-Campeche price war between independent vessels continued throughout May. The latest price increase was reported on May 19 when prices on most sizes were increased 1-3 U. S. cents a pound. Salina Cruz prices have been unchanged for two months.

Mexico (Contd.):

Mid-May ex-vessel prices in U. S. cents a pound at Carmen and Campeche for white, pink, and brown headless shrimp were the same for all sizes and were: under 15 count, 80; 15-20 count, 75; 21-25 count, 70; 26-30 count, 65; 31-35 count, 58; 36-40 count, 48; 41-50 count, 43; and 51-65 count, 36; over 65 count, 26.

Salina Cruz landings, after a drop in April and early May, picked up towards the end of May with boats landing between 2 and 3 tons of heads-off shrimp for a 13-day trip.

In both Carmen and Campeche average landings were up over April. In Carmen fishermen reported shrimp scattered, but landings averaged around 950 pounds of heads-off shrimp for 6-8 day trips. At Campeche landings averaged over 1,000 pounds per trip.

Sizes at Carmen tended to vary during May; about 40 percent of the landings were 30 and under count. As usual Campeche sizes ran larger, about two-thirds of the landings were 30 count and under.

Species composition of the landings both at Carmen and Campeche fluctuated during the month. However, at Carmen the distribution was about 40 percent white, 35 percent pink, and 25 percent brown. At Campeche the landings were about 70 percent pink with the remainder about evenly distributed between white and brown. (June 6, 1960, report from United States Embassy, Mexico.)

Netherlands

MARINE-OIL PRODUCTION, FOREIGN TRADE, AND CONSUMPTION:

Production: The Netherlands' production of marine-animal oils decreased from 30,277 metric tons in 1958 to 24,110 tons in 1959 due to the drop in whale oil production in 1959.

The production of refined and refined hardened oils from fish and marine-animal oils increased from 54,426 metric tons in 1958 to 60,745 tons in 1959.

Table 1 - Netherlands Production of Marine-Animal and Fish Oils, 1958-59

	1959					1958
	Quarter				Total	Total
	First	Second	Third	Fourth		
	(Metric Tons)					
Fish oils	526	999	2,502	1,189	5,216	4,425
Whale oil	116	18,778	-	-	18,894	25,852
Sperm oil	-	1	-	-	1	-
Total	642	19,778	2,502	1,189	24,111	30,277

Exports: In 1959 the Netherlands exported 8,537 metric tons of processed fish and marine-animal oils as compared with 7,368 tons of crude.

Table 2 - Netherlands Exports of Fish Oils by Type and Area of Destination, 1959

Destination	Fish and Marine Oils		Total
	Crude	Processed	
	(Metric Tons)		
Common market and associated countries	7,167	417	7,584
Other O.E.E.C. countries and associated areas	192	7,883	8,075
Other countries	9	237	246
Total	7,368	8,537	15,905

Imports: Whale oil comprised 63 percent of the Netherlands marine-animal oil imports in 1959; other fish oils 33 percent and sperm oil only 4 percent. The import pattern for all fats and oils is expected to remain unchanged.

Table 3 - Netherlands Imports of Marine-Animal and Fish Oils by Type and Area of Origin, 1959

Origin	Whale Oil	Fish Oils	Sperm Oil	Total
	(Metric Tons)			
Common market and associated countries	20,228	1,640	76	21,944
Other O.E.E.C. countries and associated areas	13,281	6,459	741	20,481
British Dominions	2,461	120	891	3,472
Other countries	12,040	12,976	640	25,656
Total	48,000	21,195	2,348	71,553

Consumption: The use of sperm oil for technical purposes decreased slightly from 2,378 metric tons in 1958 to 2,285 tons in 1959; the quantity of marine-animal and fish oils used for technical purposes remained relatively stable--837 tons were used in 1958 and 830 tons in 1959. (U. S. Embassy at The Hague, May 16, 1960.)

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Nicaragua

SHRIMP FISHERY TRENDS, MARCH 1960:

Exports of shrimp from Nicaragua during the first quarter of 1960 amounted to about 110,000 pounds. Practically all the shrimp exports during the first quarter of 1960 were made from the port of El Bluff on Bluefields Island by the French shrimp fishing, freezing, and processing company which was established in 1959.

During 1959 shrimp exports (about 96 percent to the United States) totaled 445,854 pounds. This total compares with 610,086 pounds, valued at US$319,321, exported in 1958; and only 2,784 pounds, valued at $1,325, in 1957.

The French-owned shrimp fishing and processing company in Bluefields is expected to have a permanent freezing and processing plant completed in July this year. The new plant will have a processing capacity of about 30 tons of shrimp per day and a storage capacity of 200 tons. Future plans call for a work force of 150 and a fleet of 60 fishing and auxiliary vessels. (United States Embassy, Managua, May 3, 1960.)

Norway

HERRING AND LOFOTEN COD FISHING POOR IN 1960:

The Lofoten cod fisheries season which ended in May yielded the second poorest catch since the war. According to preliminary figures, it totaled about 37,000 tons, with an ex-vessel or first-hand value of Kr. 37 million (US$5.2 million), compared with the lowest post-war catch of 33,841 tons in 1958. Unfavorable weather and the prohibition of seine fishing in the Lofoten fisheries during the last two years were mainly responsible.

The winter herring fisheries also had exceptionally poor results this year, with a total catch of 2 million hectolitres (186,000 metric tons), just over 50 percent of last year's catch and the smallest since the war. This is the third consecutive year that the winter herring fisheries have been considered a failure. (Canadian Foreign Trade, June 18, 1960.)

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TASTELESS AND ODORLESS HERRING FLOUR DEVELOPED:

A method for producing herring flour with no taste or odor whatsoever, intended to be mixed 1-10 with grain flour for baking bread and rolls, has been perfected by the Norwegian Fishery Directorate's Ocean Research Institute in Bergen. (News of Norway, May 26, 1960.)

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TO EXTEND FISHING LIMIT TO 12 MILES:

In a statement to the Norwegian Parliament on May 13, the Foreign Minister deplored the failure of the recent 88-nation conference on the Law of the Sea, at Geneva, to reach agreement on new universal limits for territorial and fishery zones. Under the circumstances, he said, the Government sees no alternative but to make the necessary preparations for extending Norway's fishing zone from 4 to 12 miles. This move is designed to provide better protection for coastal fishermen against the damage to fixed gear wrought by foreign trawlers year after year, and thus assure the livelihood of Norwegian fishermen in the future.

Foreign fishing vessels are now barred from a zone delimited by a series of straight lines drawn 4 miles from, and parallel to, so-called base lines between extreme points of North Norway.

The Foreign Minister said the Government was aware that extension of the fishing limit might cause serious difficulties for foreign fishing vessels now operating in Norwegian waters between 4 and 12 miles. To make it easier for these fishermen to adjust to the new situation, the Government is willing to begin negotiations with other countries on reasonable transition arrangements. Whether such negotiations should be conducted on a bilateral basis with individual foreign countries, or multilaterally with a group of countries, is a question that has not been decided as yet.

The Foreign Minister stressed that the Norwegian Government has always advocated that solution of the territorial and fishery zone questions should be sought through international agreement, with the greatest possible participation. Fishermen's organizations have repeatedly demanded that the fishing limit be extended to 12 miles, and each time the Government has urged patience while the United Nations was seeking a global solution. Now, however, the Government feels that it would no longer be justified in postponing the extension.

The Norwegian delegation to the 1960 conference in Geneva was instructed to support the Canadian proposal calling for a territorial sea limit of 6 nautical miles and an adjacent 6-mile fishing zone. Norway's shipping and aviation interests, the Foreign Minister declared, make it desirable that territorial waters in all parts of the world be limited as much as possible, and not exceed 6 miles, at any rate. The interests of Norwegian fishermen, on the other hand, require the opportunity to establish a 12-mile wide fishing zone, with exclusive rights for fishermen of the coastal state. To be sure, the interests of Norwegian whalers, sealers, and deep-sea fishermen operating off the coasts of other nations pull in the opposite direction. But, on the basis of an over-all appraisal, one must say that Norwegian economic interests are best served by a fishing zone of 12 miles.

At a later stage of the conference, Norway decided to back the compromise worked out between the Canadian and the United States proposals. This called for a territorial sea of 6 miles, plus an adjacent 6-mile fishing zone, with a 10-year

Norway (Contd.)

period for liquidation of so-called traditional fisheries conducted by foreign fishermen in waters between the 6 and 12 mile limits. Norway was one of the 54 nations which voted in favor of the compromise proposal. Unfortunately, this failed by one vote to receive the necessary two-thirds majority.

"The negative outcome in Geneva," the Foreign Minister told Parliament, "is a regrettable defeat for efforts to clarify, codify, and develop international law. As a result, there will continue to be doubt and uncertainty regarding the width of the offshore waters that a state, according to international law, can subject to its own sovereignty, wholly or partly. This uncertainty will give rise to disputes, which in some instances may lead to serious conflicts. The continued doubt about international rules in this important area is especially unsatisfactory for such a small country as Norway. Because of our weak position in world politics, we are obliged to seek protection for our economic interests on the sea in rules established by international law," he declared. (News of Norway, May 19, 1960.)

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VESSEL OWNERS' ASSOCIATION PROTESTS 12-MILE FISHING LIMIT:

The chairman of the Norwegian Association of Fishing Boat Owners (representing fishing boat owners in south and west Norway that carry on ocean fishing off the coasts of Greenland, Newfoundland, the Faeroes, etc.) has stated to the press that his Association will protest against the Norwegian Government's announced intention to extend the national fishing boundary to 12 miles. He is reported to have stated that similar action can be expected by other nations in the North Atlantic area, which will mean the exclusion of the Norwegian high-seas fishing vessels from their traditional areas of operation and that the 12-mile limit being enforced by Iceland had already created serious problems for the Association's members. (United States Embassy, Oslo, May 27, 1960.)

Pakistan

FISH OIL IMPORTS, 1958 AND 1959:

Imports of hardened fish oil by Pakistan decreased from about 108,800 pounds in 1958 to about 41,000 pounds in 1959, while the imports of other fish oils increased from 16,900 pounds in 1958 to 562,800 pounds in 1959.

In 1959, imports of 12,300 pounds of hardened fish oils from Norway were down sharply from the 106,600 pounds imported in 1958. However, Norway's exports of other fish oils to Pakistan jumped from zero in 1958 to about 563,000 pounds in 1959. (U. S. Foreign Agricultural Service Report, Karachi, April 18, 1960.)

Pakistan's Imports of Fish Oils, 1958-1959

Product	1959 1/	1958
	(In 1,000 Lbs. 2/)	
Fish Oil (hardened):		
West Germany	4	2.2
Norway	12.3	106.6
United Kingdom	28.3	-
Total	41.0	108.8
Fish Oil:		
Norway	562.8	-
West Germany	-	16.9
Total	562.8	16.9
Total all fish oils	603.8	125.7

1/Estimated.
2/Original data in quintals converted to pounds at 1 cwt = 112 pounds.

Peru

ANCHOVY FISHERMEN DISPUTE WITH REDUCTION PLANTS DECLARED ILLEGAL:

Peruvian plant and vessel owners have refused to meet demands of anchovy fishermen for a specified price per ton for anchovy and for social benefits. The Government declared the dispute illegal on May 21, 1960, and under this decision, fishermen must return to work or employers may replace them without legal obligation. The fishermen were due to return to work May 27, for a 25-day period, during which they intend to request reconsideration of their demands. (United States Embassy, Lima, May 27, 1960.)

Philippines

IMPORTS OF FISH OILS, 1959:

Total fish oil imports by the Philippines decreased to 154,600 pounds in 1959 as compared with 168,700 pounds in 1958. However, imports from the United States increased from 19,400 pounds in 1958 to 30,400 pounds in 1959. More was also received from Japan and other nations, but imports from Norway and Western Germany were off appreci-

Philippines (Contd.):

Philippines' Imports of Fish Oils by Country of Origin, 1958-1959

Country of Origin	Quantity		Value	
	1959	1958	1959	1958
	(1,000 Lbs.)		(US$1,000)	
United States	30.4	19.4	7.1	6.4
Norway	63.5	91.4	7.5	11.1
West Germany	0.5	10.8	0.5	1.4
Japan	43.1	39.1	6.5	6.3
Others	17.0	7.9	1.5	2.1
Total	154.5	168.6	23.1	27.3

ably. (U. S. Foreign Agricultural Service Report, Manila, April 18, 1960.)

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CANNED SARDINE BIDS RECEIVED COMPLY IN PART WITH LABELING REQUIREMENTS:

Because Japanese suppliers were at first unwilling to comply with the Philippine National Marketing Corporation's (NAMARCO) labeling requirements, a NAMARCO spokesman reported that Japanese sardines would be boycotted in favor of United States or South African brands. This statement seemed to be borne out later when a special invitation to bid for 80,000 cases was issued for "American and South African Sardines Preferred."

Eight bids were received at the special opening on June 29, 1960, five of which were nevertheless for Japanese sardines, one for American, and two for South African. The price spread for all bids received was only 7 U.S. cents per case of 24 cans except for the California sardines which were US$9.00 per case c.i.f. Manila compared with $7.53 to $7.60 for the other bids. All bidders complied in the same manner to the marking requirements by agreeing to emboss the word NAMARCO on the top of the tins only, but not on the bottom. Each Japanese supplier quoted two prices--one with the lids embossed, and one without the embossing at five cents a case less.

NAMARCO officials consider it a victory that the Japanese gave in on the embossing requirement. Undoubtedly Japanese firms will get at least part of the business because no single bidder offered more than 20,000 cases. (United States Embassy, Manila, July 1, 1960.)

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LABELING OF CANNED GOODS IMPORTED BY NATIONAL MARKETING CORPORATION:

The new management of the National Marketing Corporation (NAMARCO), a government entity, prescribed new rules regarding labeling of goods which it imports starting with Invitation to Bid No. 2, dated April 22, 1960. This invitation requires that labels, whether imprinted or lithographed, should have a red, white and blue background with the identifying marks superimposed. The word "NAMARCO" must be embossed on top and bottom of tins and other containers. Extra labels equivalent to 1 percent of the total quantity ordered shall accompany the shipment, free of charge, in cases where the label is not lithographed on tins.

Prescribed labeling designs are attached for each commodity covered in the invitation--corned beef and two types of sardines. In addition to being embossed on the top and bottom of each tin container, the name NAMARCO must appear in large letters on the sides of the cans, with the result that the trade name is rather dwarfed in comparison.

NAMARCO officials stressed that this new plan is not an attempt to eliminate commercial labels completely and replace them with NAMARCO labels, but rather that the NAMARCO legend will be emphasized, while the personality of the brand will remain.

Already, however, NAMARCO is having difficulty with Japanese sardine suppliers over this new marking requirement. The Japanese claim that they cannot stamp the cans after the sardines have been packaged. They also state that they will not stamp them during the packaging process without a firm contract supported by a letter of credit from NAMARCO because of the danger that NAMARCO would not take all cans so marked, leaving the packers with sardines in NAMARCO tins which could not be sold elsewhere.

Philippines (Contd.):

Representatives in the Philippines of major United States suppliers have expressed the same position privately and indicated their bids will all be subject to a waiver of the labeling requirements. Philippine press indicated some United States suppliers would comply. (United States Embassy, Manila, May 18, 1960.)

Portugal

SARDINE FISHERMEN SIGN WAGE AGREEMENT FOR 1960:

A wage agreement for 1960 was signed on April 26, 1960, following negotiations between Government representatives and delegates of the sardine fishing organizations. Details of the 1960 agreement were not published as of May 13, but it is understood that the terms of the agreement were about unchanged from those established for the Matosinhos fishermen in 1959. During the negotiations on the wage agreement various pending problems of the 15,000 sardine fishermen were resolved, the United States Consul at Oporto reported on May 13, 1960.

Surinam

FISHERIES TRENDS, MAY 1960:

Fish consumption is important in the Surinam diet. According to estimates of the Fisheries Service, per capita consumption of fresh fish is about 42.1 pounds as compared with 15.2 pounds of fresh meat. In addition, important quantities of dried, smoked, and salted fish are consumed. Domestic production of fishery products does not meet total demands and in each of the past two years fish and fish products valued at over US$530,000 were imported. Landings of fish and small shrimp (seabob) for domestic consumption is estimated at about 4,000 metric tons (8.8 million pounds) of which about 3,600 tons are sold in markets and about 400 tons are caught and consumed.

The Government's fisheries development program aims at doubling the domestic production by 1965. Some 700-800 fishermen are estimated to be employed more or less full time in the domestic industry. The fishing areas are limited to the rivers, creeks, swamps, and estuaries of the coastal area. Primitive fishing methods are used exclusively. The small native canoes are not seaworthy or adequate for offshore fishing operations. While production can probably be moderately increased by present methods, any major expansion would doubtless depend upon offshore fishing with modern trawlers. The possibility of introducing trawlers for bottom fishing is being studied.

Surinam's only substantial export of fishery products is large offshore shrimp. The shrimp are caught by trawlers off the coast of Surinam and frozen and exported by a firm which has an exclusive export right. In 1959, shrimp valued at $270,000 were exported as compared with about $82,000 in 1958. Shrimp landings and exports in 1960 are expected to be considerably above those of 1959. In early 1960 the shrimp exporting firm gave up its exclusive export rights to fishery products other than shrimp, in return for which it obtained certain concessions including authority to improve and expand its plant facilities. With the early completion of an ice plant it expects to be able to service an expanded fleet of trawlers. About 9 trawlers were in operation during May 1960.

Shrimp are being fished in the waters off the Surinam coast by trawlers based in British Guiana and Trinidad as well as those based in Surinam's port of Paramaribo. (U. S. Consulate in Paramaribo, May 31, 1960.)

Spain

FIRST FISH FACTORYSHIP UNDER CONSTRUCTION:

Spain is in the process of building its first fish factoryship Maclina de Ciriza. The 4,300-ton vessel will be capable of

Spain (Contd.):

catching and processing about 3,000 metric tons of fish which will be filleted and quick-frozen on board, according to Dansk Fiskeritidende, a Danish fishery trade periodical (Fiskets Gang, June 2, 1960.)

Sweden

BIOLOGICAL EFFECTS OF RADIOACTIVE CONTAMINATION IN LAKES UNDER STUDY:

A Swedish west coast fishery research scientist for some years has been engaged in investigating the effect of the radioactive outflow from atomic reactors on water in Sweden. During a four-months trip in 1956 to England and United States, he studied the biological problems that the utilization of atomic power has created.

The Swedish scientist is now studying the biological effects of the radioactivity level in Lake Tvaren, which serves as the outlet for the atomic research institution at Studsvik. This check will be made by the Swedish Fisheries Board and the Radio Physical Institution, the latter is the top organization in Sweden concerned with protection from radioactivity. Similar control is also planned for Lake Magelungen, the outlet for the Agesta reactor, which will be Sweden's first atomic reactor for industrial use. (United States Consulate, Goteborg, May 24, 1960.)

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CANNED FISH EXPORT CONTRACT WITH EAST GERMANY SIGNED:

The Swedish Fish Canners' Association has signed a contract with East Germany providing for export of canned fish, such as canned herring and anchovy, valued at 2,800,000 crowns (US$540,400). The contract was signed at the Swedish Industries Fair, where East Germany for the first time was participating with an official exhibit. (United States Consulate, Goteborg, May 24, 1960.)

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FISH AND SHELLFISH LANDINGS, 1958-59:

The Swedish fishing fleet landed 250,062 metric tons of fish and shellfish at home and abroad in 1959, an increase of 16 percent as compared with the 215,206 tons landed in 1958. The landings include fish for industrial purposes, such as for fish oil and fish meal. This category represented over 16 percent of the total landings at home and abroad in 1959, and has in late years made up an increasing share of the total Swedish fish landings.

Landings at Swedish ports made up 67 percent of the total landings, while the remaining 33 percent were landed in Denmark, West Germany, and Great

Table 1 - Fish and Shellfish Landings by Swedish Fishermen (Including Landings in Foreign Ports), 1958-59

Species	Quantity		Value			
	1959	1958	1959	1958	1959	1959
	. . (Metric Tons) . .		(SW. Kr. 1,000)		. . (US$1,000) . .	
Herring, and Baltic Herring:						
Herring	116,307	97,112	54,847	50,350	10,596	9,728
Baltic herring	19,721	19,370	11,078	10,511	2,140	2,031
Total	136,028	116,482	65,925	60,861	12,736	11,758
Groundfish:						
Cod	25,536	26,932	17,347	17,561	3,351	3,393
Haddock	4,476	5,987	4,912	5,717	949	1,104
Whiting	2,612	2,778	2,261	2,101	437	406
Ling	2,766	3,057	2,742	3,032	530	586
Other	5,088	5,086	4,165	4,490	805	867
Total	40,478	43,840	31,427	32,901	6,072	6,356
Mackerel	12,178	13,287	8,813	9,230	1,703	1,783
Sprat	4,071	2,188	3,786	3,670	731	709
Other (including shellfish)	1/ 11,368	9,113	39,647	32,754	7,660	6,328
Not specified	4,102	4,351	5,043	5,202	974	1,005
Industrial fish	41,832	25,945	7,616	4,452	1,471	860
Total all fish	250,062	215,206	162,257	149,070	50,155	28,799

1/Includes: flatfish - 3,027 tons; eel - 2,239 tons; salmon - 1,305 tons; shellfish - 4,797.
Note: (1) Preliminary data. (2) Values converted at rate of one Sw. Kr. equals US$0.1932.

Sweden (Contd.):

Britain. Compared with 1958, the domestic landings increased by 14 percent and the foreign landings by 21 percent.

crowns (US$6.5 million), compared with 29,655,000 crowns ($5.7 million) in 1958. Eighty-one percent of the total value of the 1959 landings abroad came from Denmark, while 14 percent came from West Germany, and 5 percent from Great

Table 2 - Fish and Shellfish Landings in Swedish Ports, 1958-59

Species	Quantity		Value			
	1959	1958	1959	1958	1959	1958
	. . (Metric Tons) . .		. (SW. Kr. 1,000) .		. . (US$1,000) . .	
Herring, and Baltic Herring:						
Herring	64,149	52,529	30,632	28,016	5,918	5,413
Baltic herring	19,721	19,370	11,078	10,511	2,140	2,031
Total	83,870	71,899	41,710	38,527	8,058	7,443
Groundfish:						
Cod	24,800	26,329	16,815	17,163	3,249	3,316
Haddock	3,942	5,287	4,489	5,221	867	1,009
Whiting	2,124	2,246	1,917	1,754	370	339
Ling	2,730	3,034	2,720	3,019	526	583
Other	3,859	4,297	3,308	3,917	639	757
Total	37,455	41,193	29,249	31,074	5,651	6,003
Mackerel	7,474	8,416	5,987	6,317	1,157	1,220
Sprat	3,937	2,111	3,700	3,572	715	690
Other (including shellfish)	1/ 11,306	9,077	39,566	32,695	7,644	6,317
Not specified	3,816	4,209	4,754	5,087	918	983
Industrial fish	21,111	11,533	3,652	2,143	706	414
Total all fish	168,969	148,438	128,618	119,415	38,558	36,518

1/Includes: flatfish - 2,965 tons; eel - 2,239 tons; salmon - 1,305 tons; shellfish - 4,797 tons.
Note: Values converted at rate of one Sw. Kr. equals US$0.1932.

The total value of the 1959 landings, including fish for industrial purposes, amounted to US$31.3 million as compared with $28.8 million in 1958, an increase of 9 percent. Landings in foreign ports accounted for the largest part of this increase and the total value of the foreign landings increased by 13 percent, while the landings in Sweden increased by 8 percent.

Total landings in Sweden increased from 148,438 tons in 1958 to 168,932 tons in 1959. The increase originates from the West and East Coast areas, where the landings increased by 25 and 3 percent, respectively, while the landings on the South Coast dropped by 6 percent.

The total quantity of fish landed in foreign ports by Swedish fishermen in 1959 amounted to 81,093 metric tons as compared with 66,768 tons in 1958. The larger part, or almost 70,000 metric tons, was landed in Danish ports. Of those landings, herring comprised 61 percent, while industrial fish made up almost 30 percent. Landings in West Germany and Great Britain also consisted chiefly of herring.

The total value of the foreign landings in 1959 amounted to 33,639,000

Britain, as compared with 90, 5, and 5 percent, respectively, in 1958.

The average price for fish landed in Sweden in 1959 (excluding industrial fish) amounted to 0.85 crown a kilo (7.4 U. S. cents a pound), the same as in 1958. The average price for the 1959 catch (including landings in foreign ports but excluding industrial fish) was somewhat lower than in 1958--0.74 crown a kilo (6.5 U. S. cents a pound) in 1959 as against 0.76 crown a kilo (6.7 U. S. cents a pound) in 1958. The average price for herring landed in Swedish ports was 0.48 crown a kilo (4.2 U. S. cents a pound), somewhat higher than the 0.46 crown a kilo (4.1 U. S. cents a pound) for herring landed in foreign ports by Swedish fishermen. (United States Consulate at Goteborg, May 18, 1960.)

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FISHERMEN HOPE TO REACH AN AGREEMENT WITH NORWAY ON 12-MILE LIMIT:

Swedish west coast commercial fishermen have hope of reaching a bilateral agreement with Norwegian authorities which will permit Swedish trawlers to fish up to 4 nautical miles off the south coast of Norway and up to a level with Lindesnes. This optimism was expressed

Sweden (Contd.):

by an official of the West Coast Fishermen's Central Association when queried by the Goteborg press about the announcement made on May 13, 1960, by the Norwegian Minister of Foreign Affairs to the effect that Norway will establish a 12-mile fishing limit.

The Swedish fishery official was also quoted as saying that the matter chiefly concerns Swedish shrimp fishermen from the northern part of the province of Bohuslan. These fishermen would lose catches valued at about 5 million crowns (about US$965,000) yearly if they were barred from their customary fishing grounds by a Norwegian 12-mile limit.

In occasional years, Swedish fishermen also fish for sprat and herring within 12 miles from the Norwegian south coast. It is very seldom, however, that Swedish fishermen come inside the 12-mile zone off the Norwegian west coast.

The Swedish fishery representative also said that through his contact with the Norwegian fishery associations he had learned that Norwegian west and north coast commercial fishermen had pressed for a 12-mile limit. The Norwegian south coast fishermen, however, had no desire to drive Swedish fishermen from their traditional shrimp fishing grounds, the United States Consul at Goteborg reported on May 17, 1960.

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FISHING INDUSTRY AND EUROPEAN FREE TRADE ASSOCIATION:

The Swedish fishery industry today is facing changes that may be of decisive importance to its continued development, according to the economist of the West Coast Fishermen's Central Association writing in Svenska Vastkustfiskaren ("Swedish West Coast Fisher"), the organ of the association.

In depicting what he terms "the muddled situation," he cites as characteristic the dissolution of the 1954 Government fishery investigation committee, the principal reason for this action being that the European Free Trade Association (EFTA) had become operative on July 1 of this year, and will affect the Swedish fishery industry to an extent which cannot yet be foreseen.

The committee, the economist says, agreed unanimously that a price regulating system for fisheries was also necessary in the future. This question, he says, will now be investigated by the Swedish Board of Agriculture, which has been commissioned by the Minister of Agriculture to examine the matter of preparing such a price regulating system, in collaboration with representatives of the fishery industry and other interested parties.

In discussing the impact of the establishment of the free trade area on Swedish fisheries, the economist cited as the most immediate consequence the circumstance that on July 1 this year the import fees for frozen fish fillets were reduced by 20 percent as well as the customs duty on canned fish, while at the same time new global contingents, intended to facilitate imports, were introduced for frozen fish fillets, spiced sprat, etc., which are not subject to any fees.

In looking ahead the economist can only envisage that the free trade area means "disturbing prospects" for the Swedish fishing industry. His fears are based mostly on the fact that the free trade area includes Sweden's two largest fish suppliers, namely Norway and Denmark.

His only solution is that the fishery industry must demand that the authorities give the industry financial compensation through price-regulating funds or appropriations of other kinds. He recalled that at the end of April this year the government submitted a proposition to the Riksdag (Congress) including an allotment of 25 million crowns (US$4.8 million) to the regulating associations of agriculture to cover costs in connection with the reduction of certain agricultural raw material to world market prices, made necessary by EFTA. It is anticipated, he says, that further measures may be required. On behalf of the

Sweden (Contd.):

West Coast fishery industry he has discussed the question with the Board of Agriculture, but there is no result as yet, he reports.

He also points out that the Swedish fishery industry, in addition to being a member of a free trade group which includes the industry's most serious competitors, has at the same time been left standing outside the European Common Market which includes some of the industry's largest customers, principally West Germany.

It is now evident, he says, that as early as at the turn of the year the six-state Common Market will begin building an outer customs barrier affecting herring and fish, among other things. He cannot foresee at the present time to what extent this will affect Sweden's direct landings as well as commercial exports, but it is hardly an exaggeration, he says, to characterize the prospects as disturbing.

The bright aspects of the picture, as seen by the economist, are that the Swedish fishery industry is at present undergoing a rationalization which will increase its international competitive power, and the West Coast fishermen have established powerful trade and economic organizations through which they have mediums that will look after their interests. (United States Embassy, Goteborg, report of June 1, 1960.)

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MARINE-OIL PRODUCTION, FOREIGN TRADE, AND CONSUMPTION:

Production: For the marketing year ending August 31, 1960, it is estimated that Sweden's production of fish-liver oil will be 750 metric tons; for fish oil, 2,000 tons. Compared with the 1959 marketing year, this indicates a relatively stable production (table 1).

Exports: Slight change is indicated in Sweden's marine-oil exports, as it was estimated that Sweden would export 6,000 metric tons of whale oil in the 1960 marketing year as compared with 5,744 tons in the 1959 marketing year; 1,500 tons of fish oil in 1960 as compared with 1,471 tons in 1959 (table 2).

Imports: In 1959, the United States was Sweden's greatest single source of marine fats and oils. This situation should continue, as a new demand has been created for oils with a high percentage of unsaturated acids and United States menhaden oil is included among them.

Table 1 - Sweden's Supply and Disappearance of Edible Marine Oils for Marketing Years 1958/59-1959/60 (Ending August 31)

Item	Estimated 1959/60				1958/59			
	Fish-Liver Oil	Whale Oil	Fish Oil	Total	Fish-Liver Oil	Whale Oil	Fish Oil	Total
	(Metric Tons)							
Opening stocks 9/1	100	11,569	3,630	15,299	100	13,467	5,635	19,202
Production (crude only)	750	-	2,000	2,750	700	-	1,900	2,600
Imports	900	26,000	7,000	33,900	1/883	1/26,241	1/5,135	1/32,259
Total supply & disappearance	1,750	37,569	12,630	51,949	1,683	39,708	12,670	54,061
Exports	-	2/6,000	1,500	7,500	-	2/5,744	1,471	7,215
Domestic disappearance	1,650	20,525	8,000	30,175	1,583	22,395	7,569	31,547
Ending stocks 8/31	100	11,044	3,130	14,274	100	11,569	3,630	15,299

1/Distribution by types partly estimated for September-December 1958.
2/Exported as hydrogenated.

Table 2 - Sweden's Exports of Marine Oils by Type and Country of Destination, Calendar Year 1959

Type and Origin	Quantity
	Metric Tons
Herring oil, raw:	
Norway	1,890
West Germany	315
Denmark	513
Austria	10
Italy	33
Total	2,761
Other fats and oils from fish and marine-mammals:	
Belgium	8
Greece	1
Total	9
Grand total	2,770

Sweden received 16,927 metric tons of marine fats and oils from the United States in 1959. The bulk of marine fats and oils imported by Sweden in 1959 were refined products, however; considerable amounts of whale oil and herring oil were imported unrefined.

Marine-oil imports by Sweden in marketing year 1960 are expected to increase slightly.

Sweden (Contd.):

Consumption: During the 1959 marketing year ending August 31, a total of 25,689 metric tons of marine oils were used for food as compared with 5,858 tons used for technical purposes. Margarine production consumes the bulk (25,350 tons) of the marine oils in Sweden, and increased use of marine oils can be anticipated as margarine production is expected to increase by 7,000 tons in 1960. The balance of the marine oils used for food are used in baking, fat emulsions and mayonnaise, and frying fats.

Table 3 - Sweden's Imports of Marine Oils by Type and Country of Origin, Calendar Year 1959

Type and Origin	Quantity Metric Tons
Whale Oil, Raw:	
The Netherlands	956
Norway	5,102
Total	6,058
Sperm Oil, Raw:	
Norway	100
Great Britain	54
Total	154
Seal Oil, Raw:	
Norway	17
Denmark	3
Total	20
Herring Oil, Raw:	
Norway	87
Western Germany	3,755
Denmark	763
Iceland	1,647
Total	6,252
Vitaminized Oil Products:	
Norway	16
Japan	52
Total	68
Medical and Veterinary Oil:	
Norway	853
Iceland	37
Great Britain	54
Denmark	91
Total	1,035
Other Fats and Oils from Fish and Marine-Mammals (Also Refined):	
Norway	654
Western Germany	3,112
Peru	488
United States	16,927
Denmark	48
Total	21,229
Grand Total	34,816

Prices: C.i.f. wholesale prices as of March 31, 1960, for crude hydrogenated whale oil were 2.30 kronor a kilogram (20 U. S. cents a pound) and for refined 2.44 kronor a kilogram (21 U. S. cents a pound). Swedish importers paid an average of 1.13 kronor a kilogram (10 U. S. cents a pound) for whale oil in 1959, and 1.08-1.13 kronor a kilogram (9.5-10.0 U. S. cents a pound) in January-March 1960. (United States Embassy, Stockholm, April 20, 1960.)

Note: Values converted at rate of 1 krona equals US$0.193.

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PROHIBITION ON SALES OF ICELANDIC HERRING REMOVED FOR 1960:

The Swedish Agricultural Marketing Board has announced that there will be no prohibition in Sweden against the sale of imported Icelandic herring in 1960. Such a prohibition has in previous years been in effect during a certain period in the fall in order to protect the sales of North Sea (Fladen) herring landed by Swedish fishermen.

In commenting on this action, a representative of the West Coast Fishermen's organization stated that Swedish North Sea (Fladen) fishermen do not have any complaint against competition with Icelandic herring caught by other Swedish fishermen and landed in Sweden. They do, however, consider it unwise to permit the sale of imported Icelandic herring during a period when there usually is a good supply of North Sea herring available in Sweden. He said further that the sales prohibition, that had been in effect in previous years, had favored the trade with herring, and he asserted that even dealers in salted herring are in favor of the sales prohibition. (U. S. Consulate in Göteborg, May 17, 1960.)

Thailand

COD-LIVER OIL IMPORTS INCREASE:

Imports of cod-liver oil by Thailand increased to 26,153 gallons valued at US$35,048, in 1959 as compared with 12,945 gallons valued at US$22,048 in 1958. Imports of other marine-animal oils in both years were valued at less than US$1,000. The average price paid for cod-liver oil imports in 1959 was down about 21 percent from the preceding year.

The tariff duties of Thailand pertaining to fats and oils (including fish and marine animal oils), whether or not re-

Thailand (Contd.):

fined, were revised on March 3, 1960. Both an ad valorem and a specific duty now exist; the higher of the two is paid. The ad valorem rate for edible marine oils is 22 percent of the value or a specific rate of 21.1 U. S. cents a kilo (9.6 cents a pound). Inedible marine oils have an ad valorem rate of 22 percent or a specific rate of 3.2 cents a kilo (about 1. 5 cents a pound).

Thailand's exports of fish and marine-animal oils are very negligible. (Foreign Agricultural Service Report, Bangkok, April 11, 1960.)

U. S. S. R.

FIRST FISH CANNING FACTORYSHIP LAUNCHED:

On April 20, 1960, the Soviet Union's first fish canning factoryship, the Andrej Zakharov, was launched according to a report in Leningradskaja Pravda of April 21. The ship is 162 meters (531.4 feet) long and displaces 15,300 tons and will be stationed in Vladivostok. It is designed for an annual capacity of 25 million cans, 105 tons of caviar or other fish roe, and 126 tons of fish oil. (Fiskets Gang, May 19, 1960.)

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LITHUANIAN FISHERIES TRENDS, APRIL 1960:

In 1960, the Lithuanian fisheries are scheduled to produce over 100,000 metric tons. The landings during the first quarter of 1960 indicate that this goal will be reached before the end of the year, according to a report by the Chief, Directorate for the Fishing Industry of the Lithuanian Regional Economic Council, published in Sovjetskaja Litva of April 10, 1960.

In 1959, the whole of the catch of ocean perch was landed salted. This year most of the catch will be landed frozen. Preparations for the herring fishery which begins in July are under way. Part of the fleet will go to Iceland to fish with gill nets, and another part will trawl in the North Sea. Cod fishing will be conducted on new grounds off Greenland and in Davis Strait, and there will be trawling for herring in the Norwegian Sea. (Fiskets Gang, May 19, 1960.)

United Kingdom

WHITE FISH AUTHORITY INCREASES INTEREST RATES ON FISHERY LOANS AS OF MAY 13:

The British White Fish Authority, as a result of increases in the rates of interest charged to them by the Treasury, increased its rates on fishery loans on May 13, 1960.

The new rates are: On loans for not more than 5 years, $5\frac{1}{2}$ percent; increase $\frac{1}{8}$ percent. For more than five years but not more than 10 years, $5\frac{3}{4}$ percent; increase $\frac{1}{4}$ percent. For more than five years but not more than 15 years, $6\frac{1}{4}$ percent; no change. For more than 15 years $6\frac{1}{4}$ percent; increase $\frac{1}{8}$ percent.

The new rates do not apply where the final installment of a loan or interim installments in current cases were paid by the Authority before May 13. (The Fishing News, May 27, 1960.)

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PRODUCTION, IMPORTS, AND CONSUMPTION OF WHALE OIL, 1958 AND 1959:

Imports of whale oil by the United Kingdom decreased from 86,400 long tons in 1958 to 81,700 tons in 1959[1/]. Britain's Antarctic whale-oil production also decreased, from 49,000 tons in 1958 to 30,500 tons in 1959. In addition, production from the Falkland Islands totaled 6,700 tons in 1958 and 6,300 tons in 1959.

British margarine consumption increased 1.6 pounds per capita in 1959 and considerably larger quantities of refined whale oil were diverted to this use--from 80,000 tons in 1958 to 91,000 tons in 1959. In 1959, 45,000 tons of whale oil were used in cooking fat, as compared with 47,000 tons in 1958.

1/These figures no longer include oil produced from British whaling operations.

United Kingdom (Contd.):

The use of crude whale oil increased from 138,600 tons in 1958 to 149,700 tons in 1959. (U. S. Foreign Agriculture Service Report, London, April 14, 1960.)

Uruguay

FISH MEAL PRODUCTION EXPECTED TO INCREASE SLIGHTLY:

In 1959, Uruguay produced 900 metric tons of fish meal. It is estimated that this production will increase to 1,000 tons in 1960 and to 1,200 tons in 1961. It is expected that any increased production will be utilized domestically in animal feed. (U. S. Foreign Agricultural Service Report, Montevideo, April 13, 1960.)

SCALLOPS

Approximately 20,000 people from all parts of the country attended the Third Annual Scallop Festival at Marine Park in New Bedford, Mass., August 12, 13, and 14, 1960. Scallops are generally an exceptionally good buy. They are very nutritious--contain high levels of well-balanced protein, very little fat, and many of the minerals and vitamins so necessary for the good health of all members of the family.

New England scallop supper.

Scallops can be served in various ways, including cocktails, appetizers, soups, salads, broiled, fried, or in combination dishes. A typical combination dish, which is both appetizing and economical, is "New England Scallop Supper," as recommended by the home economists of the U. S. Bureau of Commercial Fisheries.

NEW ENGLAND SCALLOP SUPPER

2 pounds scallops, fresh or frozen
2 quarts boiling water
¼ cup salt
6 medium baking potatoes
¼ cup flour
1 teaspoon salt
2 cups milk
1 cup cooked peas
¼ cup butter or other fat

Thaw frozen scallops. Remove any shell particles and wash. Place in boiling salted water. Cover and return to the boiling point. Simmer for 3 to 4 minutes, depending on size. Drain. Cut large scallops in half. Wash potatoes. Bake potatoes in a hot oven, 425° F., for 45 to 60 minutes or until soft. Melt butter; blend in flour and salt. Add milk gradually and cook until thick and smooth, stirring constantly. Stir in peas and scallops. Heat. Cut a cross in the top of the baked potatoes with a pointed knife. Squeeze the potatoes so that the interior will be exposed. Serve scallop mixture over potatoes. Serves 6.