

OTHER FISHERY NOTES

Alaska Fisheries Regulations

Secretary of the Interior J. A. Krug announced on July 20 a series of hearings to be held between September 10 and November 14 by the Fish and Wildlife Service so that Pacific Coast fishermen could discuss proposed changes in the Alaska commercial fisheries regulations for 1947.

The hearings, the Secretary said, are scheduled as follows:

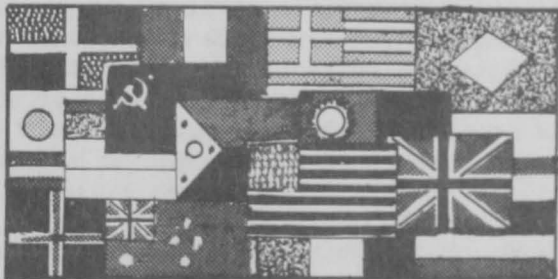
Kodiak	- Sept. 10	Juneau	- Sept. 20	Wrangell	- Sept. 27
Anchorage	- " 13	Sitka	- " 23	Ketchikan	- " 28
Cordova	- " 16	Klawak	- " 25	Seattle	- Nov. 14

Discussion of trap site limitations, on which hearings were started in Washington on February 21, 1946, will be postponed until later, with the exception of questions concerned with the new section 201.26, which was originally proposed in the Secretary's order of March 6, 1946. This section contains provisions which will serve to exclude from any trap site a person who held a permit for that site in 1946 but who, instead of occupying it himself, leased or assigned it without bearing all or a substantial part of the expenses and financial risk involved in the installation, care, service, and use of the trap.



The American Trade Proposals: Trade Barriers Imposed by Governments ✓

World trade is of great concern to the United States. Since 1934, this country--through the Hull Trade Agreements--has been actively pursuing a policy of lowering trade barriers. Now, with the war over and the great tasks of reconstruction begun, this country has the opportunity to use its economic leadership to guide the world toward the goals of increased international trade conducted on a basis beneficial to all, with greater freedom than was possible in the past. We cannot create such a world single-handed; it requires the help of all trading countries.



In an attempt to move in the direction of reducing trade barriers, the United States Government on December 6, 1945, issued its "Proposals for Expansion of World Trade and Employment."^{2/} These Proposals have been carefully prepared by experts

^{1/} This is condensed from an article by Mrs. Margaret Potter, published in the March 17th Bulletin of the State Department. A companion article will appear in the September issue of the Commercial Fisheries Review.

^{2/} The Department of State Bulletin of December 9, 1945, p. 912.

from many interested departments and agencies of the Government. They are published as a basis for discussion which, it is hoped, will lead to a world conference on trade and employment. In a joint statement with the United States Government, the British Government has stated that it "is in full agreement on all important points in these proposals and accepts them as a basis for international discussion; and it will, in common with the United States Government, use its best endeavors to bring such discussions to a successful conclusion, in the light of the views expressed by other countries."^{1/}

As a first step, the United States has invited 15 countries to participate in a preliminary meeting at which mutual trade-barrier reductions would be negotiated and at which recommendations to the world conference would be prepared regarding general policies in the field of international trade.

The Proposals themselves are comprehensive, dealing not only with governmental barriers to trade, but also with those imposed by private business organizations and with international agreements concerning certain commodities that offer special problems in world trade. The international aspects of domestic employment policies and the structure of a proposed International Trade Organization also are covered. The present article discusses those sections of the Proposals dealing with governmental trade barriers.

The International Trade Organization would function, within the system created by the Charter of the United Nations, as the central international forum for the discussion of problems relating to international trade and trade barriers, and for the formulation and recommendation of methods of dealing with such problems. Its charter would be adopted at the world conference on trade and employment, and its original membership would consist of all nations participating in that conference which accepted membership in it. The fundamental purposes of the ITO, as outlined in the Proposals, would be to promote international commercial cooperation, to enable members to avoid recourse to measures destructive of world commerce, to facilitate access by all members on equal terms to the trade and raw materials of the world, and, in general, to promote the expansion of production, exchange of goods, and high levels of employment and real income.

GOVERNMENT BARRIERS TO PRIVATE TRADE: There are four general ways in which private trade can be restricted by governments: tariffs and preferences, quantitative restrictions, exchange control, and miscellaneous administrative controls. In addition, governments have distorted the flow of trade and in some cases restricted it--directly or indirectly--through improper use of subsidies and state-trading organizations. For each of these types of government regulation of trade it is the objective of the Proposals to present a generally acceptable code of principles which will permit an expanding flow of world trade.

TARIFFS AND PREFERENCES: Of all the barriers to trade which grew up between 1930 and the outbreak of World War II, tariffs and preferences bulk perhaps the largest in the minds of the American and British peoples, since measures of this kind form the principal trade barriers used by the United States and the British Commonwealth countries. The United States Proposals attack the related problems of tariffs and tariff preferences as a unit.

QUANTITATIVE TRADE RESTRICTIONS: Long before the war it had become apparent that quantitative controls provide the most effective of all methods of obstructing the flow of trade. By the same token, they have been the most formidable barrier
^{1/} The Department of State Bulletin of December 9, 1945, p. 912.

to the expansion of trade. In considerable degree, trade can adjust itself to tariffs, even to rather high tariffs. There is no way, however, in which trade can adjust itself to an outright prohibition on imports or to a restrictive quota. Under the United States Proposals, quantitative restrictions would be eliminated, in principle, both as regards export and import trade, in conformity with the general purpose of avoiding recourse to measures destructive of world commerce.

EXCHANGE CONTROL: The Bretton Woods International Monetary Fund Agreement takes detailed account of exchange-control problems. By providing funds for stabilization purposes it reduces the need for exchange control. The Fund Agreement, therefore, provides for the elimination of exchange controls after a transitional period, except in specified circumstances. It also sets up standards to ensure that when exchange controls do exist they shall not be used to discriminate against any member country after a transitional period. With the Fund Agreement in existence it seemed unnecessary to incorporate elaborate exchange-control provisions in the United States Trade Proposals. The simple provision is made that members of the ITO shall abide by the exchange principles of the International Monetary Fund.

GENERAL COMMERCIAL PROVISIONS: In addition to the well-defined and regularly recurring trade practices by which trade has been restricted and diverted into uneconomic channels for reasons of military or political strategy, because of exchange difficulties or for other reasons, states have in the past made use of a great variety of regulations of a miscellaneous character which have had much the same effect. In some instances such measures have been conscious efforts to give protection to domestic interests; elsewhere a more or less unintended confusion of regulations, restrictive in effect, has resulted from the frequent changes necessitated by prewar difficulties or wartime trade conditions. Consequently, a thorough overhauling of all countries' customs regulations and other administrative controls affecting imports is an essential part of a well-rounded program of trade-barrier reduction.

OTHER GOVERNMENT PRACTICES AFFECTING WORLD TRADE: The provisions already described complete the sections of the Proposals dealing with governmental measures which operate primarily to restrict private trade. Under the general heading of barriers to trade, the Proposals also deal, however, with two other governmental practices which sometimes constitute trade barriers. One such practice, the use of subsidies, if it affects international trade at all, operates primarily to distort the direction of trade; the other, the use of state-trading organizations, may obstruct trade either by distorting its direction or by restricting the total volume of trade both public and private.

Subsidies: In an effort to improve the incomes of producers of various goods--particularly agricultural commodities, of which prices had fallen disproportionately to other prices during the depression and after--and sometimes for other reasons, various countries have adopted measures to subsidize producers of certain commodities. In some cases subsidies have related to domestic production, as do direct payments to producers or public purchases of the commodity at minimum prices. Others have been paid upon exports of the commodity from the country employing the subsidy.

Some subsidies of the first class have not affected international trade at all or not significantly, but many others have resulted either in decreased imports into the country employing a subsidy or increased exports from it. Export subsidies and all domestic subsidies which have operated to force increased exports on world markets have in turn increased competition in world markets already

depressed by surpluses, and have made it increasingly difficult for equally or more efficient suppliers in other countries to obtain remunerative prices for their produce. Apart from these economic difficulties, the use of subsidies to promote exports has also tended, in competing exporting countries, to create fear of increased subsidies and resentment against the country employing them.

Under the Proposals, subsidies are treated under two main categories: those related to domestic production and those which take the form of export subsidies. Domestic subsidies which do not operate to increase exports or to reduce imports would not be subject to any international procedure at all, but all domestic subsidies which have such international effects would be reported to the ITO. It may be assumed, for example, that under these Proposals payment of a subsidy to maintain pilot plants for industries essential to national defense might fall entirely outside the purview of international regulation. On the other hand, a subsidy paid to maintain commercial operations by an industry required for national security might, without causing serious damage to the trade of any other country, have international effects and so require reporting to the ITO.

If the domestic subsidy were such as to cause serious damage to the trade of another country, the subsidy would not only be reported but an effort would be made to reach agreement regarding limitation of its use. Such might, for example, be the case if a subsidy were maintained to encourage home food production in a country which would otherwise require considerably larger imports of food-stuffs.

For export subsidies, separate provision is proposed. Because of their immediate and disturbing effects upon the trade of other countries, it is contemplated that their use would in general be abandoned after an initial transitional period. However, in the case of commodities in burdensome world surplus, export subsidies could still be used within reason either under an approved international commodity agreement or if efforts to conclude such an agreement had failed. This provision would, for example, permit the continuance beyond the transitional period of United States export subsidies on two commodities which have presented troublesome surplus problems in the past, namely, wheat and cotton, only if (1) it had been shown that both were in burdensome world surplus, (2) an approved international commodity agreement had been concluded, under which the subsidies were being operated, or (3) efforts to reach an international commodity agreement had failed. Even so, the subsidy would not be operated to increase the United States' share in world trade in these commodities, as compared with a previous representative period.

State Trading: The term state trading is one which, to most Americans, immediately calls to mind the practice of requiring all exports or all imports to be sold and purchased through a single governmental trading company, either for purposes of managing the country's foreign exchange resources or as a part of a domestic production-control program. Actually, the term is much more inclusive and as such applies to the operations of a number of United States governmental agencies. Purchase of strategic materials or of agricultural products by governmental agencies for resale, either to ensure supplies or to support or control prices, is a form of state trading. Foreign state monopolies, such as the tobacco and match regimes maintained by several countries for revenue purposes, fall in the same general class.

The various possible practices of state-trading organizations affect international trade in varying degrees. Major commercial-policy problems regarding

state trading arise mainly from the use by such organizations of methods which are restrictive of trade, whenever used, and, secondly, from the difficulty of applying to state-trading organizations the standards of commercial practices that have grown up in connection with private trading. The Proposals, therefore, seek, through agreement on the rules under which state-trading organizations shall operate, to provide a basis on which countries employing state-trading organizations can carry on an expanding trade with countries in which trade is carried on mainly by private enterprise.

For example, the rules might state that the channeling of purchases from a source chosen for political rather than economic reasons, whether in connection with quotas or with state-trading organizations, may distort or restrict the flow of trade and would, therefore, be prohibited. Purchase of goods by an import monopoly for resale in the domestic market at a price higher than the landed cost is equivalent to the imposition of a tariff, and such differences would, therefore, be subjected to the same treatment as tariffs. That is, protective margins employed by state-trading monopolies would be regarded as eligible for binding or reduction, like tariffs, and an agreed level of tariff protection might not be increased by subsequently establishing state monopolies to resell the commodity at an increased differential above world prices.

Finally, since the Proposals are aimed at the expansion of foreign trade, it is provided that state-trading countries or organizations should undertake to purchase minimum amounts of goods annually, subject to periodic adjustment in consultation with the International Trade Organization.

CONCLUSION: These sections of the Proposals, dealing with trade barriers, like other sections, represent a carefully prepared draft for consideration by a conference of many nations. During the months to come, other countries will be expressing their views on these Proposals; and the final charter or agreement, when concluded, will represent the combined views of all participating nations. Nevertheless, it can be said now that if the substance of the Proposals is in the main adhered to by the world's great trading nations, a great advance toward the expansion of trade will have been made.



Fishery Education

Albert M. Day, Director of the Fish and Wildlife Service, United States Department of the Interior, announced on July 29 the establishment of a fishery educational section.

This will extend to the fishing industry knowledge of new and improved technical processes as developed in the Fish and Wildlife Service research laboratories. It will work closely with the fishing industry in the production of educational motion pictures, training film strips, educational leaflets, fishery manuals, and other graphic material. Field demonstrators will instruct fish tradesmen in the proper handling of fishery products, and consumer groups, home economists, food editors, and others in fish cookery methods.

The new section will cooperate with vocational schools and other educational institutions in establishing commercial fishery courses for training students in

fishery technology. Since facilities for this type of training are now very limited throughout the United States, expansion in this direction is an important phase of the program, Mr. Day stated.

Richard T. Whiteleather will organize the staff and head the Educational Section, which will have its central office in Washington. Mr. Whiteleather has had a wide experience in the work of the Service, and comes to his present assignment from New York City, where he headed the Commercial Fishery Division office, including supervision of the Market News work.



Pilchard Allocation Program Suspended

Landings of pilchards will not be allocated between canneries and reduction plants on the Pacific Coast during the 1946-47 season, which begins August 1 in northern California, A. W. Anderson, Acting Assistant Director of the Fish and Wildlife Service, Department of the Interior, announced on July 3.

A hearing on the need for an allocation program to insure a maximum canned pack of pilchards, as requested by the Department of Agriculture, was held by the Service in San Francisco on June 12. At this meeting members of the fishing industry and interested Federal and State agencies presented their views with respect to the continuation of a program similar to that administered by the Department of the Interior during the three preceding seasons.

After considering the numerous problems involved in allocation as raised at the hearing, and conferring with the Department of Agriculture regarding its current need for canned pilchards, the Service accepted the assurance of the industry that an all-out canning effort would be made and that the required production of canned pilchards could best be achieved without an allocation program.



Reorganization of the Fish and Wildlife Service

In line with the recent reorganization of the Fish and Wildlife Service of the Department of the Interior, Albert M. Day, Director of the Service, announced on July 17 the promotion of W. R. Dillon to become Chief, Branch of Administration, and Oscar H. Johnson to be Chief, Branch of Management.

The new plan of operation provides for the concentration of Service functions in four branches concerned with administration, research, commercial fisheries, and management of fish and game resources. This streamlining of the work of the Service by placing similar lines of activities under the same branch is designed to improve the agency's services to the public.

Mr. Dillon, who has been Chief of the Division of Administration since 1935, has been with the Service in various administrative capacities since 1914. The

new branch, headed by Mr. Dillon, deals with the activities of the Service concerned with the budget, finance, personnel administration, procurement of equipment and property, and various related functions both in the Central Office and in the field.

Mr. Johnson, as Regional Director of Region 3 since May 1944, with headquarters at Minneapolis, Minn., has directed the field activities of the Service in the States of North Dakota, South Dakota, Nebraska, Minnesota, Iowa, Missouri, Wisconsin, Illinois, Michigan, and Indiana. He joined the Service in July 1939 as a Federal Aid regional inspector at Denver, Colo.

The Branch of Management, over which Mr. Johnson will preside, includes the activities carried on by the Divisions of Federal Aid in Wildlife Restoration, Predator and Rodent Control, Wildlife Refuges, Game Management, Game-fish and Hatcheries, and Lands. Since the work of all these Divisions now clears through the Regional Offices, the new Branch set-up will serve to bring the Regional Offices and the Central Office still closer together in their daily operations.



Wholesale and Retail Prices

Both wholesale and retail prices for all foods displayed small increases from mid-March to mid-April, according to reports of the Bureau of Labor Statistics, Department of Labor. Average retail prices for fresh and canned and fresh and frozen fish declined 2.8 and 3.5 percent, respectively, during the period, but showed increases of 4.4 and 4.6 percent, respectively, on April 16 as compared with April 17, 1945. Pink salmon prices fell 0.3 percent from mid-March to mid-April, while those for red salmon rose 1.4 percent.

Wholesale and Retail Prices

Item	Unit	Percentage change from-		
		Apr. 13, 1946	Mar. 16, 1946	Apr. 14, 1945
<u>Wholesale: (1926 = 100)</u>				
All commodities	Index No.	109.3	+0.8	+3.6
Foods	do	109.9	+0.4	+4.2
<u>Fish:</u>				
Canned salmon, Seattle:		<u>April 1946</u>	<u>March 1946</u>	<u>April 1945</u>
Pink, No. 1, Tall	\$ per doz. cans	1.970	0	0
Red, No. 1, Tall	do	3.694	0	0
Cod, cured, large shore,				
Gloucester, Mass.	\$ per 100 pounds	13.50	0	0
Herring, pickled, N. Y.	¢ per pound	12.00	0	0
Salmon, Alaska, smoked, N. Y.	do	35.00	0	0
<u>Retail: (1935-39 = 100)</u>				
All foods	Index No.	<u>Apr. 16, 1946</u>	<u>Mar. 12, 1946</u>	<u>Apr. 17, 1945</u>
Fish:		141.7	+1.1	+3.7
Fresh and canned	do	221.3	-2.8	+4.4
Fresh and frozen	¢ per pound	37.0	-3.5	+4.6
Canned salmon:				
Pink	¢ per pound can	24.8	-0.3	+1.0
Red	do	43.9	+1.4	+7.6

Seaweed Colloids

Certain persons in the fishery industry will be interested in a new text on colloid chemistry. This book, entitled Colloid Chemistry, contains material collected and edited by Jerome Alexander, and is published by the Reinhold Publishing Corporation, 330 W. 42nd St., New York City.

A section concerning seaweed colloids may be found on pages 629-734. This particular section is written by C. K. Tseng of Scripps Institution of Oceanography at La Jolla, California, and includes 9 pages of references on seaweed colloids.



KEEPING QUALITY OF EAST COAST CRAB MEAT

With the increased usage of heavily-waxed fiberboard containers brought about by restrictions placed on the use of metal during World War II, the question arose regarding the keeping quality of fresh-cooked East Coast crabmeat packed in these containers. During a survey of crabmeat dealers in several large cities, the complaint was heard that the meat does not remain in a fresh condition for as long a period in heavily-waxed fiberboard containers as in tin cans, especially when shipped in very warm weather. On the other hand, a number of dealers reported the crabmeat to keep equally well in either type of container.



In view of this disagreement of opinion among the handlers of fresh-cooked crabmeat, and as a phase of the general container investigation, preliminary tests were conducted to determine whether the storage life of properly refrigerated fresh-cooked East Coast crabmeat is affected by packing in fiberboard containers. In addition to the heavily-waxed fiberboard crabmeat containers, the effect of other types of containers was also studied. One-pound size containers were used in all tests.

Results of these studies have been compiled by the Fish and Wildlife Service and set forth in Fishery Leaflet 185, which may be obtained, free of charge, from that Service at Chicago 54, Ill.