

Fourteenth Annual Report
of the
United States Tariff Commission



1930



UNITED STATES
GOVERNMENT PRINTING OFFICE
WASHINGTON : 1930

UNITED STATES TARIFF COMMISSION

HENRY P. FLETCHER, Chairman

THOMAS WALKER PAGE, Vice Chairman

JOHN LEE COULTER

ALFRED P. DENNIS

EDGAR B. BROSSARD

LINCOLN DIXON

SIDNEY MORGAN, Secretary

Address all Communications

UNITED STATES TARIFF COMMISSION

WASHINGTON, D. C.

CONTENTS

	Page
Letter of transmittal.....	v
I. Personnel.....	1
II. Functions of the commission.....	1
III. Organization.....	2
IV. Rules of practice and procedure.....	2
V. Activities of the commission prior to September 17, 1930.....	2
VI. Activities of the commission since September 17, 1930.....	3
VII. The library.....	5
VIII. Personnel of staff.....	5
IX. Finances and appropriations.....	6
X. Congestion of office space and quarters.....	7
XI. Appendix:	
(a) Summary of reports published during the year—	
(1) Whiting and precipitated chalk.....	9
(2) Calf and kip leather.....	10
(3) Census of dyes and other synthetic organic chemicals.....	13
(b) Outline of reports and memoranda prepared by the Tariff Commission for the use of Congress during the framing of the act of 1930.....	15
(c) Litigation under sections 315 and 316 of the tariff act of 1922.....	17
(d) Rules of practice and procedure adopted by the commission.....	17
(e) Laws relating to the United States Tariff Commission, sections 330 to 341, Title III, Part II, tariff act of 1930.....	29

LETTER OF TRANSMITTAL

UNITED STATES TARIFF COMMISSION,
Washington, December 1, 1930.

SIR: In compliance with the provisions of section 332 of the act of Congress approved June 17, 1930, I have the honor to transmit herewith a copy of the Fourteenth Annual Report of the United States Tariff Commission.

Respectfully,

HENRY P. FLETCHER, *Chairman.*

The SPEAKER OF THE HOUSE OF REPRESENTATIVES,
Washington, D. C.

FOURTEENTH ANNUAL REPORT OF THE UNITED STATES TARIFF COMMISSION

WASHINGTON, D. C., *December 1, 1930.*

To the Congress:

The United States Tariff Commission herewith submits its fourteenth annual report, for the year 1929-30.

I. PERSONNEL

The President on January 15, 1930, designated Edgar B. Brossard chairman of the Tariff Commission vice Thomas O. Marvin. Under the provisions of the tariff act of 1930 the terms of office of the commissioners then holding office automatically expired on September 16, 1930. On that date the President appointed as commissioners, Henry P. Fletcher, of Pennsylvania; Thomas Walker Page, of Virginia; John Lee Coulter, of North Dakota; Alfred P. Dennis, of Maryland; and Edgar B. Brossard, of Utah, who assumed office September 17, 1930. Mr. Dennis and Mr. Brossard had been members of the former commission. On September 26, 1930, the President appointed Lincoln Dixon, of Indiana, also a member of the former commission, who assumed his duties on September 29, 1930, the commission being thus completed. Mr. Henry P. Fletcher was designated chairman and Mr. Thomas Walker Page vice chairman.

II. FUNCTIONS OF THE COMMISSION

The provisions of Title VII of the revenue act of September 8, 1916, creating the Tariff Commission, as amended by section 318 of the tariff act of 1922 (U. S. C., title 19, secs. 91-105), were reenacted with inconsiderable modifications as regards the general functions of the commission in sections 330 to 335, inclusive, of the tariff act of 1930. Under the organic act, the work of the commission consisted of gathering and organizing information for the assistance of the Congress in enacting legislation pertaining to customs duties and regulations and to industrial and commercial conditions as they relate to the tariff, both in the United States and in foreign countries with which the United States has trade relations.

Section 336 of the tariff act of 1930 requires the commission not only to report to the President the results of investigations made pursuant to the section, but also to state its findings as to differences in costs of production of foreign and domestic articles and to specify the changes in duties and classifications (within prescribed limitations) shown by the investigations to be necessary to equalize such differences. It makes express provision for proclamation of the new rates and classifications by the President if he approves the changes

specified by the commission. Provisions regarding the ascertainment of differences in costs of production are modified and the method of initiation of investigations is made specific. All uncompleted investigations instituted prior to the approval of the act of 1930 are ordered to be dismissed without prejudice, subject to consideration in future investigations instituted under section 336 upon evidence secured by the commission. Litigation under section 315 of the act of 1922, begun prior to June 17, 1930, is still pending in the customs court.

Section 337 of the act of 1930, relating to unfair practices in import trade, replaces section 316 of the act of 1922. The penalty that may be imposed by the President is changed by limitation to exclusion of merchandise from entry, but the procedure in investigations made by the commission to furnish the President with the record remains the same. Transmission to the President of the final findings by the commission is expedited by elimination of review by the Supreme Court. Litigation under section 316 has ended. (See p. 17 of appendix to this report.)

Section 338 takes the place of section 317 covering discriminations by foreign governments against the commerce of the United States. The only important modification of this section as reenacted is the extension of its application to articles imported in vessels of such foreign countries as discriminate against the commerce of the United States.

III. ORGANIZATION

The number of cases which the commission found before it on September 17, 1930, some of them originating under Senate resolutions and some from applications from private sources, has made it necessary for the commission to consider certain changes in the organization of its staff. These contemplated changes are designed to expedite the work of the commission and to increase the efficiency of the staff.

IV. RULES OF PRACTICE AND PROCEDURE ADOPTED BY THE COMMISSION

The rules of practice and procedure of the commission in the administration of sections 332, 336, 337, and 338, Title III, Part II, of the tariff act of 1930 have been amended. They will be found on page 17 of the appendix to this report.

V. ACTIVITIES OF THE COMMISSION PRIOR TO SEPTEMBER 17, 1930

From the date of submission of the last annual report until the enactment of the tariff law in June, 1930, much of the time of the staff was occupied in rendering assistance to the Congress in its consideration of the pending tariff measure. An outline of reports and memoranda prepared by the commission for the Congress during the framing of the act of 1930 will be found on pages 15 and 16 of the appendix to this report.

After the passage of the act of 1930, the commission devoted its time principally to gathering information on 35 commodities on

which it had instituted investigations under section 336 in response to resolutions by the Senate. Preliminary reports on these 35 commodities were prepared by the staff for the use of the commission.

The commission made tentative plans for and began field work in two other investigations: (1) Crude petroleum provided for in section 332 (f) of the act of 1930, and (2) entries of fish and other marine products into the United States from the high seas in vessels owned by aliens, an investigation ordered in response to Senate Resolution 314 and being carried on under the general powers of the commission, section 332 (g) of the act of 1930.

Reports published during the year and of which summaries will be found in the appendix include "Calf and Kip Leather," prepared in response to Senate Resolution 163, Seventieth Congress, first session, and "Whiting and Precipitated Chalk," the result of an investigation under section 315 of the tariff act of 1922.

VI. ACTIVITIES OF THE COMMISSION SINCE SEPTEMBER 17, 1930

From the time of the passage of the tariff act of 1930 to date the commission has been actively engaged with plans, involving extensive field work, looking toward the eventual making of five special reports, three required by the tariff law, and two called for by Senate resolutions to be conducted under the general powers of the commission as defined in section 332. The commission has also conducted investigations under section 336 called for by Senate resolutions and by applications made directly to the commission.

The one report published by the commission since September 17, 1930, namely, "The Census of Dyes and Other Synthetic Organic Chemicals," is summarized on pages 13 and 14 of the appendix to this report.

SPECIAL INVESTIGATIONS

Crude petroleum.—The commission is directed, under section 332 (f), to ascertain and report to Congress within eight months from the passage of the act of 1930, the approximate average cost per barrel of crude petroleum produced in the United States and in Venezuela, delivered to oil refineries on the Atlantic seaboard of the United States. On October 31, 1930, a hearing on crude petroleum was held at the office of the commission in Washington.

Domestic value—conversion of rates.—The commission is required (under sec. 340 of the act of 1930) to ascertain, with respect to each of the ad valorem rates of duty, and each of the rates of duty regulated by the value of the article, specified in the act of 1930, an ad valorem rate which, if applied upon the basis of domestic value defined in the section would have resulted in the imposition, during the period July 1, 1927, to June 30, 1929, of amounts of duty neither greater nor less than would have been collectible at the rate specified in the act of 1930 applied upon the basis of value defined in section 402 of the act of 1922. This work is to be completed and reported to the Congress not later than July 1, 1932.

Synthetic camphor.—The President is empowered (under par. 51 of the act of 1930) to proclaim a reduction in the statutory rate of duty of 5 cents per pound on synthetic camphor to 1 cent per pound, if at the end of stated periods the domestic production in quantity

does not exceed certain specified percentages of the total domestic consumption. The Tariff Commission is directed to assist the President in making the investigation required by this provision, using the powers it may employ under section 336.

Vegetable and whale oils.—The commission has imposed upon it (under sec. 332 (g) of the act of 1930) the task of making a study of the costs of production and transportation of certain vegetable oils and of whale oil by Senate Resolution 323.

Fish and marine products.—By Senate Resolution 314 the commission is directed to make an investigation of the entries of fish and other marine products into the United States from the high seas in vessels owned by aliens.

Substantial progress has been made in collecting data for these reports.

INVESTIGATIONS UNDER SECTION 336

Since the enactment of the tariff law of 1930, the commission has had 52 requests for investigations under section 336. Of these, 10 derived from Senate resolutions, covering 35 investigations, and the remainder from private sources.

Investigations in response to Senate resolutions.—All of the investigations requested by the Senate have been ordered and on the following commodities hearings have been held:

October 28, 1930, straw hats.

October 30, 1930, pig iron.

November 5, 1930, woven-wire fencing and wire netting.

November 6, 1930, ultramarine blue.

November 7, 1930, smokers' articles.

November 11, 1930, pigskin leather.

November 12, 1930, maple sugar and maple sirup.

November 13, 1930, wood flour.

November 14, 1930, wool felt hats.

November 18, 1930, wool floor coverings, n. s. p. f.

November 19, 1930, furniture of wood.

Hearings have been set for 6 other of the 35 investigations ordered on the dates specified below:

December 9, 1930, Fourdrinier wires.

December 10, 1930, shoe lacings.

December 11, 1930, cigarette paper.

December 16, 1930, reptile-skin leather.

December 17, 1930, canned tomatoes and tomato paste.

December 18, 1930, cherries, sulphured or in brine.

No date of hearing has been set for the remaining 18 of the 35 investigations ordered. The commodities or groups of commodities in this category are as follows:

Portland cement.

Sheet glass.

Blown glass table and kitchen ware.

Bells and carillons.

Agricultural hand tools.

Lumber and timber.

Refined sugar.

Confectionery and chocolate.

Olive oil.

Cheese.

Laces and lace articles.

Infants' wear of wool.

Boots and shoes.

Umbrellas and parasols.

Pipe organs.

Hides and skins.

Laminated products.

Matches.

Requests for investigations from private sources.—Of the requests for investigations from private sources, 6 were merged with investigations ordered in response to resolutions by the Senate, 1 was dismissed, and 3 others led to the institution of the following investigations: Bent-wood furniture, ordered September 25, 1930, with November 20, 1930, set as the date for hearing; soups and soup preparations, ordered September 25, 1930, date of hearing, November 21, 1930; edible gelatin, ordered November 7, 1930, date of hearing, December 12, 1930. Before the date set for the hearing in the investigation with respect to soups and soup preparations, the application was withdrawn by the applicant and the investigation dismissed by the commission.

The following is a list of the other commodities for which applications for an investigation under section 336 have been made directly to the commission:

Parachlorometacresol.	Alsimin.
Incandescent lamps with filaments of carbon.	Ferrosilicon aluminum.
Hot-rolled small-diameter tubing.	Ferroaluminum silicon.
Pulpboard in rolls.	Crude barytes ore.
Green peppers and fresh tomatoes.	Cylinder watch balances and other parts for Swiss watches.
Eggplant and cucumbers in the natural state.	Soy beans.
Lima beans, green or unripe.	Barley malt.
Okra in the natural state.	Pipes and smokers' articles, common tobacco pipes and pipe bowls made wholly of clay.
Fresh pineapples.	Linen huck towels.
Grapefruit.	Rough tanned walrus leather.
Tulip bulbs.	Wool, wool waste, wool shoddy, wool rags, wool yarn, wool cloth, wool clothing, wool carpets and wool rugs, and carpet wools.
Cut flowers.	Men's and boys' woolen clothing.
Flaxseed.	
Dried eggs.	
Soy beans.	
Hemp yarn and cords.	
Men's silk opera hats.	

VII. THE LIBRARY

The commission's library at present consists of 19,158 books and pamphlets, of which 1,603 were added during the year. The library continues to receive a large number of trade journals and similar periodicals of practical use in the researches of the various divisions.

VIII. PERSONNEL OF STAFF

At the close of the fiscal year 1929-30 the personnel of the staff of the commission comprised 214 persons, of whom 126 were men and 88 women. The total number within the civil service retirement law was 136. During the year there were 21 appointments and 30 separations, making a net reduction of 9.

The total roster of the staff, including field service, as of June 30, 1929, June 30 and November 30, 1930, may be grouped as follows:

	June 30, 1929	June 30, 1930	Nov. 30, 1930
Chiefs and acting chiefs of divisions, and other staff executives.....	22	22	22
Special experts.....	88	82	87
Clerks, including stenographers and typists, and secretaries and stenographers assigned to commissioners.....	100	96	119
Others.....	13	14	14
Total.....	223	214	1 242

¹ Including 25 temporary employees engaged in special work connected with investigations ordered in response to resolutions by the Senate.

IX. FINANCES AND APPROPRIATIONS

1. SALARIES AND EXPENSES

The regular annual appropriation for salaries and expenses of the Tariff Commission for the fiscal year ended June 30, 1930, was \$764,000.

During the entire year, as is shown elsewhere in this report, the personnel of the commission and its staff were engaged directly in assisting the Committee on Finance of the Senate, the Committee on Ways and Means of the House of Representatives, the committee of conference between the two branches of the Congress, and the President, furnishing much of the body of data needed for the legislation enacted on June 17, as the tariff act of 1930. Owing to this work the commission suspended its usual activities requiring extensive field work. Its members, technical experts, and investigators were consequently engaged almost wholly in Washington, and expenses were much less than they would otherwise have been.

The commission has endeavored to conserve the appropriations and to avoid unnecessary expenditure of funds. Economies have been practiced as far as consistent with the efficient discharge of the commission's functions.

2. PRINTING AND BINDING

The appropriation for all printing and binding for the Tariff Commission during the fiscal year ended June 30, 1930, was \$25,000.

It is necessary that the commission's reports embodying the results of its research and investigations shall be issued in printed form in order that they may be available as required by the act creating the commission. The commission has never had sufficient appropriations to enable it to have printed all the reports prepared for publication. During the past year this was especially true. It became necessary, therefore, for the Committee on Ways and Means and the Committee on Finance to have printed much of the material prepared by the commission and required for the use of these committees. The cost of this printing amounted to several times the appropriation available to the commission.

The commission's printed reports are distributed almost entirely in response to personal requests. They are used by persons of widely divergent interests, such as domestic manufacturers, farmers, agri-

cultural and trade associations, public and private libraries, writers on public affairs, students of economics, schools, importers, foreign governments, and many others in all parts of the world. Numerous foreign libraries have requested complete sets of these publications.

3. EXPENDITURES

The expenditures of the commission, including outstanding obligations, during the fiscal year ended June 30, 1930, were as follows:

Salaries:	
Six commissioners	\$54,433.32
Employees—	
Departmental service	599,284.04
Field service	23,139.61
Field expenses of investigations:	
In the United States	1,103.84
In foreign countries	1,364.45
Books of reference and publications	2,519.12
Printing and binding	12,083.11
Telephone and telegraph	1,906.02
Rent of office (foreign)	730.69
Repairs and alterations	430.01
Office equipment, supplies, miscellaneous expense	14,057.70
Total	711,051.91

X. CONGESTION OF OFFICE SPACE AND QUARTERS

The office space of the commission is far too small for the staff which is crowded to the point of unhealthfulness, there being only 63 square feet per person under the present arrangement. An effort has been made to relieve this congestion, and the Office of Public Buildings and Public Parks of the National Capital has arranged to remove the International Joint Commission to the National Press Building. This will give the Tariff Commission 1,801 square feet additional space on the first floor of the old Land Office Building on the top floor of which it is now located. The commission, however, is under the necessity of enlarging its staff and facilities if it is to perform with reasonable celerity the increased and increasing amount of work intrusted to it and an eventual change of location may become necessary.

Respectfully,

HENRY P. FLETCHER,
Chairman.
THOMAS WALKER PAGE,
Vice Chairman.
JOHN LEE COULTER,
ALFRED P. DENNIS,
EDGAR B. BROSSARD,
LINCOLN DIXON,
Commissioners.

XI. APPENDIX

- (a) Summary of reports published during 1929-30—
 - (1) Whiting and precipitated chalk.
 - (2) Calf and kip leather.
 - (3) Census of dyes and other synthetic organic chemicals.
- (b) Outline of reports and memoranda prepared by the Tariff Commission for the use of Congress during the framing of the act of 1930.
- (c) Litigation under sections 315 and 316 of the tariff act of 1922.
- (d) Rules of practice and procedure adopted by the commission.
- (e) Laws relating to the United States Tariff Commission. Sections 330 to 341, Title III, Part II, tariff act of 1930.

XI. APPENDIX

(a) SUMMARY OF REPORTS PUBLISHED BY THE COMMISSION, 1929-30

(1) WHITING AND PRECIPITATED CHALK

On May 26, 1927, the commission instituted investigations of whiting and precipitated chalk for the purposes of section 315 of the tariff act of 1922. On May 14, 1929, a report on these completed investigations was transmitted to the President.

Whiting.—Whiting is finely ground natural chalk, used chiefly in the manufacture of calcimine, wall paints, putty, and rubber. That produced in the United States is made almost entirely from natural chalk imported from Belgium and France. Total sales of the domestic product amounted to 122,000,000 pounds in 1922 and to 111,000,000 pounds in 1926. Complete statistics of production are not available, but the estimated annual average output of the six domestic companies manufacturing for their own use amounted, for this five-year period, to about 78,000,000 pounds. Imports in 1922 were 34,500,000 pounds and in 1926 approximately 66,000,000 pounds; and were increased in 1928 to 80,000,000 pounds.

During the World War the substitution of ground limestone for chalk whiting for certain uses in the United States was established, and this substitution has been considerably increased since the war. The amount of limestone used, with losses in manufacture, in the domestic production of limestone whiting was, according to "Mineral Resources of the United States," about 164,000,000 pounds in 1922, and 191,000,000 pounds in 1926 and in 1928. For some uses, principally as a filler for rubber, by-product precipitated chalk has also since the war been employed as a substitute for chalk whiting, the amount so used being estimated at 130,000,000 pounds a year.

Costs of production of whiting, consisting of ground chalk, were obtained from five companies in the United States for 1926 and from two companies in the principal competing country, Belgium, for six months of 1927. The weighted average unit cost of production, including imputed interest but excluding transportation costs, of the two Belgian companies was 28.42 per cent of the weighted average unit cost of the five American companies.

A comparison of the domestic and foreign costs of production of whiting, including costs of transportation to the principal markets in the United States, shows that the duty of 25 per centum ad valorem provided in paragraph 20 of Title I of the tariff act of 1922 increased by the maximum amount permissible; that is, to 37½

per cent, would not equalize the difference in costs of production in the United States and in the principal competing country.

Information obtained in the investigation indicates that a change in the basis of assessment of the statutory rate of duty from the foreign market value to the American selling price, under subdivision (b) of section 315 of the tariff act of 1922, is required to equalize the difference in costs of production of whiting in the United States and in the principal competing country, Belgium.

Precipitated chalk.—Precipitated chalk (not to be confused with "by-product precipitated chalk") is made by a chemical process from limestone of domestic origin and consists of exceedingly fine crystals free from gritty matter. It is used in this country chiefly in the manufacture of tooth powder and tooth pastes. Statistics of domestic production can not be published without disclosing confidential information. According to an estimate given before the Committee on Finance, the total consumption in 1922 was approximately 5,000,000 pounds.

Imports of precipitated chalk were 3,132,000 pounds, 2,766,000 pounds, and 3,713,000 pounds in 1926, 1927, and 1928, respectively. Statistics of imports are not available for earlier years. Great Britain is the principal competing country, supplying about 80 per cent of the total imports.

Costs of production of precipitated chalk were obtained from two companies in the United States for 1926 and from one company in the principal competing country for 1926.

The total cost of production per unit, including imputed interest but excluding transportation costs, of the English company was found to be 100 per cent of the total weighted average costs per unit of the American companies. The investigation indicates that the rate of duty necessary to equalize, within the prescribed limits, the differences in costs of production of precipitated chalk, including imputed interest and transportation costs to New York City, the principal market in the United States, is 12½ per cent ad valorem, a decrease of the full amount permissible under section 315.

(2) CALF AND KIP LEATHER

This report covers calf and whole kip, calf and kip side, and lining leather. It gives statistics of imports; production; stocks of finished leather carried by tanners, shoe manufacturers, and others; prices; wages paid to tanning labor in the United States and in competing countries; and information as to raw materials and their sources.

A Senate resolution requested the Tariff Commission to report on the extent of sales of foreign calf leather in the United States since January 1, 1925, and the wage rates paid to workers in tanneries processing calf leather in the United States and in competing countries.

Finding it impracticable to determine the actual sales of imported calf and kip leather in the United States, the commission decided that imports might be taken as indicative of the quantities of foreign calf and kip leather sold in the United States.

In 1927 and 1928 import statistics were officially reported under two classifications: (1) Calf and kip upper leather and (2) lining

leather (calf and kip only). Both of these classes include calf and kip side leather. To separate the side leather from the whole leather, an analysis was made of imports entered at Boston and New York during February, July, and November, 1927, and February and July, 1928. The analysis proved not entirely satisfactory because of the meager information on the invoices, and because of apparent discrepancies between the description and the unit price on some of the invoices. The percentages of imports of calf and whole kip, and calf and kip side leather for both upper leather and lining leather, based upon the invoice analysis of imports, were applied to the import statistics as officially recorded for 1927 and 1928. The quantities obtained by applying these percentages to total imports, while not strictly accurate, may be taken as indicative of the types of leather imported.

The following table shows imports for 1927 and 1928 as segregated between calf and kip whole leather and calf and kip side leather and other leather based on import percentages obtained from the invoice analysis.

Year	Official statistics of imports	Segregated in accordance with invoice analysis				
		Calf and whole kip		Calf and kip side		Other
		Upper leather		Lining leather		
		Square feet	Square feet	Square feet	Square feet	Square feet
1927	55, 074, 303	15, 067, 050	2, 922, 629	7, 568, 280	26, 056, 077	3, 460, 267
1928	53, 528, 310	12, 800, 086	3, 187, 713	6, 277, 411	28, 072, 842	3, 190, 258

An analysis of invoices of imports entered at New York during November, 1927, of five classes of upper leather other than calf and kip to determine whether any calf and kip leather was included disclosed that of the imports valued at \$600,920 under these classifications, \$56,000 was calf and kip.

An analysis of invoices of imports of rough-tanned leather entered at New York and Boston during November, 1927, to determine whether any calf, whole kip, or kip side leather was included showed that imports of such leather were negligible.

An exact comparison of the quantities of domestic production and of imports of each of the various types and grades of calf and kip leather can not be made because statistics in the detail needed are not available, but an approximate comparison may be made for the most important types.

Calf and whole kip upper leather.—The domestic production of calf and whole kip leather is reported by the Bureau of the Census in number of skins tanned. In order to make production statistics comparable with import statistics, the commission obtained from domestic tanners the average number of square feet per dozen skins for calf and whole kip leather. Using this figure as a conversion factor the domestic production in 1928 of calf and whole kip upper leather was 126,744,778 square feet (not including grades suitable for lining). Imports in that year of the same type of leather were 12,800,086 square feet. In addition there were imports

of 6,277,411 square feet of calf and kip side upper leather, making the total imports of calf and kip upper leather, 19,077,497 square feet.

Kip side leather.—The estimated domestic production of kip side leather in 1928 was 33,750,000 square feet, much of which was in the form of patent side leather. Kip side leather is not shown separately in import statistics, but the commission has segregated the imports of calf and kip side leather, and further subdivided them into upper and lining leather. As stated above, imports in 1928 of calf and kip side upper leather were calculated at 6,277,411 square feet. Imports of calf and kip side lining leather were 28,072,842 square feet.

Lining leather.—There is little or no domestic production of calf and kip lining leather as such, but in 1928 there was a production of 10,454,693 square feet of calf and kip leather in grades suitable for lining. Imports of calf and kip side lining leather and of calf and whole kip lining leather, according to the analysis, were 31,260,555 square feet in 1928. Lining leathers produced in the United States are usually made from goat, kid, and sheep skins for use in lining women's shoes or from splits from other leather for lining the cheaper grades of men's shoes. The domestic consumption of calf and kip lining leather used in the medium and better grades of men's shoes is supplied almost entirely by imports.

Wages paid in foreign and domestic tanneries.—The commission obtained data on wages and hours of labor of workers in tanneries in the United States, Canada, and certain European countries.

In 1928 the average wage paid in 14 domestic calf tanneries to male workers ranged from 48.4 to 74.5 cents per hour. The weighted average hourly wage for these 14 tanneries was 56.8 cents per hour. In the same year wages in European tanneries ranged from an average of 13 to 26 cents per hour, with a weighted average for 5 tanneries of 20 cents per hour. Wages in Canadian tanneries ranged from 37 to 53 cents per hour.

The average wages paid in European tanneries in 1928 to skilled, semiskilled, and unskilled workers are given in the following table:

[Cents per hour]

	Austria	Czecho- slovakia	France	Germany	United Kingdom
Men:					
Skilled.....	16.8	28.1	22.6	31.7	37.7
Semiskilled.....	15.7	16.9	17.8	28.1	28.0
Unskilled.....	14.7	13.0	15.0	-----	24.2
Women.....	10.0	-----	11.0	-----	20.3

Domestic tannery workers can not be readily segregated into skilled, semiskilled, and unskilled groups, but if a division of wage rates paid in 14 tanneries is made upon the basis of high, medium, and low rates of pay, wages for the highest group of workers average 82 cents per hour; for the middle group, 61.6 cents; and for the lowest group, 46.5 cents. The group figure in each case is the simple average of the high, medium, and low thirds of the wage scale.

The 48-hour week was found to be general in European tanneries. Ten firms furnished information on this point. Of these, 8 worked 48 hours, one 40 hours, and one 43 hours. Of the 16 domestic tanneries reporting, 7 were on a 48-hour per week basis, 7 on a 50-hour per week basis, and 1 each on a 53 and 54 hour per week basis.

The commission obtained some data as to the quantity of calfskins processed in the various departments for the same week for which wage data were obtained. From this information the wage or labor charge per 100 square feet of finished leather could be calculated. For the 14 tanneries in the United States the average wage per 100 square feet of leather for the week ended April 7, 1928, was \$6.57. For five European tanneries the average wage per 100 square feet for the same week was \$2.99. The average man-hours for the 14 United States tanneries were about 11 per 100 square feet of calf leather produced and for 5 European tanneries, about 15. Labor constitutes a small part, about 10 to 15 per cent, of the total cost of producing calf leather. Raw material alone, namely, calfskins, accounts for 70 to 80 per cent.

In addition to the actual wages they pay, tanners expend considerable amounts for insurance, sick benefits, vacation with pay, and similar items. Such insurance, sick benefits, and perquisites are prescribed by law in many foreign countries. In the United States some of them are compulsory, others are often voluntarily assumed. The commission did not attempt to determine the increased unit cost to the tanners because of such additional expenses.

(3) CENSUS OF DYES AND OTHER SYNTHETIC ORGANIC CHEMICALS, 1929

The thirteenth annual Census of Dyes and Other Synthetic Organic Chemicals gives detailed information regarding the progress during 1929 of two of the Nation's rapidly growing industries—the coal-tar chemical industry and the synthetic organic chemical industry not of coal-tar origin. It contains a comprehensive tabulation of dyes imported for consumption into the United States and detailed data regarding the quantity and value of dyes produced, imported, and exported by the various dye producing and consuming nations of the world, and comments on the several international dye agreements existing between the various nations.

Coal-tar dyes.—The domestic coal-tar chemical industry, embracing dyes and kindred products, such as color lakes, medicinals, perfume materials, flavors, and photographic materials, together with the crudes and intermediates employed in their production, continued to develop in 1929. The output of crudes, intermediates, and dyes greatly exceeded that of 1928. Production of dyes, totaling 111,000,000 pounds, increased nearly 15,000,000 pounds; and sales totaling 106,000,000 pounds, increased nearly 13,000,000 pounds over 1928. The weighted average price per pound of dyes advanced from 42.6 cents in 1928 to 43.2 cents in 1929. Imports of dyes, totaling over 6,000,000 pounds, increased approximately 1,000,000 pounds; and exports, totaling 34,000,000 pounds, increased over 6,000,000 pounds as compared with 1928.

Synthetic organic chemicals not derived from coal-tar.—The growth of the noncoal-tar synthetic organic branch of the chemical

industry during 1929 surpassed that of the coal-tar branch. Production of these aliphatic chemicals made synthetically and used chiefly in the lacquer and rayon industries, as well as in the manufacture of medicinals, perfumes, flavors, rubber accelerators, photographic developers and explosives, increased 248,000,000 pounds over 1928, and sales 148,000,000 pounds. The weighted average sales price per pound decreased from 17.9 cents in 1928 to 16.1 cents in 1929.

Solvents, used in the manufacture of lacquers, are the most important item of the noncoal-tar group, although products derived from ethylene and from acetylene are rapidly increasing in number and output. The high pressure synthesis of certain aliphatic chemicals from gases is assuming importance as a means of obtaining methanol and higher alcohols from carbon monoxide and hydrogen, ethyl alcohol from ethylene, and isopropyl alcohol and acetone from propylene. Chemicals showing marked increase in production in 1929 include acetaldehyde, acetic acid, citric acid, ethyl chloride, isopropyl alcohol, methanol, and tetraethyl lead. New products of commercial value reported in 1929 for the first time include synthetic acetone from propylene, synthetic ethyl alcohol from ethylene, ethyl mercury chloride, isopropyl ether, and synthetic resins.

International dye trade.—Severe international competition existed in 1929 as a result of the dye-producing nations of the world having a capacity to produce approximately 40 per cent in excess of the world's annual consumption of dyes. Competition was somewhat checked, however, among European producers by cartel arrangements allocating the world's markets, limiting production, and stabilizing prices. Germany, France, and Switzerland consummated an agreement regulating their collective dye trade, but negotiations between German and British dye producers failed. The quantity of dyes exported from the United States, England, Switzerland, and Italy was greater than in 1928; that from Germany, France, and Japan was less. Increased production of fast colors and new types of fast dyes and specialties was apparent.

The *Interessen Gemeinschaft*, the largest chemical and dye organization in Germany, reported satisfactory progress in 1929. In the formation of the Standard I. G. Co. and the American I. G. Chemical Corporation—both in the United States—it extended its activities into foreign fields. The American I. G. was formed for the manufacture and sale in the United States of dyes, chemicals, fertilizers, and other products.

The British dye industry, under the leadership of the Imperial Chemical Industries (Ltd.), expanded and increased both its domestic and foreign trade. The long continued patent litigation between the I. C. I. and the I. G. regarding certain azo and monoazo dyes terminated in favor of the British.

Japan is endeavoring to become self-sufficient in the production of indigo. It is reported that the Government will subsidize the Miike factory to the extent of 195,000 yen during the first calendar year, and that this factory plans to make the acetic acid and other chemicals which it will require for its production of indigo.

(b) OUTLINE OF REPORTS AND MEMORANDA PREPARED BY THE TARIFF COMMISSION FOR THE CONGRESS DURING THE FRAMING OF THE TARIFF ACT OF 1930

1. *Supplement to the Summary of Tariff Information* (575 pages).—Detailed and up-to-date information concerning the items that were subject to conference between the House and Senate.

2. *Comparison of House and Senate Rates Subject to Conference* (68 pages).—A tabulation covering the controversial rates of the House and Senate bills, together with the corresponding rate of the tariff act of 1922.

3. *Tariffs in Certain Foreign Countries* (50 pages, S. Doc. No. 24).—Recent tariff increases in certain foreign countries, methods of valuation used, and duties levied, especially on agricultural commodities from the United States.

4. *Comparison of Rates of Duty in the Pending Tariff Bill with Those of the Present Law* (23 pages, H. Doc. No. 44).—A tabular comparison of the rates of duty together with the corresponding equivalent ad valorem rates based on imports in 1928. The same report extended to 66 pages giving the adjustments in rates made by the Finance Committee published as Senate committee print, Seventy-first Congress.

5. *Comparison of Imports and Consumption* (66 pages).—A statement of pertinent statistical information respecting domestic production, exports, and so forth, for lists of dutiable and nondutiable articles of which the imports were less than 10 per cent of domestic consumption.

6. *Comparison of Rates of Duty in the Pending Tariff Bill of 1929 with the Tariff Act of 1913 and the Tariff Act of 1922* (127 pages, S. Doc. No. 30, September, 1929).—A tabulation showing by articles, paragraphs, and schedules, the quantity and value of imports in 1928 and the duties collected, rates of duty provided, and the computed equivalent ad valorem rates, for the tariff acts of 1913 and 1922 and for H. R. 2667 as passed by the House and adjusted by the Finance Committee of the Senate. A document of like content and with the same title (107 pages), printed in January, 1930, as Senate Document No. 119, contained an appendix showing the reduction in duties made by the Senate in the Committee of the Whole as compared with H. R. 2667 as passed by the House of Representatives.

7. *Comparison of Rates of Duty in the Tariff Act of 1930 and in the Tariff Act of 1922*.—A comprehensive tabulation of 176 pages, published in January, 1930, and of which there were several earlier versions, in part reproducing the matter of Senate Documents Nos. 30 and 119, and in part contributing new matter and new forms of classification of items; such as a classification showing whether rates were increased or decreased or remained unchanged, and whether items were transferred to or from the free list. Also a section of this document, using the same basic detailed information, with the different commodities grouped according to the statistical classification of the Department of Commerce—which is a different grouping from that of the tariff schedules. The values of free and dutiable imports shown separately by groups, actually for the tariff act of 1922 and by calculation for the tariff act of 1930, in this tabulation.

8. *Comparison of Tariff Acts of 1913, 1922, and 1930.*—A detailed comparison of Titles I and II of the tariff acts of 1913, 1922, and 1930, prepared by the commission at the request of the Committee on Ways and Means.

The foregoing does not purport to be a comprehensive list of even the principal reports prepared by the commission during the formulation of the tariff act of 1930; it covers only those published during the last 12 months. A year ago the Summary of Tariff Information and Effects of the Reciprocity Treaty between the United States and Cuba, both extensive undertakings, were already published and were then given due consideration.

Of the studies made during the last year by the commission, for the purpose of assisting Congress in its consideration of the tariff bill, 37 were not printed but mimeographed. The more important of the studies may be listed as follows:

1. German Import Certificate System.
2. United States General Imports from France for the year 1928.
3. Per Capita Trade Between United States and Latin American Countries.
4. United States Imports from Latin-American Countries Admitted Free of Duty Under the Tariff Act of 1922.
5. Flexible Tariff Provisions in Foreign Countries.
6. Bounties in Foreign Countries on Production and Exportation.
7. Compensatory and Protective Duties (United States).
8. Number of Items and Distinctive Rates in the Tariff Act of 1922 as Compared with the Acts of 1930 and 1913.
9. Some Calculations Respecting Export Debentures as Provided in Section 321 of H. R. 2667.
10. Statement Respecting Difficulties Encountered in the Administration of Sections 315, 316, and 317 of the Tariff Act of 1922, and Suggested Remedies.
11. Statistics of Import and Export Trade of the United States for 1927, and United States and Foreign Rates of Duty on the Leading Items of Commerce.
12. Summary of Foreign Costs of Production and Other Data Obtained in Investigations under Section 315 of the Tariff Act of 1922.
13. Memorandum on Production, Imports, Costs of Production, Points of Competition, etc., Respecting Portland and other Hydraulic Cement.
14. General Description of Types of Articles, Methods of Production, Costs, Prices, and Matters of Comparability, with respect to Pottery (par. 211) and China and Porcelain (par. 212).
15. Tariff Increases in Foreign Countries.
16. Duties Levied in Foreign Countries on Agricultural Commodities from the United States.

Since the passage of the tariff act of 1930, the last two studies mentioned above have been expanded to cover 40 and 55 different foreign countries, respectively, and to show the ad valorem equivalents of specific duties. The study of foreign duties and fiscal charges on certain selected agricultural products of the United States now includes those levied on 90 per cent of the total United States exports of those articles to all destinations.

(c) LITIGATION UNDER SECTIONS 315 AND 316 TARIFF ACT OF 1922

Litigation under section 315 is still pending.

Litigation under section 316 begun in 1927 has ended. On October 13, 1930, the Supreme Court of the United States denied importers' petition for a writ of certiorari to review a decision of the Court of Customs and Patent Appeals, and on November 3, 1930, denied an application for a rehearing. The decision thereby sought to be reviewed was made on April 10, 1930, by the Court of Customs and Patent Appeals (*Frischer v. Bakelite Corporation*, 17 C. C. P. A. 494), which declared section 316 to be constitutional and infringements of patents to constitute unfair methods of competition or unfair acts within that section.

The President approved the findings and recommendations of the Tariff Commission in the matter thus litigated, and at his direction the Treasury Department on November 26, 1930, instructed customs officers to exclude from entry importations of synthetic phenolic resin, Form C, and articles made wholly or in part thereof, violating section 316.

(d) RULES OF PRACTICE AND PROCEDURE**In Administration of Sections 332, 336, 337, and 338
Tariff Act of 1930**

The principal office of the commission, at Washington, D. C., is open each business day from 9 a. m. to 4.30 p. m. The commission may meet and exercise all its powers at any other place, and may designate one or more of its members to hold hearings or to prosecute any inquiry necessary to its duties. A majority of the commissioners in office shall constitute a quorum.

RULES IN ADMINISTRATION OF SECTION 332

Procedure in investigations under the general powers of the commission, provided for in sections other than 336, 337, and 338, Title III, Part II, of the tariff act of 1930, depends upon the nature of the particular investigation. Rules applicable to all such investigations can not well be formulated. The rules governing hearings for the purposes of section 336 will be applied as far as pertinent if and when hearings are ordered by the commission.

For the convenience of parties interested, section 332 of Title III of the tariff act of 1930 is hereinafter set forth in full on pages 30 to 32.

RULES IN ADMINISTRATION OF SECTION 336

APPLICATIONS

Application for an investigation for the purposes of section 336 of Title III of the tariff act of 1930 may be made by any person, partnership, association, or corporation.

Applications for investigation should be in the following form:

APPLICATION FOR INVESTIGATION

By the United States Tariff Commission for the purposes of section 336 of Title III of the tariff act of 1930

-----, 193--.

UNITED STATES TARIFF COMMISSION,
Washington, D. C.

SIRS: Application is hereby made by the undersigned for an investigation, for the purposes of section 336 of the tariff act of 1930, of the following items dutiable under paragraph(s) ----- of said act:

It is believed that the duty fixed in the said paragraph(s) is ^{more} _{less} than is necessary to equalize the differences in costs of production of said article(s) in the United States and in the principal competing country and that said rate(s) should therefore be ^{increased} _{decreased} or that the rate(s) involved should be properly adjusted (including any necessary change in classification).

The undersigned is prepared to furnish for the assistance of the commission all information in his possession and believes that the investigation requested is feasible and necessary for the following reasons:

(Insert here facts showing necessity for adjustment of rate(s) or change of classification)

The applicant requests that the information, if any, herewith separately submitted and marked *confidential* be held in confidence for the information of the commission only.

Respectfully,

(Signature of applicant)-----

By-----

Address-----

Nature of information to accompany application.—The applicant for an investigation should file with his application all information available to him which he believes to be pertinent. Information of the character indicated below will be especially helpful.

1. Comparability of the domestic and foreign article(s) and the degree of competition between them.

2. Tendency of domestic production and sales, whether upward or downward, and the tendency of imports.

3. Tendency of cost of production and prices in recent years.

4. Evidence of difference between foreign and domestic costs of production of the article(s) involved.

5. Areas of greatest competition between the imported and domestic products and the principal market or markets in the United States.

6. Transportation costs and other costs incident to delivery of the article(s) to the principal market or markets of the United States and/or other relevant factors that constitute, in the opinion of the applicant, an advantage or a disadvantage in competition.

7. Any other information which the applicant believes the commission should consider.

ACTION BY THE COMMISSION UPON RECEIPT OF APPLICATION

Receipt of an application for investigation, for the purposes of section 336 of Title III of the tariff act of 1930, will be acknowledged by the secretary of the commission and public notice will be given of the application by posting, for not less than 10 days, at the principal office of the commission in Washington, D. C., and at its office in New York City, and by publication in Treasury Decisions published by the Department of the Treasury, and in the weekly edition of Commerce Reports published by the Department of Commerce. This public notice will set forth the date of the receipt of the application, the name of the applicant, and the purpose of the application. Similarly, notice will be given of applications withdrawn and of action by the commission on applications, and/or of investigations dismissed. Applications may be withdrawn as a matter of course at any time before investigation has been ordered by the commission, but the commission may proceed with an investigation in any case if, in its judgment, the public interest so demands, whether or not an application shall have been withdrawn. The commission may also, in special cases and for adequate cause, allow the withdrawal of an application after investigation has been ordered. As soon thereafter as its other duties permit, the commission will notify the applicant of its decision either to order or not to order the investigation requested.

In reaching its decision the commission will take into consideration the information furnished by the applicant, the information assembled by its staff, and the information furnished by individuals or corporations either in favor of or opposed to the institution of the investigation.

PUBLIC NOTICE OF INVESTIGATION

Public notice shall be given of every investigation ordered by the commission by posting a copy, for not less than 30 days, of the order at the principal office of the commission in Washington, D. C., and at its office in New York City, and by publishing a copy thereof in Treasury Decisions and in Commerce Reports, by one insertion in each thereof.

PUBLIC HEARING

Reasonable public notice will be given of the time and place set for all hearings in the same manner that notice is given of an order instituting an investigation.

Without excluding other factors and with a view to assisting parties interested in preparing for the hearing, the commission will expect attention to be concentrated upon—

Facts which should be considered in appraising the competitive strength in the markets of the United States of the foreign and domestic articles.

Facts bearing upon the degree of likeness or similarity as between grades, classes, and price groups of the American product and the imported article.

Any direct evidence as to comparative unit costs will constitute one of the main problems to be considered, but bare factory costs consisting of an estimate of outlay for raw materials, wages paid, and other direct charges incident to processes of production will not entirely suffice. Secondary costs, such as depreciation, depletion, charges for rent, interest on investments, cost of containers, transportation charges, insurance, and general expenses, must all be reckoned in the cost equation.

Additional factors are—

Principal competing country.

Principal American market or markets.

Representative period of time for cost inquiry.

Extent to which invoice or wholesale prices are reliable evidence of foreign costs.

Any other evidence of unit production costs, both foreign and domestic.

Domestic areas or producing units to be selected as being competitive with the imported article.

Other significant advantages or disadvantages in competition.

Finally, parties interested appearing at public hearings are expected to present definite and affirmative information rather than generalities and conjectures.

APPEARANCES

Any person showing to the satisfaction of the commission an interest in the subject matter of an investigation may enter an appearance in such investigation, either in person or by representative, at any time prior to or before the close of the public hearing relating to the matter involved.

Any person desiring to appear as attorney or agent before the commission may be required to show to the satisfaction of the commission his acceptability in that capacity. Disbarment or suspension of an attorney from practice before a court of law of the United States, if still in effect, will be evidence of unacceptability. No person who on December 1, 1930, is, or who thereafter becomes, an officer or employee of the commission shall be permitted to practice as attorney or agent before the commission until one year after he shall have severed his official connection with the commission.

Persons who will participate as witnesses only are not expected to enter appearances.

Request to enter appearance shall be filed in writing with the secretary of the commission at its office in Washington, D. C.

CONDUCT OF PUBLIC HEARINGS

Parties interested may appear either in person or by representative and produce evidence relevant and material to the matter or matters involved in the investigation.

Witnesses will be sworn. No documentary evidence will be accepted unless verified under oath by the person offering it as a true statement of the facts contained therein.

After offering evidence, witnesses may be questioned under the direction and control of the commission by any member of the commission, or by any agent designated by the commission, or by any person who has entered an appearance, for the purpose of assisting the commission in obtaining the material facts with respect to the subject matter of the investigation.

Evidence, oral or written, submitted in hearings, shall upon the order of the commission be subject to verification from the books, papers, and records of the parties interested and from any other available sources.

All hearings shall be stenographically reported. Copies of the transcript of the minutes of such hearings may be purchased from the official reporter by parties interested.

Motions or requests for postponement of a hearing shall be filed with the commission not less than 10 days prior to the date set for such hearing and shall set forth fully the reasons therefor.

The commission may continue any hearing or order such rehearing as it may deem necessary for a full presentation of the facts involved in any investigation.

WITNESSES AND SUBPŒNAS

Unless otherwise ordered by the commission, witnesses shall be examined orally.

The attendance of witnesses and the production of documentary evidence may be required from any place in the United States at any designated place of hearing.

Any member of the commission may sign subpœnas, and members and agents of the commission, when authorized by the commission, may administer oaths and affirmations, examine witnesses, take testimony, and receive evidence.

WITNESS FEES AND MILEAGE

Witnesses summoned before the commission shall be paid the same fees and mileage that are paid witnesses in the courts of the United States, and witnesses whose depositions are taken and the persons taking them, except employees of the commission, shall severally be entitled to the same fees and mileage as are paid for like service in the courts of the United States.

DEPOSITIONS

The commission may order testimony to be taken by deposition at any stage of any investigation. Depositions may be taken before any person having power to administer oaths and designated by the commission. Such testimony shall be reduced to writing by the person

taking the deposition or under his direction and shall then be subscribed by the deponent and certified in the usual manner by the person taking the deposition. After the deposition has been so certified it shall, together with a copy thereof made by such person or under his direction, be forwarded under seal to the secretary of the commission at its office in Washington, D. C., and shall constitute a part of the record in such investigation.

Any person may be compelled to appear and depose and to produce documentary evidence in the same manner that witnesses may be compelled to appear and testify and produce documentary evidence before the commission.

ORAL ARGUMENT

Oral argument may, in the discretion of the commission, be heard upon the conclusion of the testimony in a hearing. The commission will determine in each instance the length of time to be allowed for argument and the allocation thereof to the respective parties interested.

BRIEFS

Briefs of the evidence produced at the hearing and arguments thereon may be presented to the commission by parties interested appearing at the hearing. Unless otherwise ordered, 10 copies typed, multigraphed, or printed shall be filed with the secretary of the commission within 10 days after the close of the hearing.

Briefs not filed with the commission on or before the date fixed therefor will not be accepted.

COMMISSIONERS SITTING AT HEARINGS

Hearings may be conducted by one or more commissioners and the record shall be presented for the consideration of the commission.

CONFIDENTIAL INFORMATION

As is provided in section 335 of Part II of Title III of the tariff act of 1930, it shall be unlawful for any member of the commission, or for any employee, agent, or clerk of the commission, or any other officer or employee of the United States, to divulge, or to make known in any manner whatever not provided for by law, to any person, the trade secrets or processes of any person, firm, copartnership, corporation, or association embraced in any examination or investigation conducted by the commission, or by order of the commission, or by order of any member thereof. Any offense against the provisions of this section shall be a misdemeanor and be punished by a fine not exceeding \$1,000, or by imprisonment not exceeding one year, or both, in the discretion of the court, and such offender shall also be dismissed from office or discharged from employment.

SECTION 336, TARIFF ACT OF 1930

For the convenience of parties interested, section 336 of Title III of the tariff act of 1930 is hereinafter set forth in full on pages 34 to 36.

RULES IN ADMINISTRATION OF SECTION 337

Complaint and petition for investigation for the purposes of section 337 of Title III of the tariff act of 1930 may be made by any person, partnership, association, or corporation.

COMPLAINTS

Complaints should be in the following form :

IN THE MATTER OF THE COMPLAINT BY
[Name of petitioner or petitioners]
of unfair methods of competition and unfair acts in the } Investigation No. —
importation and/or sale of } Section 337,
[Article or articles] } Tariff Act of 1930 .

To the United States Tariff Commission:

Your petitioner(s) above named specifically show(s) :

I. That [state name and nature and place of business and whether petition is made by or for an individual, a partnership, an association, or a corporation. If partnership or association, state names of the persons composing the partnership or association. If a corporation, state where incorporated and location of principal office. Location of manufacturing plant or plants should also be stated. Affidavit of each person signing petition that he has personal knowledge of the matter must be attached thereto].

II. That [state fully the ground or grounds of complaint with specific instances of alleged unlawful importations or sales, together with accompanying documentary evidence].

III. That the business of the petitioner(s) is efficiently and economically operated.

IV. That [state fully the nature and extent of injury to business of petitioner].

Wherefore petitioner(s) pray(s) [state relief sought].

Dated at _____, _____, 193__.

(Petitioner's signature)

(Office and post-office address)

(Attorney's signature)

(Office and post-office address)

COPIES OF COMPLAINTS

At the time of filing any complaint or amendment thereto, petitioner must submit a copy of it for each person alleged in the complaint to violate the provisions of section 337 to be served on such person as hereinafter provided.

If the facts alleged in the complaint are deemed by the commission to be insufficient, the complaint may be amended or further evidence may be submitted.

PRELIMINARY INQUIRY

The commission will make such preliminary inquiry as it shall deem necessary to determine whether the complaint and supporting evidence (1) warrant an investigation and (2) warrant the issuance of an order of exclusion from entry of the articles (if asked for) pending further investigation in accordance with section 337 (f).

ANSWERS TO COMPLAINT

After an investigation shall have been ordered, and not before, a copy of the complaint shall be served by the commission upon any owner, importer, consignee, or agent of either, alleged to violate the provisions of section 337, and such owner, importer, consignee, or agent of either, shall have 30 days in which to make written answer under oath and to show cause, if any there be, why the provisions of section 337 should not be applied in respect of the alleged unfair methods of competition and unfair acts set forth in the complaint.

Copies of all answers shall be served by the commission upon petitioners. Any person filing an answer must submit an additional copy of it for service by the commission on each petitioner.

INVESTIGATIONS

In ordering an investigation the commission will not be confined to the issues presented in a complaint, but may broaden, limit, or modify the scope of the investigation.

Public notice of the institution of an investigation and of the date set for a hearing shall be given in the same manner as in investigations for the purposes of section 336.

APPEARANCES

Any person showing to the satisfaction of the commission an interest in the subject matter of an investigation may enter an appearance in such investigation, either in person or by representative, at any time prior to or before close of the public hearing relating to the matter involved.

Any person desiring to appear as attorney or agent before the commission may be required to show to the satisfaction of the commission his acceptability in that capacity. Disbarment or suspension of an attorney from practice before a court of law of the United States, if still in effect, will be evidence of unacceptability. No person who on December 1, 1930, is, or who thereafter becomes, an officer or employee of the commission shall be permitted to practice as attorney or agent before the commission until one year after he shall have severed his official connection with the commission.

Persons who will participate as witnesses only are not expected to enter appearances.

Request to enter appearance shall be filed in writing with the secretary of the commission at its office in Washington, D. C.

CONDUCT OF PUBLIC HEARINGS

Parties interested may appear either in person or by representative and offer evidence relevant and material to the matter or matters involved in the investigation.

Witnesses will be sworn. No documentary evidence will be accepted unless verified under oath by the person offering it as a true statement of the facts contained therein.

After offering evidence, witnesses may be questioned under the direction and control of the commission by any member of the commission or by any agent designated by the commission or by any person who has entered an appearance, for the purpose of assisting the commission in obtaining the material facts with respect to the subject matter of the investigation.

Evidence, oral or written, submitted in hearings, shall upon the order of the commission be subject to verification from the books, papers, and records of the parties interested and from any other available sources.

All hearings shall be stenographically reported. Copies of the transcript of the minutes of such hearings may be purchased from the official reporter by parties interested.

Motions or requests for postponement of a hearing shall be filed with the commission not less than 10 days prior to the date set for such hearing and shall set forth fully the reasons therefor.

The commission may continue any hearing or order such rehearing as it may deem necessary for a full presentation of the facts involved in any investigation.

WITNESSES AND SUBPŒNAS

Unless otherwise ordered by the commission, witnesses shall be examined orally.

The attendance of witnesses and the production of documentary evidence may be required from any place in the United States at any designated place of hearing.

Any member of the commission may sign subpœnas, and members and agents of the commission, when authorized by the commission, may administer oaths and affirmations, examine witnesses, take testimony, and receive evidence.

WITNESS FEES AND MILEAGE

Witnesses summoned before the commission shall be paid the same fees and mileage that are paid witnesses in the courts of the United States, and witnesses whose depositions are taken and the persons taking them, except employees of the commission, shall severally be entitled to the same fees and mileage as are paid for like service in the courts of the United States.

DEPOSITIONS

The commission may order testimony to be taken by deposition at any stage of any investigation. Depositions may be taken before any person having power to administer oaths and designated by the commission. Such testimony shall be reduced to writing by the person

taking the deposition or under his direction and shall then be subscribed by the deponent and certified in the usual manner by the person taking the deposition. After the deposition has been so certified it shall, together with a copy thereof made by such person or under his direction, be forwarded under seal to the secretary of the commission at its office in Washington, D. C., and shall constitute a part of the record in such investigation.

Any person may be compelled to appear and depose and to produce documentary evidence in the same manner that witnesses may be compelled to appear and testify and produce documentary evidence before the commission.

ORAL ARGUMENT

Oral argument may in the discretion of the commission be heard upon the conclusion of the testimony in a hearing. The commission will determine in each instance the length of time to be allowed for argument and the allocation thereof to the respective parties interested.

BRIEFS

The commission will fix a date on or before which briefs may be submitted, which date will be announced at the close of the hearing. Unless otherwise ordered, 30 copies printed in 10 or 12 point type on good unglazed paper with pages approximately 6 inches wide by 9 inches high, with inner margins not less than 1 inch wide, and with paper covers, shall be filed with the secretary of the commission.

Briefs not filed with the commission on or before the date fixed therefor will not be accepted.

Application for extension of time for submitting briefs shall be filed in writing with the secretary of the commission not less than 10 days before the date set for submitting briefs, and shall set forth fully the reasons for such application.

Copies of all briefs shall be served by the commission upon all interested parties who have entered appearances or upon their representatives of record.

RECORD

A transcript of the testimony in an investigation, together with the findings and recommendations of the commission, shall be the official record of the proceedings and findings in the investigation.

FINDINGS

Upon conclusion of an investigation the commission shall formulate findings based thereon. When the findings in an investigation show a violation of the statute, a copy of the findings certified by the secretary under the seal of the commission shall be delivered or sent by registered mail promptly to the owner, importer, consignee, or agent of either, found to be guilty of such violation.

TRANSMITTAL TO THE PRESIDENT

The final findings of the commission shall be transmitted with the record to the President for consideration and action under the statute.

COMMISSIONERS SITTING AT HEARINGS

Hearings may be conducted by one or more commissioners and the record shall be presented for the consideration of the commission.

CONFIDENTIAL INFORMATION

As is provided in section 335 of Part II of Title III of the tariff act of 1930, it shall be unlawful for any member of the commission, or for any employee, agent, or clerk of the commission, or any other officer or employee of the United States, to divulge, or to make known in any manner whatever not provided for by law, to any person, the trade secrets or processes of any person, firm, copartnership, corporation, or association embraced in any examination or investigation conducted by the commission, or by order of the commission, or by order of any member thereof. Any offense against the provisions of this section shall be a misdemeanor and be punished by a fine not exceeding \$1,000, or by imprisonment not exceeding one year, or both, in the discretion of the court, and such offender shall also be dismissed from office or discharged from employment.

SECTION 337, TARIFF ACT OF 1930

For the convenience of parties interested, section 337 of Title III of the tariff act of 1930 is hereinafter set forth in full on pages 36 and 37.

RULES IN ADMINISTRATION OF SECTION 338

Hearings are neither required nor contemplated by section 338 of the tariff act of 1930 relating to discriminations by foreign countries against the commerce of the United States.

For the convenience of parties interested, section 338 of Title III of the tariff act of 1930 is hereinafter set forth in full on pages 37 and 39.

(e) LAWS RELATING TO
THE UNITED STATES TARIFF COMMISSION
TARIFF ACT OF 1930, TITLE III

Part II—United States Tariff Commission

SEC. 330. ORGANIZATION OF THE COMMISSION.

(a) **MEMBERSHIP.**—The United States Tariff Commission (referred to in this title as the “commission”) shall be composed of six commissioners to be hereafter appointed by the President by and with the advice and consent of the Senate, but each member now in office shall continue to serve until his successor (as designated by the President at the time of nomination) takes office, but in no event for longer than ninety days after the effective date of this Act. No person shall be eligible for appointment as a commissioner unless he is a citizen of the United States, and, in the judgment of the President, is possessed of qualifications requisite for developing expert knowledge of tariff problems and efficiency in administering the provisions of Part II of this title. Not more than three of the commissioners shall be members of the same political party, and in making appointments members of different political parties shall be appointed alternately as nearly as may be practicable.

(b) **TERMS OF OFFICE.**—Terms of office of the commissioners first taking office after the date of the enactment of this Act, shall expire, as designated by the President at the time of nomination, one at the end of each of the first six years after the date of the enactment of this Act. The term of office of a successor to any such commissioner shall expire six years from the date of the expiration of the term for which his predecessor was appointed, except that any commissioner appointed to fill a vacancy occurring prior to the expiration of the term for which his predecessor was appointed, shall be appointed for the remainder of such term.

(c) **CHAIRMAN, VICE CHAIRMAN, AND SALARY.**—The President shall annually designate one of the commissioners as chairman and one as vice chairman of the commission. The vice chairman shall act as chairman in case of the absence or disability of the chairman. A majority of the commissioners in office shall constitute a quorum, but the commission may function notwithstanding vacancies. Each commissioner (including members in office on the date of the enactment of this Act) shall receive a salary of \$11,000 a year. No commissioner shall actively engage in any other business, vocation, or employment than that of serving as a commissioner.

SEC. 331. GENERAL POWERS.

(a) **PERSONNEL.**—The commission shall appoint a secretary, who shall receive a salary of \$7,500 per year, and the commission shall

have authority to employ and fix the compensations of such special experts, examiners, clerks, and other employees as the commission may from time to time find necessary for the proper performance of its duties.

(b) **APPLICATION OF CIVIL SERVICE LAW.**—With the exception of the secretary, a clerk to each commissioner, and such special experts as the commission may from time to time find necessary for the conduct of its work, all employees of the commission shall be appointed from lists of eligibles to be supplied by the Civil Service Commission and in accordance with the civil service law.

(c) **EXPENSES.**—All of the expenses of the commission, including all necessary expenses for transportation incurred by the commissioners or by their employees under their orders in making any investigation or upon official business in any other places than at their respective headquarters, shall be allowed and paid on the presentation of itemized vouchers therefor approved by the commission.

(d) **OFFICES AND SUPPLIES.**—Unless otherwise provided by law, the commission may rent suitable offices for its use, and purchase such furniture, equipment, and supplies as may be necessary.

(e) **PRINCIPAL OFFICE AT WASHINGTON.**—The principal office of the commission shall be in the city of Washington, but it may meet and exercise all its powers at any other place. The commission may, by one or more of its members, or by such agents as it may designate, prosecute any inquiry necessary to its duties in any part of the United States or in any foreign country.

(f) **OFFICE AT NEW YORK.**—The commission is authorized to establish and maintain an office at the port of New York for the purpose of directing or carrying on any investigation, receiving and compiling statistics, selecting, describing, and filing samples of articles, and performing any of the duties or exercising any of the powers imposed upon it by law.

(g) **OFFICIAL SEAL.**—The commission is authorized to adopt an official seal, which shall be judicially noticed.

SEC. 332. INVESTIGATIONS.

(a) **INVESTIGATIONS AND REPORTS.**—It shall be the duty of the commission to investigate the administration and fiscal and industrial effects of the customs laws of this country now in force or which may be hereafter enacted, the relations between the rates of duty on raw materials and finished or partly finished products, the effects of ad valorem and specific duties and of compound specific and ad valorem duties, all questions relative to the arrangement of schedules and classification of articles in the several schedules of the customs law, and, in general, to investigate the operation of customs laws, including their relation to the Federal revenues, their effect upon the industries and labor of the country, and to submit reports of its investigations as hereafter provided.

(b) **INVESTIGATIONS OF TARIFF RELATIONS.**—The commission shall have power to investigate the tariff relations between the United States and foreign countries, commercial treaties, preferential provisions, economic alliances, the effect of export bounties and preferential transportation rates, the volume of importations compared with domestic production and consumption, and conditions, causes, and effects relating to competition of foreign industries with those of the United States, including dumping and cost of production.

(c) **INVESTIGATION OF PARIS ECONOMY PACT.**—The commission shall have power to investigate the Paris Economy Pact and similar organizations and arrangements in Europe.

(d) **INFORMATION FOR PRESIDENT AND CONGRESS.**—In order that the President and the Congress may secure information and assistance, it shall be the duty of the commission to—

(1) Ascertain conversion costs and costs of production in the principal growing, producing, or manufacturing centers of the United States of articles of the United States, whenever in the opinion of the commission it is practicable;

(2) Ascertain conversion costs and costs of production in the principal growing, producing, or manufacturing centers of foreign countries of articles imported into the United States, whenever in the opinion of the commission such conversion costs or costs of production are necessary for comparison with conversion costs or costs of production in the United States and can be reasonably ascertained;

(3) Select and describe articles which are representative of the classes or kinds of articles imported into the United States and which are similar to or comparable with articles of the United States; select and describe articles of the United States similar to or comparable with such imported articles; and obtain and file samples of articles so selected, whenever the commission deems it advisable;

(4) Ascertain import costs of such representative articles so selected;

(5) Ascertain the grower's, producer's, or manufacturer's selling prices in the principal growing, producing, or manufacturing centers of the United States of the articles of the United States so selected; and

(6) Ascertain all other facts which will show the differences in or which affect competition between articles of the United States and imported articles in the principal markets of the United States.

(e) **DEFINITIONS.**—When used in this subdivision and in subdivision (d)—

(1) The term "article" includes any commodity, whether grown, produced, fabricated, manipulated, or manufactured;

(2) The term "import cost" means the price at which an article is freely offered for sale in the ordinary course of trade in the usual wholesale quantities for exportation to the United States plus, when not included in such price, all necessary expenses, exclusive of customs duties, of bringing such imported article to the United States.

(f) The Tariff Commission is hereby directed, within eight months from the passage of this Act, to ascertain the approximate average cost per barrel to the oil refineries located on the Atlantic seaboard of crude petroleum delivered to them from the oil fields of the United States during the three years preceding 1930, and the present approximate average cost per barrel of crude petroleum from Lake Maracaibo, Venezuela, delivered to the same points. Such relative costs shall be immediately certified to the Speaker of the House of Representatives and to the President of the Senate for the information of the Congress.

(g) **REPORTS TO PRESIDENT AND CONGRESS.**—The commission shall put at the disposal of the President of the United States, the Committee on Ways and Means of the House of Representatives, and the Committee on Finance of the Senate, whenever requested, all information at its command, and shall make such investigations and reports as may be requested by the President or by either of said committees or by either branch of the Congress, and shall report to Congress on the first Monday of December of each year hereafter a statement of the methods adopted and all expenses incurred, and a summary of all reports made during the year.

SEC. 333. TESTIMONY AND PRODUCTION OF PAPERS.

(a) **AUTHORITY TO OBTAIN INFORMATION.**—For the purposes of carrying Part II of this title into effect the commission or its duly authorized agent or agents shall have access to and the right to copy any document, paper, or record, pertinent to the subject matter under investigation, in the possession of any person, firm, copartnership, corporation, or association engaged in the production, importation, or distribution of any article under investigation, and shall have power to summon witnesses, take testimony, administer oaths, and to require any person, firm, copartnership, corporation, or association to produce books or papers relating to any matter pertaining to such investigation. Any member of the commission may sign subpoenas, and members and agents of the commission, when authorized by the commission, may administer oaths and affirmations, examine witnesses, take testimony, and receive evidence.

(b) **WITNESSES AND EVIDENCE.**—Such attendance of witnesses and the production of such documentary evidence may be required from any place in the United States at any designated place of hearing. And in case of disobedience to a subpoena the commission may invoke the aid of any district or territorial court of the United States or the Supreme Court of the District of Columbia in requiring the attendance and testimony of witnesses and the production of documentary evidence, and such court within the jurisdiction of which such inquiry is carried on may, in case of contumacy or refusal to obey a subpoena issued to any corporation or other person, issue an order requiring such corporation or other person to appear before the commission, or to produce documentary evidence if so ordered or to give evidence touching the matter in question; and any failure to obey such order of the court may be punished by such court as a contempt thereof.

(c) **MANDAMUS.**—Upon the application of the Attorney General of the United States, at the request of the commission, any such court shall have jurisdiction to issue writs of mandamus commanding compliance with the provisions of Part II of this title or any order of the commission made in pursuance thereof.

(d) **DEPOSITIONS.**—The commission may order testimony to be taken by deposition in any proceeding or investigation pending under Part II of this title at any stage of such proceeding or investigation. Such depositions may be taken before any person designated by the commission and having power to administer oaths. Such testimony shall be reduced to writing by the person taking the deposition, or under his direction, and shall then be subscribed by the deponent. Any person, firm, copartnership, corporation, or

association, may be compelled to appear and depose and to produce documentary evidence in the same manner as witnesses may be compelled to appear and testify and produce documentary evidence before the commission, as hereinbefore provided.

(e) FEES AND MILEAGE OF WITNESSES.—Witnesses summoned before the commission shall be paid the same fees and mileage that are paid witnesses in the courts of the United States, and witnesses whose depositions are taken and the persons taking the same, except employees of the commission, shall severally be entitled to the same fees and mileage as are paid for like services in the courts of the United States: *Provided*, That no person shall be excused, on the ground that it may tend to incriminate him or subject him to a penalty or forfeiture, from attending and testifying, or producing books, papers, documents, and other evidence, in obedience to the subpoena of the commission; but no natural person shall be prosecuted or subjected to any penalty or forfeiture for or on account of any transaction, matter, or thing as to which, in obedience to a subpoena and under oath, he may so testify or produce evidence, except that no person shall be exempt from prosecution and punishment for perjury committed in so testifying.

(f) STATEMENTS UNDER OATH.—The commission is authorized, in order to ascertain any facts required by subdivision (d) of section 332, to require any importer and any American grower, producer, manufacturer, or seller to file with the commission a statement, under oath, giving his selling prices in the United States of any article imported, grown, produced, fabricated, manipulated, or manufactured by him.

SEC. 334. COOPERATION WITH OTHER AGENCIES.

The commission shall in appropriate matters act in conjunction and cooperation with the Treasury Department, the Department of Commerce, the Federal Trade Commission, or any other departments, or independent establishments of the Government, and such departments and independent establishments of the Government shall cooperate fully with the commission for the purposes of aiding and assisting in its work, and, when directed by the President, shall furnish to the commission, on its request, all records, papers, and information in their possession relating to any of the subjects of investigation by the commission and shall detail, from time to time, such officials and employees to said commission as he may direct.

SEC. 335. PENALTY FOR DISCLOSURE OF TRADE SECRETS.

It shall be unlawful for any member of the commission, or for any employee, agent, or clerk of the commission, or any other officer or employee of the United States, to divulge, or to make known in any manner whatever not provided for by law, to any person, the trade secrets or processes of any person, firm, copartnership, corporation, or association embraced in any examination or investigation conducted by the commission, or by order of the commission, or by order of any member thereof. Any offense against the provisions of this section shall be a misdemeanor and be punished by a fine not exceeding \$1,000, or by imprisonment not exceeding one year, or both, in the discretion of the court, and such offender shall also be dismissed from office or discharged from employment.

SEC. 336. EQUALIZATION OF COSTS OF PRODUCTION.

(a) **CHANGE OF CLASSIFICATION OR DUTIES.**—In order to put into force and effect the policy of Congress by this Act intended, the commission (1) upon request of the President, or (2) upon resolution of either or both Houses of Congress, or (3) upon its own motion, or (4) when in the judgment of the commission there is good and sufficient reason therefor, upon application of any interested party, shall investigate the differences in the costs of production of any domestic article and of any like or similar foreign article. In the course of the investigation the commission shall hold hearings and give reasonable public notice thereof, and shall afford reasonable opportunity for parties interested to be present, to produce evidence, and to be heard at such hearings. The commission is authorized to adopt such reasonable procedure and rules and regulations as it deems necessary to execute its functions under this section. The commission shall report to the President the results of the investigation and its findings with respect to such differences in costs of production. If the commission finds it shown by the investigation that the duties expressly fixed by statute do not equalize the differences in the costs of production of the domestic article and the like or similar foreign article when produced in the principal competing country, the commission shall specify in its report such increases or decreases in rates of duty expressly fixed by statute (including any necessary change in classification) as it finds shown by the investigation to be necessary to equalize such differences. In no case shall the total increase or decrease of such rates of duty exceed 50 per centum of the rates expressly fixed by statute.

(b) **CHANGE TO AMERICAN SELLING PRICE.**—If the commission finds upon any such investigation that such differences can not be equalized by proceeding as hereinbefore provided, it shall so state in its report to the President and shall specify therein such ad valorem rates of duty based upon the American selling price (as defined in section 402 (g)) of the domestic article, as it finds shown by the investigation to be necessary to equalize such differences. In no case shall the total decrease of such rates of duty exceed 50 per centum of the rates expressly fixed by statute, and no such rate shall be increased.

(c) **PROCLAMATION BY THE PRESIDENT.**—The President shall by proclamation approve the rates of duty and changes in classification and in basis of value specified in any report of the commission under this section, if in his judgment such rates of duty and changes are shown by such investigation of the commission to be necessary to equalize such differences in costs of production.

(d) **EFFECTIVE DATE OF RATES AND CHANGES.**—Commencing thirty days after the date of any presidential proclamation of approval the increased or decreased rates of duty and changes in classification or in basis of value specified in the report of the commission shall take effect.

(e) **ASCERTAINMENT OF DIFFERENCES IN COSTS OF PRODUCTION.**—In ascertaining under this section the differences in costs of production, the commission shall take into consideration, in so far as it finds it practicable:

(1) **IN THE CASE OF A DOMESTIC ARTICLE.**—(A) The cost of production as hereinafter in this section defined; (B) trans-

portation costs and other costs incident to delivery to the principal market or markets of the United States for the article; and (C) other relevant factors that constitute an advantage or disadvantage in competition.

(2) **IN THE CASE OF A FOREIGN ARTICLE.**—(A) The cost of production as hereinafter in this section defined, or, if the commission finds that such cost is not readily ascertainable, the commission may accept as evidence thereof, or as supplemental thereto, the weighted average of the invoice prices or values for a representative period and/or the average wholesale selling price for a representative period (which price shall be that at which the article is freely offered for sale to all purchasers in the principal market or markets of the principal competing country or countries in the ordinary course of trade and in the usual wholesale quantities in such market or markets); (B) transportation costs and other costs incident to delivery to the principal market or markets of the United States for the article; (C) other relevant factors that constitute an advantage or disadvantage in competition, including advantages granted to the foreign producers by a government, person, partnership, corporation, or association in a foreign country.

(f) **MODIFICATION OF CHANGES IN DUTY.**—Any increased or decreased rate of duty or change in classification or in basis of value which has taken effect as above provided may be modified or terminated in the same manner and subject to the same conditions and limitations (including time of taking effect) as is provided in this section in the case of original increases, decreases, or changes.

(g) **PROHIBITION AGAINST TRANSFERS FROM THE FREE LIST TO THE DUTIABLE LIST OR FROM THE DUTIABLE LIST TO THE FREE LIST.**—Nothing in this section shall be construed to authorize a transfer of an article from the dutiable list to the free list or from the free list to the dutiable list, nor a change in form of duty. Whenever it is provided in any paragraph of Title I of this Act, or in any amendatory Act, that the duty or duties shall not exceed a specified ad valorem rate upon the articles provided for in such paragraph, no rate determined under the provisions of this section upon such articles shall exceed the maximum ad valorem rate so specified.

(h) **DEFINITIONS.**—For the purpose of this section—

(1) The term “domestic article” means an article wholly or in part the growth or product of the United States; and the term “foreign article” means an article wholly or in part the growth or product of a foreign country.

(2) The term “United States” includes the several States and Territories and the District of Columbia.

(3) The term “foreign country” means any empire, country, dominion, colony, or protectorate, or any subdivision or subdivisions thereof (other than the United States and its possessions).

(4) The term “cost of production,” when applied with respect to either a domestic article or a foreign article, includes, for a period which is representative of conditions in production of the article: (A) The price or cost of materials, labor costs, and other direct charges incurred in the production of the article and in the processes or methods employed in its

production; (B) the usual general expenses, including charges for depreciation or depletion which are representative of the equipment and property employed in the production of the article and charges for rent or interest which are representative of the cost of obtaining capital or instruments of production; and (C) the cost of containers and coverings of whatever nature, and other costs, charges, and expenses incident to placing the article in condition packed ready for delivery.

(i) **RULES AND REGULATIONS OF PRESIDENT.**—The President is authorized to make all needful rules and regulations for carrying out his functions under the provisions of this section.

(j) **RULES AND REGULATIONS OF SECRETARY OF TREASURY.**—The Secretary of the Treasury is authorized to make such rules and regulations as he may deem necessary for the entry and declaration of foreign articles of the class or kind of articles with respect to which a change in basis of value has been made under the provisions of subdivision (b) of this section, and for the form of invoice required at time of entry.

(k) **INVESTIGATIONS PRIOR TO ENACTMENT OF ACT.**—All uncompleted investigations instituted prior to the approval of this Act under the provisions of section 315 of the Tariff Act of 1922, including investigations in which the President has not proclaimed changes in classification or in basis of value or increases or decreases in rates of duty, shall be dismissed without prejudice; but the information and evidence secured by the commission in any such investigation may be given due consideration in any investigation instituted under the provisions of this section.

SEC. 337. UNFAIR PRACTICES IN IMPORT TRADE.

(a) **UNFAIR METHODS OF COMPETITION DECLARED UNLAWFUL.**—Unfair methods of competition and unfair acts in the importation of articles into the United States, or in their sale by the owner, importer, consignee, or agent of either, the effect or tendency of which is to destroy or substantially injure an industry, efficiently and economically operated, in the United States, or to prevent the establishment of such an industry, or to restrain or monopolize trade and commerce in the United States, are hereby declared unlawful, and when found by the President to exist shall be dealt with, in addition to any other provisions of law, as hereinafter provided.

(b) **INVESTIGATIONS OF VIOLATIONS BY COMMISSION.**—To assist the President in making any decisions under this section the commission is hereby authorized to investigate any alleged violation hereof on complaint under oath or upon its initiative.

(c) **HEARINGS AND REVIEW.**—The commission shall make such investigation under and in accordance with such rules as it may promulgate and give such notice and afford such hearing, and when deemed proper by the commission such rehearing, with opportunity to offer evidence, oral or written, as it may deem sufficient for a full presentation of the facts involved in such investigation. The testimony in every such investigation shall be reduced to writing, and a transcript thereof with the findings and recommendation of the commission shall be the official record of the proceedings and findings in the case, and in any case where the findings in such investigation show a violation of this section, a copy of the findings shall be

promptly mailed or delivered to the importer or consignee of such articles. Such findings, if supported by evidence, shall be conclusive, except that a rehearing may be granted by the commission and except that, within such time after said findings are made and in such manner as appeals may be taken from decisions of the United States Customs Court, an appeal may be taken from said findings upon a question or questions of law only to the United States Court of Customs and Patent Appeals by the importer or consignee of such articles. If it shall be shown to the satisfaction of said court that further evidence should be taken, and that there were reasonable grounds for the failure to adduce such evidence in the proceedings before the commission, said court may order such additional evidence to be taken before the commission in such manner and upon such terms and conditions as to the court may seem proper. The commission may modify its findings as to the facts or make new findings by reason of additional evidence, which, if supported by evidence, shall be conclusive as to the facts except that within such time and in such manner an appeal may be taken as aforesaid upon a question or questions of law only. The judgment of said court shall be final.

(d) **TRANSMISSION OF FINDINGS TO PRESIDENT.**—The final findings of the commission shall be transmitted with the record to the President.

(e) **EXCLUSION OF ARTICLES FROM ENTRY.**—Whenever the existence of any such unfair method or act shall be established to the satisfaction of the President he shall direct that the articles concerned in such unfair methods or acts, imported by any person violating the provisions of this Act, shall be excluded from entry into the United States, and upon information of such action by the President, the Secretary of the Treasury shall, through the proper officers, refuse such entry. The decision of the President shall be conclusive.

(f) **ENTRY UNDER BOND.**—Whenever the President has reason to believe that any article is offered or sought to be offered for entry into the United States in violation of this section but has not information sufficient to satisfy him thereof, the Secretary of the Treasury shall, upon his request in writing, forbid entry thereof until such investigation as the President may deem necessary shall be completed; except that such articles shall be entitled to entry under bond prescribed by the Secretary of the Treasury.

(g) **CONTINUANCE OF EXCLUSION.**—Any refusal of entry under this section shall continue in effect until the President shall find and instruct the Secretary of the Treasury that the conditions which led to such refusal of entry no longer exist.

(h) **DEFINITION.**—When used in this section and in sections 338 and 340, the term "United States" includes the several States and Territories, the District of Columbia, and all possessions of the United States except the Philippine Islands, the Virgin Islands, American Samoa, and the island of Guam.

SEC. 338. DISCRIMINATION BY FOREIGN COUNTRIES.

(a) **ADDITIONAL DUTIES.**—The President when he finds that the public interest will be served thereby shall by proclamation specify and declare new or additional duties as hereinafter provided upon articles wholly or in part the growth or product of, or imported in a

vessel of, any foreign country whenever he shall find as a fact that such country—

(1) Imposes, directly or indirectly, upon the disposition in or transportation in transit through or reexportation from such country of any article wholly or in part the growth or product of the United States any unreasonable charge, exaction, regulation, or limitation which is not equally enforced upon the like articles of every foreign country; or

(2) Discriminates in fact against the commerce of the United States, directly or indirectly, by law or administrative regulation or practice, by or in respect to any customs, tonnage, or port duty, fee, charge, exaction, classification, regulation, condition, restriction, or prohibition, in such manner as to place the commerce of the United States at a disadvantage compared with the commerce of any foreign country.

(b) **EXCLUSION FROM IMPORTATION.**—If at any time the President shall find it to be a fact that any foreign country has not only discriminated against the commerce of the United States, as aforesaid, but has, after the issuance of a proclamation as authorized in subdivision (a) of this section, maintained or increased its said discriminations against the commerce of the United States, the President is hereby authorized, if he deems it consistent with the interests of the United States, to issue a further proclamation directing that such products of said country or such articles imported in its vessels as he shall deem consistent with the public interests shall be excluded from importation into the United States.

(c) **APPLICATION OF PROCLAMATION.**—Any proclamation issued by the President under the authority of this section shall, if he deems it consistent with the interests of the United States, extend to the whole of any foreign country or may be confined to any subdivision or subdivisions thereof; and the President shall, whenever he deems the public interests require, suspend, revoke, supplement, or amend any such proclamation.

(d) **DUTIES TO OFFSET COMMERCIAL DISADVANTAGES.**—Whenever the President shall find as a fact that any foreign country places any burden or disadvantage upon the commerce of the United States by any of the unequal impositions or discriminations aforesaid, he shall, when he finds that the public interest will be served thereby, by proclamation specify and declare such new or additional rate or rates of duty as he shall determine will offset such burden or disadvantage, not to exceed 50 per centum ad valorem or its equivalent, on any products of, or on articles imported in a vessel of, such foreign country; and thirty days after the date of such proclamation there shall be levied, collected, and paid upon the articles enumerated in such proclamation when imported into the United States from such foreign country such new or additional rate or rates of duty; or, in case of articles declared subject to exclusion from importation into the United States under the provisions of subdivision (b) of this section, such articles shall be excluded from importation.

(e) **DUTIES TO OFFSET BENEFITS TO THIRD COUNTRY.**—Whenever the President shall find as a fact that any foreign country imposes any unequal imposition or discrimination as aforesaid upon the commerce of the United States, or that any benefits accrue or are likely to accrue to any industry in any foreign country by reason of

any such imposition or discrimination imposed by any foreign country other than the foreign country in which such industry is located, and whenever the President shall determine that any new or additional rate or rates of duty or any prohibition hereinbefore provided for do not effectively remove such imposition or discrimination and that any benefits from any such imposition or discrimination accrue or are likely to accrue to any industry in any foreign country, he shall, when he finds that the public interest will be served thereby, by proclamation specify and declare such new or additional rate or rates of duty upon the articles wholly or in part the growth or product of any such industry as he shall determine will offset such benefits, not to exceed 50 per centum ad valorem or its equivalent, upon importation from any foreign country into the United States of such articles; and on and after thirty days after the date of any such proclamation such new or additional rate or rates of duty so specified and declared in such proclamation shall be levied, collected, and paid upon such articles.

(f) **FORFEITURE OF ARTICLES.**—All articles imported contrary to the provisions of this section shall be forfeited to the United States and shall be liable to be seized, prosecuted, and condemned in like manner and under the same regulations, restrictions, and provisions as may from time to time be established for the recovery, collection, distribution, and remission of forfeitures to the United States by the several revenue laws. Whenever the provisions of this Act shall be applicable to importations into the United States of articles wholly or in part the growth or product of any foreign country, they shall be applicable thereto whether such articles are imported directly or indirectly.

(g) **ASCERTAINMENT BY COMMISSION OF DISCRIMINATIONS.**—It shall be the duty of the commission to ascertain and at all times to be informed whether any of the discriminations against the commerce of the United States enumerated in subdivisions (a), (b), and (e) of this section are practiced by any country; and if and when such discriminatory acts are disclosed, it shall be the duty of the commission to bring the matter to the attention of the President, together with recommendations.

(h) **RULES AND REGULATIONS OF SECRETARY OF TREASURY.**—The Secretary of the Treasury with the approval of the President shall make such rules and regulations as are necessary for the execution of such proclamations as the President may issue in accordance with the provisions of this section.

(i) **DEFINITION.**—When used in this section the term “foreign country” means any empire, country, dominion, colony or protectorate, or any subdivision or subdivisions thereof (other than the United States and its possessions), within which separate tariff rates or separate regulations of commerce are enforced.

SEC 339. EFFECT OF REENACTMENT OF EXISTING LAW.

Notwithstanding the repeal by section 651 of the laws relating to the United States Tariff Commission and their reenactment in sections 330 to 338, inclusive, with modifications, the unexpended balances of appropriations available for the commission at the time this section takes effect shall remain available for the commission in the administration of its functions under this Act; and such

repeal and reenactment shall not operate to change the status of the officers and employees under the jurisdiction of the commission at the time this section takes effect. No investigation or other proceeding pending before the commission at such time (other than proceedings under section 315 of the Tariff Act of 1922) shall abate by reason of such repeal and reenactment, but shall continue under the provisions of this Act.

SEC. 340. DOMESTIC VALUE—CONVERSION OF RATES.

(a) **CONVERSION OF RATES BY COMMISSION.**—The commission shall ascertain, with respect to each of the ad valorem rates of duty, and each of the rates of duty regulated by the value of the article, specified in this Act, an ad valorem rate (or a rate regulated by the value of the article, as the case may be) which if applied upon the basis of domestic value would have resulted as nearly as possible in the imposition, during the period from July 1, 1927, to June 30, 1929, both dates inclusive, of amounts of duty neither greater nor less than would have been collectible at the rate specified in this Act applied upon the basis of value defined in section 402 of the Tariff Act of 1922.

(b) **REPORT TO CONGRESS BY COMMISSION.**—The commission shall, as soon as practicable, but in no event later than July 1, 1932, submit a report to the Congress setting forth the classes of articles with respect to which the conversion of rates has been made, together with the converted rates applicable thereto.

(c) **DATA TO BE FURNISHED BY SECRETARY OF TREASURY AND SECRETARY OF COMMERCE.**—To assist the commission in carrying out the provisions of this section, the Secretary of the Treasury and the Secretary of Commerce are authorized and directed to furnish to the commission, upon request, any data or information in the possession or control of their respective departments relating to the importation, entry, appraisement, and classification of merchandise and the collection of duties thereon.

(d) **DEFINITIONS.**—When used in this section—

(1) The term “domestic value,” applied with respect to imported merchandise, means

(A) the price at which such or similar imported merchandise is freely offered for sale, at the time of exportation of the imported merchandise, packed ready for delivery, in the principal market of the United States to all purchasers, in the usual wholesale quantities and in the ordinary course of trade, or

(B) if such or similar imported merchandise is not so offered for sale in the United States, then an estimated value, based on the price at which merchandise, whether imported or domestic, comparable in construction or use with the imported merchandise, is so offered for sale, with such adjustments as may be necessary owing to differences in size, material, construction, texture, and other differences.

(2) The term “rate of duty regulated by the value of the article” means a rate of duty regulated in any manner by the value of the article, and includes the value classification by which such rate is regulated.

SEC. 341. INTERFERENCE WITH FUNCTIONS OF COMMISSION.

(a) **INTERFERING WITH OR INFLUENCING THE COMMISSION OR ITS EMPLOYEES.**—It shall be unlawful for any person (1) to prevent or attempt to prevent, by force, intimidation, threat, or in any other manner, any member or employee of the commission from exercising the functions imposed upon the commission by this title, or (2) to induce, or attempt to induce, by like means any such member or employee to make any decision or order, or to take any action, with respect to any matter within the authority of the commission.

(b) **PENALTY.**—Any person who violates any of the provisions of this section shall, upon conviction thereof, be fined not more than \$1,000 or imprisonment for not more than one year, or both.

(c) **DEFINITION.**—As used in this section the term “person” includes an individual, corporation, association, partnership, or any other organization or group of individuals.

