

Thirty-seventh
Annual Report
of the
United States Tariff Commission
1953



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LETTER OF TRANSMITTAL

UNITED STATES TARIFF COMMISSION,
Washington, January 6, 1954.

SIR: I have the honor to transmit to you the **Thirty-seventh Annual Report** of the United States Tariff Commission in compliance with the provisions of section 332 of the Tariff Act of 1930.

Respectfully,

EDGAR B. BROSSARD,
Chairman.

THE PRESIDENT OF THE SENATE,
THE SPEAKER OF THE HOUSE OF REPRESENTATIVES.

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PART I. INTRODUCTION AND SUMMARY

Legislation in 1953 Affecting the Functions of the Commission

The only legislation enacted in 1953 that affected the duties or functions of the Tariff Commission was the Trade Agreements Extension Act of 1953.

During the period covered by this report, the United States conducted its trade agreements program under the Trade Agreements Act of 1934, as amended, the Trade Agreements Extension Act of 1951, and the Trade Agreements Extension Act of 1953. Under the extension act of 1951, the President's authority to enter into trade agreements with foreign countries was extended for a period of 2 years from June 12, 1951. This authority was further extended for a period of 1 year from June 12, 1953, by the Trade Agreements Extension Act of 1953, which was approved August 7, 1953.

Shortly after the convening of the 1st session of the 83d Congress, the President requested that the existing trade agreements legislation be extended for a period of 1 year as an interim measure to allow for "temporary continuation of our present trade program" pending a thorough reexamination of the economic foreign policy of the United States. Pursuant to this request several bills relating to the trade agreements program were introduced in the Congress. Some of these bills provided not only for a year's extension of the President's authority to enter into trade agreements, but also for substantial modification of existing trade agreements legislation and certain sections of the Tariff Act of 1930. Other bills provided for extension of the President's authority to enter into trade agreements with little or no other change in existing legislation.

The bill finally approved by the Congress was House bill 5495. A conference report on this bill, embodying the major changes recommended by the Senate, was adopted by the House of Representatives on August 1, 1953, and by the Senate, on August 3, 1953. The President signed the bill on August 7, 1953.

The Trade Agreements Extension Act of 1953 extends the authority of the President to negotiate trade agreements with foreign countries for a period of 1 year from June 12, 1953. The statutory provisions of the 1951 act, as amended by the act of 1953, remain in effect. The new act makes no change in the "peril point" procedures that were established by the extension act of 1951. With respect to escape-clause procedures, the act of 1953 reduces from 1 year to 9 months the period

within which the Tariff Commission must make its escape-clause investigations and report thereon. The extension act of 1953 also amends section 22 of the Agricultural Adjustment Act to permit the President to take immediate action, without waiting for a report from the Tariff Commission, whenever the Secretary of Agriculture determines that a condition requiring emergency action exists with respect to any product. Under the 1951 act, the President's authority to take such emergency action was limited to perishable agricultural products.

The extension act of 1953, by amending section 330 of the Tariff Act of 1930, changes the effect of certain less-than-majority decisions of the Tariff Commission. The new law authorizes the President to regard the unanimous findings and recommendations of one-half of the number of Commissioners voting as the findings and recommendations of the Commission in the exercise of authority conferred upon him to make changes in import restrictions. If the Commissioners voting are divided into two equal groups, each of which is unanimous in its findings and recommendations, the findings and recommendations of either group may be regarded by the President as the findings and recommendations of the Commission. The act further specifies that if, in any case in which the Tariff Commission is authorized to make an investigation or hold hearings, one-half of the number of Commissioners voting agree that the investigation or hearing should be undertaken, such investigation or hearing shall be carried out in accordance with the statutory authority covering the matter in question.

The extension act of 1953 also provides for the appointment of a special bipartisan Commission on Foreign Economic Policy for the purpose of conducting a broad study "on the subjects of international trade and its enlargement consistent with a sound domestic economy, our foreign economic policy, and the trade aspects of our national security and total foreign policy. . . ." The Commission on Foreign Economic Policy is specifically directed to recommend appropriate policies, measures, and practices relating to the subject matter of its study. It is directed to report its findings to the President and to the Congress within 60 days after the 2d regular session of the 83d Congress is convened.

The Commission on Foreign Economic Policy, which shall be dissolved 90 days after its report is submitted, consists of 17 members, appointed as follows: 7, by the President; 5 from the United States Senate, by the Vice President; and 5 from the House of Representatives, by the Speaker of the House. The law provides that no more than 4 of the 7 members appointed by the President, and no more than 3 members of each of the groups of 5 members appointed from the Senate and the House of Representatives shall be of the same political party. The act authorizes the President to designate the chairman and vice chairman of the Commission on Foreign Economic Policy.

In accordance with the provisions of section 334 of the Tariff Act of 1930, which directs the Tariff Commission to cooperate with other Government agencies in appropriate matters, it has offered its assistance to the Commission on Foreign Economic Policy in the conduct of this study.

Work of the Commission in 1953

For the purposes of this report, the current work of the United States Tariff Commission—described in part II—has been classified under the following headings: Work done in response to directives or requests from the Congress; work in connection with the trade agreements program; special investigations; general work of the Commission; cooperation with defense and other Government agencies; and other activities. Part III of the report deals with the membership of the Commission, personnel, and finances and appropriations. As required by law, a summary of each of the publications that the Commission issued in 1953 appears in part IV of this report.

Work for the Congress

During the calendar year 1953, as in previous years, an important part of the Tariff Commission's activities consisted of work undertaken at the request of the Congress, congressional committees, and individual Members of Congress. During the year the Commission analyzed and reported on various bills and congressional resolutions, supplied technical assistance to congressional committees during the hearings on proposed legislation, replied to numerous letters from individual Members of Congress requesting information on trade and tariff matters, and, in general, fulfilled that part of its statutory obligations that makes it a service agency for the Congress.

Work in connection with the trade agreements program

Activities related to the trade agreements program continued in 1953 to account for a considerable part of the work of the Tariff Commission. Work on escape-clause investigations constituted the Commission's most important trade-agreement activity during the year, as it did during 1952. At times during the year nearly half its professional staff, as well as a large part of its clerical and statistical staff, were engaged in work on escape-clause investigations. The Commission conducts its work in connection with the trade agreements program under the provisions of section 350 of the Tariff Act of 1930, as amended, the Trade Agreements Extension Act of 1951, the Trade Agreements Extension Act of 1953, and Executive Orders 10082 and 10401.

Of a total of 20 escape-clause applications pending before the Commission at one time or another during the period December 1, 1952,

through November 30, 1953, the Commission, as of November 30, 1953, had completed investigations relating to 11 applications; 2 investigations were discontinued and dismissed following withdrawal of the applications; and investigations on the remaining 7 applications were in process. The completed investigations were those on tobacco pipes and tobacco-pipe bowls of wood or root, specified household chinaware, wood screws of iron or steel (second application), pregnant mares' urine and estrogenic substances obtained or derived therefrom, chalk whitening, screen-printed silk scarves, woodwind musical instruments and parts, cotton-carding machinery and parts, rosaries, watch bracelets, and handmade blown glassware. The Commission also made its second periodic report to the President on developments with respect to women's fur felt hats and hat bodies, and instituted and completed a formal investigation reviewing the escape-clause action taken by the United States on dried figs. The nature and status of the individual escape-clause applications that were pending before the Commission during the period December 1, 1952, to November 30, 1953, and the review investigation of dried figs, are discussed in part II of this report. The Commission's reports on the investigations completed during this period are summarized in part IV.

Since 1947 the Commission has been required by Executive order to report at least once each year to the President and to the Congress on the operation of the trade agreements program. The fifth report in this series, covering the period July 1951 through June 1952, was issued in June 1953. The sixth report, which covers the period July 1952 through June 1953, is nearing completion.

During 1953, members of the Commission and its staff assisted the Interdepartmental Committee on Trade Agreements in work relating to a wide variety of problems. Foremost among these were the preparations for United States participation in the Eighth Session of the Contracting Parties to the General Agreement on Tariffs and Trade and for the meetings of the ad hoc Committee for Agenda and Intersessional Business of the General Agreement. During the year the Commission and its staff also assisted in the work of the Philippine Trade Agreement Committee.

Special investigations

Sections 332, 336, and 337 of the Tariff Act of 1930, section 22 of the Agricultural Adjustment Act, as amended, section 504 of the Philippine Trade Act of 1946, and Public Law 38 (82d Cong.), as amended, direct the Tariff Commission to conduct various investigations and to make certain special studies. During 1953, the Commission conducted investigations and studies under each of these provisions of law, except section 504 of the Philippine Trade Act.

In accordance with a resolution of June 26, 1952, by the Senate Committee on Finance, the Commission on June 30, 1952, instituted an investigation of the domestic tuna industry, under the provisions of section 332 of the Tariff Act of 1930. A public hearing was held November 17-21, 1952. On March 20, 1953, the Commission reported the results of its investigation to the Senate Committee on Finance.

Pursuant to resolutions of the Senate Committee on Finance and of the House Committee on Ways and Means, dated July 27 and 29, 1953, respectively, the Commission on July 29, 1953, instituted an investigation under the provisions of section 332 of the Tariff Act of 1930, with respect to the domestic lead and zinc industries. A public hearing was held November 3-6, 1953.

On May 15, 1952, in accordance with Senate Resolution 253 (82d Cong.), the Commission instituted an investigation under section 336 of the Tariff Act of 1930—the so-called flexible-tariff provision—of the differences in the costs of production of specified household china tableware and kitchenware in the United States and in the chief competing foreign countries. During 1953 the Commission continued its work on this investigation. A public hearing was scheduled to begin December 15, 1953.

During 1953, three complaints of alleged unfair methods and unfair acts of competition in the importation of certain articles were filed with the Commission pursuant to the provisions of section 337 of the Tariff Act of 1930. After preliminary inquiry the Commission (Commissioner Brossard dissenting) dismissed one complaint, which related to multiple-compartment cooking pans. The Commission instituted an investigation of the second complaint, which relates to synthetic star sapphires and synthetic star rubies. A preliminary inquiry into the third complaint—which relates to combination spray and spout plumbing fixtures—is being conducted by the Commission.

Under the provisions of section 22 of the Agricultural Adjustment Act, as amended, and in accordance with the recommendations of the Tariff Commission, quota restrictions have been imposed since 1939 on imports of most types of cotton, and since 1941 on imports of wheat, wheat flour, and certain other wheat products. Although in recent years the Commission has conducted a number of investigations to determine whether supplemental import quotas for certain types of long-staple cotton were necessary, it made no such investigations during 1953. The quotas on wheat, wheat flour, and similar wheat products have not been changed since their establishment in 1941, but certain exceptions were made in 1942 and 1943 to permit distress shipments, and to permit entry of seed wheat, wheat for experimental purposes, and wheat imported by the War Food Administrator,

During 1953 the Commission had pending before it a continuing investigation of edible tree nuts under the provisions of section 22 of the Agricultural Adjustment Act, as amended. Before 1953 the Commission had held 3 public hearings and had made 3 reports to the President in this investigation; the first of these was made in 1950, the second in 1951, and the third in 1952. On June 30, 1953, the Commission ordered a fourth public hearing in the investigation, to determine whether imports of almonds, filberts, walnuts, brazil nuts, or cashews were interfering with the programs of the United States Department of Agriculture for the crop year 1953/54 with respect to almonds, filberts, walnuts, or pecans. The hearing was held on August 24 and 25, 1953. On September 21, 1953, the Commission recommended to the President that he impose certain import fees on shelled and prepared almonds for both the coming year and subsequent years. By proclamation of September 29, 1953, the President imposed those import limitations and fees but restricted their application to the period October 1, 1953, to September 30, 1954.

On September 2, 1952, under the provisions of section 22 of the Agricultural Adjustment Act, as amended, the Commission at the direction of the President instituted an investigation of sheep's wool, carbonized sheep's wool, and tops of sheep's wool. A public hearing was held September 29–October 1, 1952. On June 25, 1953, the President advised the Commission that a report from it would serve no useful purpose inasmuch as the price-support program for wool in effect when the investigation was ordered had ended April 30, 1953. On July 9, 1953, the President directed the Commission to institute another investigation of wool and wool tops under the provisions of section 22. The Commission instituted its investigation the following day, and held a public hearing August 31–September 2, 1953. On November 30, 1953, the investigation was pending.

On April 10, 1953, under the provisions of section 22, the Tariff Commission at the direction of the President instituted an investigation of certain dairy products, flaxseed and linseed oil, peanuts and peanut oil, and tung nuts and tung oil. Public hearings were held on May 4, 5, 7, and 8, 1953. On June 1, 1953, the Commission recommended to the President that certain quotas or fees be imposed on all the products covered by the investigation, except butter oil, tung nuts, and tung oil. By proclamation of June 8, 1953, the President imposed those import restrictions; they became effective on July 1, 1953.

On June 10, 1953, under the provisions of section 22, the Commission at the direction of the President instituted an investigation of oats, hulled or unhulled, and unhulled ground oats. A public hearing was held on July 7 and 8, 1953. On November 30, 1953, this investigation was pending.

Public Law 38 (82d Cong.), as amended, which suspends the import-excise taxes on copper until June 30, 1954, provides for revocation of the suspension whenever the Tariff Commission determines that the average market price of standard electrolytic copper shapes and sizes (delivered Connecticut Valley) has been below 24 cents per pound for any 1 calendar month during the period. The Commission has established the procedures necessary for carrying out this function and is keeping currently informed on copper prices.

General work of the Commission

Under the provisions of section 332 of the Tariff Act of 1930, which sets forth the general powers of the Tariff Commission, the Commission is constantly engaged in investigating and reporting on a wide range of subjects relating to tariffs, commercial policies, and international trade.

During the 3 years 1948-50 the Commission revised and published 44 volumes of its Summaries of Tariff Information, covering about 2,300 separate commodities and groups of commodities. Since 1949 many of the summaries have been brought up to date. Although it has not been possible to publish the revised summaries, they have nevertheless been made available to defense and other Government agencies.

During 1953 the Commission issued its customary preliminary and final reports on domestic production and sales of synthetic organic chemicals, as well as monthly statistics both on selected chemicals in this group and on synthetic plastics and resin materials. These reports, long recognized for their value to the Congress and to the domestic chemical industry, have been of special value to the defense agencies, their coverage having been expanded at the request of those agencies.

In November 1953 the Commission made available for distribution the first supplement to its publication entitled *United States Import Duties (1953)*. This publication, which reports the latest changes in United States import duties, is widely used by business and industrial organizations and by Government agencies.

Progressive reduction of the Commission's staff and the pressure of higher priority work have prevented the Commission from analyzing any changes in the tariffs and commercial policy of foreign countries since 1951.

Cooperation with defense and other Government agencies

The Tariff Commission has always made its resources and experience available to other agencies of the Government. During 1953 assistance was given to a score of agencies, and to about 25 inter-departmental committees, including the Interdepartmental Commit-

tee on Trade Agreements and its "country" committees, the Commission on Foreign Economic Policy, and the Philippine Trade Agreement Committee. Of particular importance, because of activities arising out of the defense program, was the aid that the Commission gave to the Munitions Board, the National Production Authority, and the Defense Production Administration. All divisions of the Commission participated in this important work.

Other activities

Prerequisite to the Tariff Commission's varied activities is the task of assembling, maintaining, coordinating, and analyzing basic economic, statistical, and technical information. Over the years the Commission's staff has devoted a great deal of its time to keeping this essential information up to date.

A substantial part of the data that the Commission uses is obtained by visits of staff members to manufacturers, importers, and other groups. During 1953, as in 1951 and 1952, the Commission found it necessary—particularly because of work on escape-clause investigations—to carry on even more extensive field work than in previous years.

The Tariff Commission has always received numerous requests from outside the Federal Government for assistance on problems within its field of specialization. In 1953 the Commission responded to numerous requests from agriculture, industry, commerce, labor, and the general public for information on matters relating to tariffs and international trade.

Administration and finances

On June 30, 1953, the personnel of the Tariff Commission consisted of 5 Commissioners and 191 employees, or a total of 196 persons. Between June 30, 1945, and June 30, 1953, the number of persons on the roll of the Commission dropped from 301 to 196—a decline of 105 persons, or more than one-third.

The appropriated funds available to the Commission during the fiscal year 1953 amounted to \$1,291,375. Reimbursements received amounted to \$29,825. The total funds available to the Commission amounted to \$1,321,200, and expenditures amounted to \$1,275,743. In accordance with the President's request, \$30,000 was reserved for savings, and at the end of the fiscal year there was an additional unobligated balance of \$15,457. The unobligated balance resulted from two vacancies in Commissionerships, one for the entire year, and the other for several months.

PART II. CURRENT WORK

Work Done in Response to Directives or Requests From the Congress

During 1953, as in previous years, work that the Commission undertook at the request of the Congress, congressional committees, and individual Members of Congress was an important part of its activities. This section of the report deals only with direct requests from Members of Congress and from congressional committees for information, for comments on proposed legislation, and for assistance at congressional hearings. Other phases of the Commission's work, even though based directly or indirectly on congressional directives or requests, are discussed in other sections of this report.

Reports to committees on proposed legislation

Committees of Congress regularly request the Tariff Commission to analyze proposed legislation relating to tariff and trade matters. Most of these requests come from the Senate Committee on Finance and the House Committee on Ways and Means. During 1953 the Commission prepared and submitted to congressional committees reports on numerous bills and resolutions. Preparation of comments on bills and resolutions usually involves considerable work by the Commission, and the reports required are often extensive.

During the period April 27 to May 19, 1953, the Committee on Ways and Means of the House of Representatives held extensive hearings on House bill 4294, one of the bills introduced in the Congress to extend the authority of the President to enter into trade agreements under section 350 of the Tariff Act of 1930, as amended. This bill proposed numerous changes in the existing tariff and trade agreements legislation, as well as changes in the existing tariff treatment of crude petroleum and residual fuel oil and lead and zinc. At the request of the Committee on Ways and Means, the Commission prepared an analysis of the proposed legislation—including a detailed analysis of the proposed changes in the tariff treatment of the commodities mentioned above—which was published as part of the record of the committee hearings.¹

¹ U. S. Congress, House Committee on Ways and Means, *Hearings . . . on H. R. 4294, a Bill to Extend the Authority of the President to Enter Into Trade Agreements . . .* (83d Cong., 1st sess.), 1953, pp. 1951-2024.

At the request of the House Committee on Ways and Means and the Senate Committee on Finance, during 1953 the Commission also prepared analyses of a number of other bills and resolutions. These bills and resolutions related to a wide variety of subjects, as the following titles indicate: To simplify customs procedures; to amend paragraph 207 and schedule 16 of the Tariff Act of 1930 by placing bauxite on the free list; to amend paragraph 1007 of the Tariff Act of 1930 relative to the duty on imports of unlined hose suitable for conducting liquids or gases; to continue until the close of June 30, 1954, the suspension of certain import taxes on copper; to continue for a temporary period the existing tariff classification of impure dicalcium phosphate; to strengthen national security and the common defense by providing for the maintenance of an adequate domestic tin-smelting industry; to continue until June 30, 1954, the suspension of duties and import taxes on metal scrap; to establish quota limitations on imports of foreign residual fuel oil; to amend the Tariff Act of 1930 so as to modify the duty on the importation of wood dowels; to provide for equalizing fees on imports of wool; and to suspend for 1 year certain import duties on aluminum and aluminum alloys.

Special services to committees of the Congress

In their consideration of proposed legislation, congressional committees often ask the Tariff Commission not only for reports, but also for the services of Commission experts. These experts are frequently asked to appear at congressional hearings, or to supply information orally in executive sessions of the committees.

At the request of the House Committee on Ways and Means, when that committee was holding hearings on House bill 4294 from April 27 through May 19, 1953, for example, two members of the Commission's staff were assigned to supply information to the committee. The Commission also furnished the committee with data on numerous questions that developed during the hearings.

Services rendered to individual Senators and Representatives

Each year the Commission receives many requests from individual Senators and Representatives for various types of information. Some of these requests can be answered from data that are readily available in the Commission's files, but others require research and often the preparation of extensive statistical compilations and trade analyses. Many of the requests concern applications for investigations pending before the Commission.

During 1953 the Commission continued to furnish to several Members of Congress, at their request, monthly tabulations prepared by the Ceramics Division showing United States imports (for consumption) of glassware and pottery, by kinds and by principal sources. The Commission also continued during 1953 to furnish to the Senate Com-

mittee on Finance monthly and cumulative monthly statistics prepared by the Textiles and Statistical Divisions, on imports of wool tops, yarns of wool, and woolen and worsted fabrics.

The Commission also regularly furnishes information to the interdepartmental Committee for Reciprocity Information to help that Committee in responding to inquiries by Members of Congress.²

Work in Connection With the Trade Agreements Program

In 1953, work in connection with the United States trade agreements program accounted for a substantial part of the activity of the Tariff Commission and its staff. As in the preceding year, escape-clause investigations constituted by far the most important of the Commission's trade-agreement activities. The Commission conducts its work in connection with the trade agreements program under the provisions of section 350 of the Tariff Act of 1930, as amended, the Trade Agreements Extension Act of 1951, the Trade Agreements Extension Act of 1953, and Executive Orders 10082 and 10401.

Work under the escape clause

Section 7 of the Trade Agreements Extension Act of 1951 (establishing a statutory escape-clause procedure) provides that the Tariff Commission, upon the request of the President, upon resolution of either House of Congress, upon resolution of either the Senate Committee on Finance or the House Committee on Ways and Means, upon its own motion, or upon application by any interested party, must promptly conduct an investigation to determine whether any product on which a trade-agreement concession has been granted is, as a result, in whole or in part, of the customs treatment reflecting such concession, being imported in such increased quantities, actual or relative, as to cause or threaten serious injury to the domestic industry producing like or directly competitive products. The Commission must complete its investigation and make a report thereon within 9 months of the date the application is received.³ As a part of each investiga-

² The primary functions of the Committee for Reciprocity Information, which was created by Executive order in 1934, are (1) to provide an opportunity for all interested parties to present their views on proposed trade agreements and (2) to see that those views are brought to the attention of the Interdepartmental Committee on Trade Agreements.

³ The Trade Agreements Extension Act of 1951 originally provided that the Commission must complete its escape-clause investigation and make a report thereon within 1 year of the date the application was received, but the extension act of 1953 reduced this time limit to 9 months. With respect to applications pending at the time the extension act of 1953 became law (August 7, 1953), that act requires the Commission to make its report not later than 1 year after the date on which the application was filed or 9 months after the date on which the 1953 act became law, whichever is the earlier.

tion, the Commission usually holds a public hearing at which interested parties are afforded a reasonable opportunity to be heard. Section 7 (a) of the Trade Agreements Extension Act of 1951 requires such hearing to be held whenever the Commission finds evidence of serious injury or threat of serious injury, or whenever so directed by resolution of either the Senate Committee on Finance or the House Committee on Ways and Means. In arriving at its findings and conclusions, the Commission is required to consider several factors expressly set forth in section 7 (b) of the extension act of 1951.

Should the Commission find, as a result of its investigation, the existence or threat of serious injury as a result of increased imports due, in whole or in part, to the customs treatment reflecting the concession, it must recommend to the President, to the extent and for the time necessary to prevent or remedy such injury, the withdrawal or modification of the concession, or the suspension of the concession in whole or in part, or the establishment of an import quota. Within 60 days, or sooner if the President has given effect to its recommendations, the Commission must transmit to the Senate Committee on Finance and the House Committee on Ways and Means an exact copy of its report and recommendations to the President. When, in the Commission's judgment, there is no sufficient reason to recommend to the President that a trade-agreement concession be modified or withdrawn, the Commission must nevertheless make and publish a report stating its findings and conclusions.

Section 8 (a) of the extension act of 1951 establishes a special procedure which, under specified circumstances, governs the institution and duration of escape-clause investigations relating to perishable agricultural commodities. Upon report to the President and the Tariff Commission by the Secretary of Agriculture, with respect to an agricultural commodity, that due to its perishability a condition exists requiring emergency treatment, the Commission must make an immediate investigation and make recommendations to the President for such relief under those provisions as may be appropriate. The Commission's report to the President and the President's decision must be made not more than 25 calendar days after the case is submitted to the Commission. Under the provisions of section 8 (a), the President may take immediate action if he deems it necessary, without awaiting the recommendations of the Commission. Section 8 (a) was not invoked during 1953.

Although escape-clause investigations under section 7 of the Trade Agreements Extension Act of 1951 differ from one another in many respects, the Commission's work on them follows a general pattern. The Commission's procedures in conducting escape-clause investigations and the work of its staff on such investigations were described in the Annual Report for 1952.

On December 1, 1952, there were 12 escape-clause investigations pending before the Commission. During the ensuing 12 months the Commission received 8 applications, and instituted investigations on each of them. Of a total of 20 escape-clause applications which were pending before the Commission at one time or another during the period December 1, 1952–November 30, 1953, the Commission, as of November 30, 1953, had completed investigations relating to 11 applications; 2 investigations were discontinued and dismissed following withdrawal of the applications; and 7 of the investigations were in process. The completed investigations were on tobacco pipes and tobacco-pipe bowls of wood or root, specified household chinaware, wood screws of iron or steel (second application), pregnant mares' urine, chalk whitening, screen-printed silk scarves, woodwind musical instruments and parts, cotton-carding machinery and parts, rosaries, watch bracelets, and handmade blown glassware. The investigations on hard-fiber cords and twines and on flourspar, acid grade, were discontinued and dismissed.

With respect to 2 of its completed investigations—those on tobacco pipes and tobacco-pipe bowls and on screen-printed silk scarves—the Commission recommended the imposition of increased import restrictions on the commodities involved; the President, however, did not proclaim those restrictions, but asked the Commission for further information. With respect to 1 completed investigation—that on handmade blown glassware—the vote of the Commissioners was evenly divided on the question of whether imports were causing or threatening serious injury to the domestic industry concerned. In this instance, the President asked the Tariff Commission for additional information so as to be in a better position to determine what action he should take. With respect to the 8 remaining completed investigations, the Commission did not recommend modification of the respective trade-agreement concessions.⁴ The Commission's reports on the completed investigations—all of which have been released—are summarized in part IV of this report.

The nature and status of the individual escape-clause applications that were pending before the Commission during the period December 1, 1952, to November 30, 1953, are shown in the accompanying list.

⁴For a record of the dissents from the Commission's findings and recommendations in the investigations listed, see the summaries of the respective reports in pt. IV of this report.

*Applications for escape-clause investigations pending before the Tariff Commission during the period Dec. 1, 1952-
Nov. 30, 1953*

Commodity	Name and address of applicant	Date received	Status
1. Tobacco pipes and tobacco-pipe bowls of wood or root.	American Smoking Pipe Manufacturers Association, New York, N. Y.	Dec. 29, 1951	Investigation instituted Jan. 10, 1952. Hearing held Mar. 24 and 25, 1952. Investigation completed Dec. 22, 1952. Modification in concession recommended to the President. President requested further study by Commission Feb. 18, 1953. Supplemental report submitted to the President Aug. 19, 1953. Recommendation rejected by the President Nov. 10, 1953.
2. Specified household china tableware, kitchenware, and table and kitchen utensils.	Vitrified China Association, Inc., Washington, D. C. National Brotherhood of Operative Potters, East Liverpool, Ohio.	Feb. 11, 1952	Investigation instituted Feb. 15, 1952. Hearing held June 23-26, 1952. Investigation completed Feb. 6, 1953. No modification in concession recommended.
3. Screws, commonly called wood screws, of iron or steel (second application).	United States Wood Screw Service Bureau, New York, N. Y.	Apr. 1, 1952	Investigation instituted Apr. 4, 1952. Hearing held June 30 and July 1, 1952. Investigation completed Mar. 27, 1953. No modification in concession recommended.
4. Pregnant mares' urine and estrogenic substances obtained or derived therefrom.	National P. M. U. Producers Association, Farmer City, Ill.	Apr. 8, 1952	Investigation instituted Apr. 16, 1952. Hearing held Jan. 27, 1953. Investigation completed Apr. 2, 1953. No modification in concession recommended.
5. Chalk or whiting or Paris white, dry, ground, or bolted.	Southwark Manufacturing Co., Camden, N. J.	Apr. 10, 1952	Investigation instituted Apr. 16, 1952. Hearing held July 8, 1952. Investigation completed Apr. 9, 1953. No modification in concession recommended.

6. Screen-printed silk scarves-----	Association of Textile Screen Makers, Printers and Processors, Inc., New York, N. Y.	Apr. 14, 1952	Investigation instituted Aug. 25, 1952. Hearing held Feb. 24-27, 1953. Investigation completed Apr. 13, 1953. Modification in concession recommended to the President. President requested further study by Commission June 10, 1953.
7. Woodwind musical instruments and parts.	Penzel, Mueller and Co., Inc., Long Island City, N. Y.; and others.	Apr. 29, 1952	Investigation instituted May 6, 1952. Hearing held Aug. 5-7, 1952. Investigation completed Apr. 28, 1953. No modification in concession recommended.
8. Hard-fiber cords and twines (except baler twine and binder twine).	Cordage Institute, New York, N. Y.; and others.	July 7, 1952	Investigation instituted July 11, 1952. Request for withdrawal of application granted; investigation discontinued and dismissed Jan. 14, 1953.
9. Cotton-carding machinery and parts.	American Textile Machinery Association, Whitinsville, Mass.	Aug. 12, 1952	Investigation instituted Aug. 21, 1952. Hearing held Mar. 9 and 10, 1953. Investigation completed July 29, 1953. No modification in concession recommended.
10. Rosaries, chaplets, and similar articles of religious devotion, made in whole or in part of gold, silver, platinum, gold plate, silver plate, or precious or imitation precious stones.	G. Klein & Son, New York, N. Y. H. M. H. Co., Inc., Pawtucket, R. I.	Sept. 15, 1952	Investigation instituted Sept. 19, 1952. Hearing held June 8, 1953. Investigation completed Aug. 21, 1953. No modification in concession recommended.
11. Watch bracelets and parts thereof, of metal other than gold or platinum.	Watch Attachment Manufacturers Association, New York, N. Y.	Sept. 24, 1952	Investigation instituted Sept. 26, 1952. Hearing held June 15, 1953. Investigation completed Aug. 20, 1953. No modification in concession recommended.
12. Handmade blown glassware-----	Hand Division, American Glassware Association, New York, N. Y.	Sept. 25, 1952	Investigation instituted Sept. 26, 1952. Hearing held Mar. 2, 1953. Investigation completed Sept. 22, 1953. Vote of Commissioners equally divided. President requested further study by Commission, Nov. 19, 1953.
13. Mustard seed-----	Montana State Farm Bureau, Bozeman, Mont.	Feb. 9, 1953	Investigation instituted Feb. 12, 1953. Hearing held June 22, 1953.

Applications for escape-clause investigations pending before the Tariff Commission during the period Dec. 1, 1952—Nov. 30, 1953—Continued

Commodity	Name and address of applicant	Date received	Status
14. Manicure and pedicure nippers, and parts. Scissors and shears, and blades therefor.	Shears, Scissors and Manicure Instruments Manufacturers Association, Newark, N. J.	Mar. 19, 1953	Investigation instituted Mar. 26, 1953. Hearing held June 29, 1953.
15. Fresh or frozen groundfish fillets (second application).	Massachusetts Fisheries Association, Inc., Boston, Mass.; and others.	May 27, 1953	Investigation instituted June 16, 1953. Hearing held Oct. 20–26, 1953.
16. Watch movements and parts thereof (second application).	Elgin National Watch Co., Elgin, Ill. Hamilton Watch Co., Lancaster, Pa. Waltham Watch Co., Waltham, Mass.	Sept. 1, 1953	Investigation instituted Sept. 9, 1953. Hearing scheduled Feb. 9, 1954.
17. Lead and zinc-----	National Lead and Zinc Committee, Salt Lake City, Utah.	Sept. 14, 1953	Investigation instituted Sept. 16, 1953. Hearing held Nov. 3–6, 1953.
18. Straight (dressmakers' or common) pins.	Vail Manufacturing Co., Chicago, Ill.; and others.	Sept. 23, 1953	Investigation instituted Sept. 24, 1953. Hearing scheduled Mar. 24, 1954.
19. Safety pins-----	DeLong Hook and Eye Co., Philadelphia, Pa.; and others.	Sept. 28, 1953	Investigation instituted Oct. 29, 1953. Hearing scheduled Mar. 23, 1954.
20. Fluorspar, acid grade-----	Ozark-Mahoning Co., Tulsa, Okla.; and others.	Oct. 20, 1953	Investigation instituted Oct. 29, 1953. Request for withdrawal of application granted; investigation discontinued and dismissed Nov. 23, 1953.

Under the provisions of section 7 (a) of the Trade Agreements Extension Act of 1951, any escape-clause action taken by the President with respect to a particular commodity is to remain in effect only "for the time necessary to prevent or remedy" the injury. In order to establish a formal procedure for review of such escape-clause actions, the President, on October 14, 1952, issued Executive Order 10401.⁵ The order directs the Tariff Commission to keep under review developments with regard to products on which trade-agreement concessions have been modified or withdrawn under the escape-clause procedure, and to make periodic reports to the President concerning such developments. The first such report is to be made in each case not more than 2 years after the original action, and thereafter at intervals of 1 year as long as the concession remains modified or withdrawn in whole or in part.

In addition to the periodic reports, the Commission is to institute a formal investigation in any case whenever, in the Commission's judgment, changed conditions warrant it, or upon the request of the President, to determine whether, and if so to what extent, the escape-clause action needs to be continued in order to prevent or remedy serious injury or the threat thereof to the domestic industry concerned. Upon completion of such investigation, including a public hearing, the Commission is to report its findings to the President.

During 1953, the Commission made its second periodic report to the President on developments with respect to women's fur felt hats and hat bodies; under the escape clause, the President had modified the trade-agreement concession on those products, effective December 1, 1950. By direction of the President, the Commission also instituted and completed a formal investigation, under the provisions of Executive Order 10401, reviewing the escape-clause action taken by the United States on dried figs. On the basis of this investigation, the Commission found that the increased import restrictions being applied to dried figs remained necessary to prevent serious injury to the domestic industry producing like or directly competitive products.⁶

Report on operation of the trade agreements program

Since 1947 various Executive orders have directed the Tariff Commission to make a factual report to the President and to the Congress, at least once each year, on the operation of the trade agreements program. The five reports that the Commission has issued in response to these directives give a detailed history of the trade agreements program since its inception in 1934.

⁵ Published in *Federal Register*, Oct. 15, 1952 (17 F. R. 9125).

⁶ For details of the Commission's investigation, see the summary of the report on dried figs in pt. IV of this report.

The Commission's first four reports covered developments from 1934 through June 1951. The Commission's fifth report, which covers the period July 1951 through June 1952, was issued in June 1953. Besides the developments respecting the General Agreement during the period covered, it discussed the concessions that the United States granted and obtained at the Torquay Conference, the effect of trade-agreement concessions on the level of the United States tariff, changes in tariffs and other trade controls by countries with which the United States has trade agreements, and United States measures relating to imports of trade-agreement items. The fifth report is summarized in part IV of this report.

Other trade-agreement activities

The Trade Agreements Extension Act of 1951 (secs. 3 and 4) provides for so-called peril-point investigations by the Tariff Commission to determine the maximum concessions that may be made by the United States on products listed for consideration in prospective trade-agreement negotiations without causing or threatening serious injury to the domestic industries producing like or directly competitive products. Inasmuch as the United States did not undertake any trade-agreement negotiations in 1953, the Commission conducted no "peril point" investigations during the year. The Commission's functions under the "peril point" provisions of the extension act of 1951 were discussed in the Annual Report for 1951.

During 1953 members of the Tariff Commission and its staff assisted in work of the Interdepartmental Committee on Trade Agreements relating to a wide variety of problems. Foremost among these were United States preparations for participation in the Eighth Session of the Contracting Parties to the General Agreement on Tariffs and Trade, which was held at Geneva, Switzerland, beginning September 17, 1953, and for the meetings of the ad hoc Committee for Agenda and Intersessional Business of the General Agreement, which were held at various times during the year. At the Eighth Session, matters of particular importance were an application by Japan for temporary accession to the General Agreement; proposals to amend article XXVIII of the agreement so as to extend the assured life of individual tariff concessions beyond January 1, 1954; and consultations with various contracting parties on the quantitative import restrictions maintained by them under certain provisions of the General Agreement.

Special Investigations

Specific provisions of law direct the Tariff Commission to conduct various investigations and to make certain special studies. These directives are contained in sections 332, 336, and 337 of the Tariff Act

of 1930; section 22 of the Agricultural Adjustment Act, as amended; section 504 of the Philippine Trade Act of 1946; and Public Law 38 (82d Cong.), as amended. During 1953 the Commission undertook or continued investigations under all these provisions of law except section 504 of the Philippine Trade Act of 1946.

Section 332 of the Tariff Act of 1930

Tuna industry.—In accordance with a resolution of the Senate Committee on Finance, the Tariff Commission on June 30, 1952, instituted an investigation—under section 332 of the Tariff Act of 1930—of the United States tuna industry.⁷ The committee's resolution required the Commission to determine not only the effect of imports of fresh or frozen tunafish on the livelihood of United States tuna fishermen, but also the facts concerning the production, trade, and consumption of tunafish in the United States. The principal objective of the committee's resolution was to obtain information to assist the Congress in determining what change, if any, should be made in United States import restrictions on fresh and frozen tuna.

In the course of its investigation, the Commission conducted a public hearing November 17–21, 1952. Besides the information obtained at the hearing, the Commission used information obtained from its files and from other official sources, as well as that obtained through field work by members of the Commission's staff assigned to the investigation and through questionnaires sent to domestic fishermen, boat operators, and canners of the products under investigation.

On March 20, 1953, the Commission reported the results of its investigation to the Senate Committee on Finance. The report discusses tuna fishing, canning, and distributing in the United States; the tuna industries in Japan and Peru; the foreign trade of the United States in tuna and tunalike fishes and their products; and the size and character of United States consumption of tuna and its products. In accordance with the committee's resolution, the Commission drew certain conclusions from its investigation, and incorporated them in its report.⁸ The Commission's report is summarized in part IV of this report.

Lead and zinc industries.—Pursuant to resolutions of the Senate Committee on Finance and of the House Committee on Ways and

⁷ On December 28, 1951, the Commission instituted an escape-clause investigation of bonito canned in oil, and tuna and bonito, canned, not in oil, under the provisions of sec. 7 of the Trade Agreements Extension Act of 1951. It completed this investigation, and issued a report thereon, on November 26, 1952. (This processed report was issued in printed form in 1953 as U. S. Tariff Commission Second Series Rept. No. 187.) The report was summarized in the Annual Report for 1952.

⁸ Commissioner Brossard did not approve the conclusions of the report.

Means, dated July 27 and 29, 1953, respectively, the Commission on July 29, 1953, instituted a general investigation, under the provisions of section 332 of the Tariff Act of 1930, as amended, concerning the domestic lead and zinc industries, including the effect of imports of lead and zinc on the livelihood of American workers. A public hearing was held November 3-6, 1953. This investigation is being conducted concurrently with the escape-clause investigation of lead and zinc, referred to above.

The purpose of the investigation is to determine the facts relative to the production, trade, and consumption of lead and zinc in the United States, taking into account all relevant factors affecting the domestic economy, including the interests of consumers, processors, and producers. Upon completion of the investigation the Commission will submit a report to the Senate Committee on Finance and the House Committee on Ways and Means. The report will include a statement of findings as to the effect of the present tariff status of imported lead and zinc upon the competitive position of the domestic lead and zinc industries.

Section 336 of the Tariff Act of 1930

Section 336 of the Tariff Act of 1930—the so-called flexible-tariff provision—sets forth the procedure under which the import duty on an article may be changed by proclamation of the President, after investigation and report by the Tariff Commission of the difference between the cost of production in the United States and in the country that is the principal foreign supplier. The trade agreements act, however, made the provisions of section 336 inapplicable to any commodity on which a tariff concession is in effect pursuant to a trade agreement. As the United States has progressively extended the coverage of trade-agreement concessions, it has reduced correspondingly the scope of possible action under the provisions of section 336.

On May 15, 1952, in accordance with Senate Resolution 253 (82d Cong.), the Tariff Commission instituted an investigation under section 336 of the differences in the costs of production in the United States and foreign countries of specified household china tableware, kitchenware, and table and kitchen utensils.⁹ These articles are dutia-

⁹ Tableware, kitchenware, and table and kitchen utensils, not containing 25 percent or more of calcined bone (except hotel or restaurant ware and utensils); plates, not over 6 $\frac{1}{8}$ inches in diameter and valued not over \$2.55 per dozen, or over 6 $\frac{1}{8}$ but not over 7 $\frac{1}{8}$ inches in diameter and valued not over \$3.45 per dozen, or over 7 $\frac{1}{8}$ but not over 9 $\frac{1}{8}$ inches in diameter and valued not over \$5 per dozen, or over 9 $\frac{1}{8}$ inches in diameter and valued not over \$6 per dozen; cups, valued not over \$4.45 per dozen; saucers, valued not over \$1.90 per dozen; and articles other than plates, cups, or saucers, valued not over \$11.50 per dozen articles; all the foregoing, whether or not painted, colored, tinted, stained, enameled, gilded, printed, or ornamented or decorated in any manner.

ble at compound rates under paragraph 212 of the Tariff Act of 1930. The other household china articles covered by paragraph 212 (i. e., those of medium and high value) are subject to concessions granted by the United States in trade agreements.¹⁰

During 1953 the staff of the Commission continued its work on the investigation. The Commission's experts obtained data on domestic costs of production, invoice values of imported chinaware, transportation costs, and other relevant factors that affect the competition between domestic and imported chinaware. On November 30, the investigation was pending. A public hearing was scheduled beginning December 15, 1953.

Section 337 of the Tariff Act of 1930

Section 337 of the Tariff Act of 1930 authorizes the Tariff Commission to investigate alleged unfair methods of competition and unfair acts in the importation of articles or in the sale of imported articles in the United States. When the effect or tendency of such methods or acts is to destroy or substantially injure a domestic industry, or to prevent the establishment of an industry, or to restrain or monopolize trade and commerce in the United States, the articles involved may by Executive order be excluded from entry into the United States.

On January 27, 1953, a complaint of alleged unfair methods and unfair acts of competition in the importation of multiple-compartment cooking pans was filed with the Commission on behalf of the Emco Sales Corp., of Dayton, Ohio. After preliminary inquiry, the Commission held (Commissioner Brossard dissenting) that the allegations in the complaint were insufficient to warrant a formal investigation, and on July 1, 1953, it dismissed the complaint.

On August 11, 1953, a complaint alleging unfair methods of competition or unfair acts in the importation of synthetic star sapphires and synthetic star rubies was filed with the Commission by Linde Air Products Co. (a division of Union Carbide and Carbon Corp.), of New York, N. Y. After preliminary inquiry, the Commission on September 16, 1953, ordered an investigation of the complaint. A public hearing was scheduled for December 8, 1953.

On September 4, 1953, a complaint of alleged unfair methods of competition in the importation of combination spray and spout plumbing fixtures was filed with the Commission by the Modern Faucet Co. and the Sphinx Manufacturing Co., both of Los Angeles, Calif. A

¹⁰ In February 1953, the Commission completed an escape-clause investigation of the household chinaware on which the United States has granted trade-agreement concessions. See the section of this report on trade-agreement activities.

preliminary inquiry into the complaint is being conducted by the Commission.

Section 22 of the Agricultural Adjustment Act

Section 22 of the Agricultural Adjustment Act authorizes the President to restrict the importation of commodities, either by the imposition of import fees or by quota limitations, if such importation tends to render ineffective or materially interfere with programs of the United States Department of Agriculture relating to agricultural commodities. The section requires the Tariff Commission, on direction of the President, to conduct an immediate investigation, including a public hearing, and to make a report and recommendation to the President. The scope of permissible action under section 22 was expanded by the Trade Agreements Extension Act of 1951. Under section 8 (b) of that act, no trade agreement or other international agreement entered into at any time by the United States may be applied in a manner inconsistent with the requirements of section 22. Previously, section 22 provided that no action taken under it should be in contravention of any international obligation of the United States.

The Trade Agreements Extension Act of 1951 (sec. 8 (a)) provides for special procedures under the provisions of section 22 in emergency conditions due to the perishability of any agricultural commodity. Upon report to the President and the Tariff Commission by the Secretary of Agriculture that such emergency conditions exist with respect to any agricultural commodity, the Tariff Commission must make an immediate investigation, either under section 22 of the Agricultural Adjustment Act, as amended, or under section 7 of the Trade Agreements Extension Act of 1951, and make recommendations to the President. The Commission's report to the President and the President's decision must be made not more than 25 calendar days after the case is submitted to the Tariff Commission. Should the President deem it necessary, however, he may take action without awaiting the recommendations of the Commission.

The Trade Agreements Extension Act of 1953 (sec. 104) provides that the President may take immediate action without awaiting the recommendations of the Tariff Commission whenever the Secretary of Agriculture determines and reports to him with regard to any article or articles that a condition exists requiring emergency treatment. Such action by the President may continue in effect pending his receipt of the report and recommendations of the Commission, after an investigation under section 22, and action thereon by the President. Under section 8 (a) of the extension act of 1951, the President's authority to take action before he had received a report from the Tariff Commission was limited to perishable agricultural products. No action

under either of the foregoing emergency provisions was taken during the year.

Long-staple cotton.—Under the provisions of section 22 of the Agricultural Adjustment Act, as amended, quota restrictions have been imposed since 1939 on imports of most types of cotton in accordance with the recommendations of the Tariff Commission. In recent years, the Commission has conducted a number of investigations to determine whether supplemental import quotas for certain types of long-staple cotton were necessary. During the first 11 months of 1953 the Commission made no investigations relating to long-staple cotton, but it continued to watch closely the developments with respect to that product.

Wheat and wheat flour.—Since May 1941, under the provisions of section 22 of the Agricultural Adjustment Act, and in accordance with recommendations of the Tariff Commission, the United States has restricted imports of wheat and wheat flour, semolina, crushed or cracked wheat, and similar wheat products, in order to prevent interference with programs of the Department of Agriculture to control the production or marketing of domestic wheat. Imports in any quota year are limited to 800,000 bushels of wheat and to 4 million pounds of wheat flour, semolina, and similar wheat products. The quotas are allocated by country; in general, they are in proportion to imports from the several countries in the 5-year period 1929–33. Since their adoption in 1941, the quotas have not been changed, but exceptions have been granted on distress shipments, on seed wheat, on wheat for experimental purposes, and on wheat imported during the war by the War Food Administrator (virtually all of which was used for animal feed). The Commission is continuing to watch closely the developments with respect to wheat, wheat flour, and other wheat products.

Edible tree nuts.—During 1953 the Commission had pending before it a continuing investigation of edible tree nuts, under the provisions of section 22. By direction of the President, the Tariff Commission instituted this investigation on April 13, 1950. The purpose of the investigation was to determine whether almonds, filberts, walnuts, brazil nuts, or cashews are being imported, or are practically certain to be imported, into the United States under such conditions and in such quantities as to render or tend to render ineffective or materially interfere with any of the programs undertaken by the Department of Agriculture with respect to almonds, filberts, walnuts, or pecans, or to reduce substantially the amount of any product processed in the United States from such walnuts, filberts, almonds, or pecans.

In November 1950 the Commission submitted to the President its first report in the investigation, and in September 1951, its second.

The Commission's recommendations made in these reports, and the President's actions on those recommendations, are discussed in the Commission's thirty-sixth Annual Report (1952).

On July 28, 1952, the Commission held a third public hearing in the investigation with respect to edible tree nuts. On September 25, 1952, the Commission reported to the President its findings and recommendations with regard to the need for restrictions on imports of tree nuts under section 22 of the Agricultural Adjustment Act, as amended, to prevent interference with programs of the Department of Agriculture for the 1952 crops of tree nuts. The Commission recommended the imposition of a fee on imports of shelled almonds and an absolute quota on imports of shelled filberts during the period October 1, 1952, to September 30, 1953, inclusive.

President Truman accepted the Commission's recommendation with respect to almonds and issued a proclamation on September 27, 1952, imposing a fee of 5 cents per pound on shelled almonds entered, or withdrawn from warehouse, for consumption during the period October 1, 1952, to September 30, 1953, until 7,000,000 pounds of such almonds had been so entered or withdrawn, and a fee of 10 cents per pound on shelled almonds entered or withdrawn during the period specified in excess of 7,000,000 pounds. These fees were to be collected in addition to the regular duties imposed by the tariff act.

In its third report, the Tariff Commission recommended that imports of shelled filberts during the period October 1, 1952, to September 30, 1953, be restricted by an absolute quota to 4,500,000 pounds. Commissioners Brossard and Gregg recommended that imports of shelled filberts during the 12-month period be restricted by absolute quota to not more than 4,000,000 pounds. On October 20, 1952, President Truman issued a statement that he was not acting upon the Commission's recommendation to impose additional restrictions on imports of shelled filberts. On June 10, 1953, however, President Eisenhower issued a proclamation imposing an absolute quota of 4,500,000 pounds on imports of shelled filberts during the year which ended September 30, 1953.

On June 30, 1953, the Commission ordered a fourth public hearing in the investigation; the hearing was held on August 24 and 25. On September 21 the Commission submitted a report to the President, recommending the continuation, for the year beginning October 1, 1953, and subsequent years, of the import fees on almonds which had been in effect since October 1, 1952. On September 29 the President issued a proclamation imposing the fees recommended by the Commission for the year beginning October 1, 1953. However, he did not accept the Commission's recommendation that the fees be imposed for subsequent years.

In its report of September 21, 1953, as in its previous reports, the Commission advised the President that it was continuing the investigation and that it would report again if further action was found to be necessary to carry out the purposes of section 22.

Wool.—On September 2, 1952, at the direction of the President, the Tariff Commission ordered an investigation of sheep's wool, carbonized sheep's wool, and tops of sheep's wool, under the provisions of section 22 of the Agricultural Adjustment Act, as amended. The purpose of the investigation was to determine whether these commodities were being, or were practically certain to be, imported in such quantities as to render ineffective, or materially interfere with, the price-support program undertaken by the Department of Agriculture with respect to sheep's wool or to reduce substantially the amount of products processed in the United States from domestic wool. A public hearing was held from September 29 to October 1, 1952.

On June 25, 1953, the President advised the Commission that a report from it would serve no useful purpose inasmuch as the price-support program for wool in effect when the investigation was ordered had ended April 30, 1953. He directed the Commission, however, to keep under constant review the Department of Agriculture's programs on wool and wool tops and developments relating to those programs.

On July 9, 1953, the President directed the Commission to institute another investigation of wool and wool tops under the provisions of section 22, and to report its findings and recommendations as promptly as practicable. The Commission instituted its investigation the following day. A public hearing was held from August 31 to September 2, 1953. On November 30, 1953, this investigation was pending.

Certain dairy products and certain oilseeds and their oils.—On April 10, 1953, by direction of the President, the Tariff Commission instituted an investigation of certain dairy products, flaxseed and linseed oil, peanuts and peanut oil, and tung nuts and tung oil under the provisions of section 22 of the Agricultural Adjustment Act, as amended. The investigation was ordered to determine whether, in the event that section 104 of the Defense Production Act of 1950, as amended, expired on June 30, 1953, the articles specified, the importation of which was then restricted under section 104, were practically certain to be imported into the United States under such conditions and in such quantities as to render or tend to render ineffective, or materially interfere with, any programs undertaken by the Department of Agriculture with respect to any such article, or with respect to any article from which any such article is processed, or to reduce substantially the amount of any such article processed in the United States from any agricultural commodity with respect to which any program of the

Department of Agriculture was being undertaken. Public hearings were held on May 4, 5, 7, and 8, 1953.

On June 1, 1953, the Commission recommended to the President that certain absolute quotas or fees be imposed on imports of all the products involved in the investigation except butter oil, tung nuts, and tung oil.¹¹ By proclamation of June 8, 1953, the President imposed those import restrictions, to become effective July 1, 1953, if section 104 of the Defense Production Act should expire on June 30, 1953. Section 104 did expire on the latter date, with the result that the restrictions became effective the following day.

In its report to the President, the Commission stated that it would continue to observe developments with respect to the trade in the products for which import restrictions were recommended and the effects of imports thereof upon programs of the Department of Agriculture, and that it would take appropriate action when necessary for the purposes of section 22 (d) of the Agricultural Adjustment Act, as amended.

Oats.—On June 10, 1953, by direction of the President, the Tariff Commission instituted an investigation of oats, under the provisions of section 22 of the Agricultural Adjustment Act, as amended. The purpose of the investigation was to determine whether oats, hulled or unhulled, and unhulled ground oats are being or are practically certain to be imported into the United States under such conditions and in such quantities as to render or tend to render ineffective or materially interfere with the price-support program undertaken by the United States Department of Agriculture with respect to oats, or to reduce substantially the amount of products processed in the United States from domestic oats. A public hearing was held on July 7 and 8, 1953. On November 30, 1953, this investigation was pending.

Section 504 of the Philippine Trade Act of 1946

Section 504 of the Philippine Trade Act of 1946 authorizes the President to establish import quotas on Philippine articles which he finds, after investigation by the Tariff Commission, are coming, or are likely to come, into substantial competition with like articles which are the product of the United States.¹² The act directs the Commission to conduct an investigation, including a public hearing,

¹¹ For the Commission's findings and recommendations with respect to each product covered by the investigation, see the summary of the Commission's report in pt. IV of this report.

¹² Quotas on some imports from the Philippines—rice, cigars, scrap and filler tobacco, coconut oil, buttons of pearl or shell, hard-fiber cordage, and sugar—are specifically provided for in the act. The provisions of sec. 504, therefore, are not applicable to those commodities.

upon request of the President, upon resolution of either House of Congress or concurrent resolution of both Houses of Congress, upon its own motion, or, when in its judgment there is good reason therefor, upon the application of any interested party. The Commission must report the results of its investigation to the President, and must send copies of such reports to each House of the Congress. The Commission has thus far made no investigation under the Philippine Trade Act of 1946.

Other special investigations

Public Law 38 (82d Cong.), as amended by Public Law 4 (83d Cong.), suspended the import-excise taxes on copper until June 30, 1954. It provides, however, that the President must revoke the suspension at an earlier date if the Tariff Commission determines that the average market price of standard electrolytic copper shapes and sizes (delivered Connecticut Valley) has been below 24 cents per pound for any 1 calendar month during the period. The Commission is required to advise the President, when this market condition occurs, within 15 days after the conclusion of such calendar month, and the President is required to reimpose the tax not later than 20 days after he has been so advised by the Commission. The Commission in previous years had established the necessary procedure for carrying out its responsibilities under the law; during 1953 it kept informed on current copper prices.

General Work of the Commission

Section 332 of the Tariff Act of 1930, which sets forth the general powers of the Tariff Commission, directs the Commission to investigate and report on a wide range of subjects related to tariffs, commercial policy, and international trade. These subjects include, among others, the fiscal and industrial effects of, and the operation of, the customs laws; the effects of various types of import duties; tariff relations between the United States and foreign countries; commercial treaties; the volume of imports compared with domestic production and consumption; and the competition of foreign industries with those of the United States.

Under the provisions of section 332, the Tariff Commission has issued various editions of its Summaries of Tariff Information; various editions of its compilation of information on United States import duties; periodic reports on synthetic organic chemicals; special reports on the commercial policies of certain foreign countries; and other special reports, including those on specific commodities and industries.

Summaries of Tariff Information

Under its general powers, the Commission's most extensive work is the preparation of its Summaries of Tariff Information. These summaries contain the tariff history of the commodities in each classification specified in the tariff act; a discussion of the nature and uses of each commodity; an analysis of the trends in United States production, imports, and exports; data on output and the conditions of production in foreign countries; and an analysis of the factors affecting the competition of imports with the domestic product. Continuous revision of these summaries, the first edition of which was issued in 1920, is a very important activity of the Commission. Under present conditions, continuous revision is essential to insure that the Congress and the executive agencies have up-to-date, authentic information on the commodities listed in the tariff act.

The most recent complete published edition of the Summaries of Tariff Information was issued in 1948-50. This edition consists of some 2,300 separate summaries, comprising 44 volumes. These summaries have been widely used by the Congress and other Government agencies, and by industrial, agricultural, commercial, labor, and other organizations. Because of budgetary limitations and the pressure of work of higher priority, the Commission has not been able to maintain a regular schedule for preparing and publishing revisions of the summaries. However, several hundred of the summaries were brought up to date during 1953. These revised summaries, especially those on critical and strategic materials, have been made available in mimeographed form to defense agencies.

Information on United States import duties

To fulfill its function of supplying complete up-to-date information on the United States tariff, the Commission for some years has issued, with the cooperation of the Bureau of Customs, a compilation of information on United States import duties. The latest edition, *United States Import Duties (1952)*, is a looseleaf publication consisting of two sections. Section I presents the rates of duty applicable to imported commodities, a list of the items that are free of duty, and the provisions of the Internal Revenue Code that levy certain taxes on imports. Section II contains the special and administrative provisions of the Tariff Act of 1930, as amended.¹³

After publication of *United States Import Duties (1952)*, the rates of duty on, and the customs treatment of, a number of tariff items were

¹³ Subscriptions to *United States Import Duties (1952)*, which may be placed with the Superintendent of Documents, U. S. Government Printing Office, include at least such supplemental or replacement pages as may be issued during the first year after its publication. The subscription price is \$3.25 if the document is mailed to a domestic address, and \$4.25 if it is mailed to a foreign address.

changed by the supplementary trade agreement with Venezuela, effective October 11, 1952; by the Presidential proclamation of certain United States concessions that were stipulated in the Torquay Protocol to the General Agreement that became effective during 1953; by special acts of the Congress; by modification of trade-agreement concessions under the escape clause; and by amendment of the administrative provisions of the Tariff Act of 1930 through the Customs Simplification Act of 1953 and the Trade Agreements Extension Act of 1953. Accordingly, the Commission prepared Supplement I, which consists of new pages for insertion in *United States Import Duties (1952)*; this supplement was issued in November 1953.

Periodic reports on synthetic organic chemicals

In 1953 the Commission released both its preliminary and final reports on the production and sales in 1952 of synthetic organic chemicals and the raw materials from which they are derived. These reports continue the series that the Commission has published each year since 1918. The preliminary report was issued in 14 separate sections, each section being released as soon as it was completed; the first section was issued in April 1953, and all of them had been released by the end of June.

Cooperation of the reporting companies in supplying their data promptly, together with intensive work by the Commission's staff, made possible the release of the preliminary reports at earlier dates than in any previous year. The early release of the statistics enhances their value to producers, trade associations, importers, Government agencies, and other interested groups and individuals. The National Production Authority has used much of the material provided in these reports, and continues to receive current data for use in its operations.

The Commission's final report on production and sales of synthetic organic chemicals in 1952 was released in September 1953. This publication contains final statistics on production and sales for each segment of the synthetic organic chemical industry. Also included in the final report are a Directory of Manufacturers, which identifies the manufacturers of each product; statistics on imports of coal-tar products that enter the country under paragraphs 27 and 28 of the Tariff Act of 1930; statistics on the number of persons engaged in research in the synthetic organic chemical industry; and data on the industry's expenditure for research. The final report for 1952 is summarized in part IV of this report.

During 1953 the Commission continued to collect and release monthly statistics on the production, plant consumption, and inventories of a selected list of synthetic organic chemicals. The statistics compiled from these data were published in the Facts for Industry Series 6-2.

This monthly series, which was started early in World War II, was continued afterward at the request of the chemical industry and interested Government agencies. During 1953 the list of chemicals covered included 95 items, having been expanded from about 50 items at the request of the National Production Authority, shortly after the outbreak of the Korean conflict. During the year the Commission supplied the National Production Authority each month with a confidential transcript of all the data reported. The work done for the National Production Authority has materially increased the work of the Commission's Chemicals Division.

The Commission also continued during 1953 to issue monthly data on synthetic plastics and resin materials, in the Facts for Industry Series 6-10.¹⁴ The survey, which was begun by the Commission in 1948, covers production, sales, and inventories of synthetic plastics and resins grouped according to chemical classes and by broad end uses. The classes covered are phenolic and other tar-acid resins, alkyd resins, urea and melamine resins, styrene resins, vinyl resins, and miscellaneous plastics and resins. The plastics for which data are collected are classified according to their major uses: as adhesives, as laminates, as protective coatings, as molding and extrusion materials, and for treating textiles and paper.

In 1953 the Commission issued its annual analysis of imports of coal-tar products. This report gives statistics for 1952 on United States imports (for consumption) of coal-tar products that are dutiable under paragraphs 27 and 28 of the Tariff Act of 1930. These imports include intermediates, dyes, medicinals and pharmaceuticals, flavor and perfume materials, agricultural chemicals, and miscellaneous finished coal-tar products.

Commodity reports

Acting under the provisions of section 332 of the Tariff Act of 1930, the Commission from its beginning has issued numerous commodity and industrial surveys. These surveys, which are more comprehensive than the Summaries of Tariff Information, have covered individual commodities and industries that had an important bearing at the time on the country's economic foreign policy or defense policy. Recent examples of the Commission's work in this field are the 29 reports in the series on War Changes in Industry, published during the period 1944-49, and the 7 reports in the Industrial Materials Series, published in 1951 and 1952. The latter series was designed especially

¹⁴ Beginning with the October 1953 issue, the Facts for Industry Series 6-10 and the Facts for Industry Series 6-2 (previously mentioned) were combined in one publication. The combined publication, *Organic Chemicals and Plastics Materials*, is available from the Superintendent of Documents, U. S. Government Printing Office; the subscription price is 50 cents a year (70 cents if mailed to a foreign address).

to assist other Government agencies in the mobilization of the Nation's resources for defense.

During 1953 pressure of other work prevented the completion and issue of other reports in the Industrial Materials Series. In May 1953, however, the Commission issued a report entitled *Statistics on Unmanufactured Lead and Zinc*. This report, which was prepared to answer requests for the latest available information on developments in the lead and zinc industries, consists of a compilation of statistical tables. These tables present annual statistics on lead and zinc for selected years from 1937 through 1952, quarterly data for 1952, and monthly data for January 1948–February 1953.

Reports on trade policies of foreign countries

One of the functions that section 332 of the Tariff Act of 1930 assigns to the Tariff Commission is that of investigating and reporting on the tariff and trade policies of foreign countries. Among the Commission's earliest reports were several extensive ones in this field. From time to time in later years the Commission issued comprehensive reports on the international trade and commercial policies of particular foreign countries that were of special interest at the time. The latest such report was *Recent Developments in the Foreign Trade of Argentina*, which was published in 1950.

Progressive reduction of the Commission's staff and the pressure of higher priority work since the war have made it necessary to defer the work of analyzing changes in the tariff and trade policies of foreign countries.

Cooperation With Defense and Other Government Agencies

Section 334 of the Tariff Act of 1930 directs the Tariff Commission to cooperate with other Government agencies in appropriate matters. Over the years, assistance of this kind has constituted a considerable part of the Commission's activity. Among the more important instances of such cooperative work is the Commission's continuing collaboration with the Bureau of the Census, the Bureau of Customs, and the Department of State on many matters besides the trade-agreement activities described in an earlier section of this report. In 1953 the Commission also carried on various kinds of work in cooperation with a score of other Government agencies. Including the various trade-agreement committees on which its Commissioners and staff members serve, there are about 25 interdepartmental committees on which the Tariff Commission is represented. The assistance that the Commission gives to other Government agencies ranges from meeting simple requests for information requiring only a few minutes' time to projects involving considerable research and often as much as a thousand man-hours of staff work. At times, cooperation with other

Government agencies involves detailing members of the Commission's staff to other agencies for extended periods.

Another aspect of interdepartmental cooperation is the assistance that other Government agencies give to the Tariff Commission in the conduct of its work. Outstanding examples of this assistance in 1953 were the continuing work of the Bureau of the Census in supplying the Commission with necessary statistical data on the foreign trade of the United States; the collaboration of officials of the Bureau of Customs, especially in the preparation of the supplement to *United States Import Duties (1952)*; and the assistance of the Departments of State, Agriculture, Commerce, and Interior in various phases of the Commission's work.

Selected aspects of the work that the Commission conducts in cooperation with other Government agencies are reviewed below.

Work for defense and emergency agencies

The United States Government agencies concerned with the problems of defense continued during 1953 to call upon the Tariff Commission for needed information on strategic and critical materials. All the divisions of the Commission participated in supplying such information.

The far-reaching activities of the Department of Defense—especially its Munitions Board—and those of the whole group of defense agencies have involved continued assistance and participation by the Tariff Commission in 1953. Until June 30, 1953, the Munitions Board maintained a group of interdepartmental advisory subcommittees to deal with strategic commodities. Members of the staff of the Tariff Commission served on the subcommittees established for chemicals, fibers, hides and leather, forest products, textiles, iron and steel, copper, magnesium and aluminum, other nonferrous metals, and additive alloys. After June 30, when the Munitions Board was abolished and its functions transferred to the Office of the Secretary of Defense, these interdepartmental commodity advisory committees were discontinued, but the Department of Defense asked the Tariff Commission's experts to stand by to furnish information as needed.

During the year, the Commission's Ceramics Division furnished information on strategic and critical materials to the Office of Defense Mobilization and the Defense Production Administration. A member of the staff of the Ceramics Division served on the interdepartmental committee of the Office of Defense Mobilization which was concerned with strategic minerals.

The Defense Materials Procurement Agency and the National Production Authority (the latter a part of the Department of Commerce) likewise called upon the Tariff Commission for assistance during 1953.

The Commission's Chemicals Division supplied the National Production Authority with monthly data on production, consumption, and stocks of the most important organic chemicals and plastics materials, and annual data on production and sales of all synthetic organic chemicals. These data were used for allocating chemicals, issuing certificates of necessity, and establishing normal consumption levels. The Ceramics Division supplied these agencies with monthly tabulations of invoice analyses of United States imports of mica, graphite, and diamond grinding wheels, and the Sundries Division supplied monthly data on industrial diamonds. The Office of Price Stabilization, an emergency agency which terminated its work in 1953, also received the monthly tabulations on chemicals which the Commission's Chemicals Division prepared for the National Production Authority.

Work for other Government agencies

Besides collaborating with the Department of State in trade-agreement matters, the Commission during 1953 furnished that Department with a wide range of data on United States tariffs and trade. At the request of the Department of State's Office of International Materials Policy the Commission prepared a report on the future of the world's silk economy. This report was incorporated in the position paper that the Department of State provided for the United States Delegation attending the international meeting of the Committee on Commodity Problems of the United Nations Food and Agriculture Organization at Rome in June 1953. Members of the Commission's staff also served on the Rubber Panel and the Interdepartmental Committee on International Petroleum Policy, both of which are under the chairmanship of the Department of State.

During 1953 the Commission supplied the Department of Agriculture with considerable information on agricultural, chemical, and forest products, and exchanged information with that Department in connection with investigations that the Commission was conducting under section 22 of the Agricultural Adjustment Act, as amended. During the year the Commission also assisted the interdepartmental sugar committee, which studied the various factors that affect the administration of the United States sugar act, and which engaged in preparatory work for the International Sugar Conference, called to negotiate a new international sugar agreement. The Commission also assisted in the preparation of a report on the sugar-control systems of the world, which report was a joint project of the Department of Agriculture, the Tariff Commission, and the Department of Commerce.

During 1953 the Commission assisted several divisions of the Department of Commerce: The National Bureau of Standards, the

Bureau of the Census, and the Office of International Trade (besides the National Production Authority, which has been previously mentioned). The Commission's Ceramics Division and several other commodity divisions assisted the National Bureau of Standards and the Bureau of the Census in the analysis of "basket" classifications of import statistics and in matters concerning the proper coding and classification of imported articles for statistical purposes. The Agricultural, Ceramics, and Chemicals Divisions supplied the Office of International Trade with market and consumption data on certain articles of commerce for which they had unique information.

Other agencies that the Commission assisted during the year include the Bureau of Customs and the Bureau of Internal Revenue of the Treasury Department, the Bureau of Mines of the Department of the Interior, the Department of Labor, the Federal Reserve Board, the Federal Trade Commission, the Federal Supply Service of the General Services Administration, and the Legislative Reference Service of the Library of Congress.

Work on classification of imports and exports

Section 484 (e) of the Tariff Act of 1930 provides for a statistical classification of imports, and authorizes the Department of Commerce, the Tariff Commission, and the Treasury Department to direct its preparation. Under this provision, the representatives of those agencies on the Interdepartmental Advisory Committee on Foreign Trade Commodity Classification prepare, for statistical purposes, an enumeration of articles—in such detail as may in their judgment be necessary—embracing all merchandise imported into the United States.

Many factors—such as changes in description and rates of duty by reason of trade agreements, changes in the character of various products, the appearance of new products, and the need for recording separate statistics for some products previously included in groups of loosely related articles—make advisable the frequent revision of Schedule A—*Statistical Classification of Imports Into the United States*. In 1953 the Commission continued to assist in the preparation of this statistical classification of commodities and the bulletins that authorize changes after its publication. A member of the staff of the Statistical Division represents the Commission on the interdepartmental Committee.

During 1953 the Commission also cooperated with the Department of Commerce in preparing revisions of Schedule B—*Statistical Classification of Domestic and Foreign Commodities Exported from the United States*. The Commission designated 15 commodity specialists to serve on the various subcommittees concerned with this work. A member of the staff of the Statistical Division continued to serve on

the interdepartmental Committee in connection with the revisions of Schedule B, and acted as liaison between that Committee and the commodity specialists in the Commission in the review of convertibility of the import and export schedules to other coding manuals, such as the *Standard International Trade Classification* and the *Industry Products Code*.

Work for quasi-official and international agencies

During 1953 the Commission also assisted certain quasi-official and international organizations by providing information on trade and tariff matters. Three members of the Commission's Ceramics Division served during the year on panels—dealing with strategic and critical materials—which were established by the National Research Council of the National Academy of Sciences to assist the Defense Materials Procurement Agency.

Recently the United States participated in a series of conferences with other countries on internationally traded materials that were in short supply. To assist the United States representatives on the Central Committee of the International Materials Conference and its various commodity committees, the United States Government established a number of interdepartmental advisory working groups. During 1953, a member of the staff of the Tariff Commission served on three of these groups—those working on copper, lead, and zinc; on tungsten and molybdenum; and on manganese, nickel, and cobalt. All of these groups terminated their work during the year.

Other Activities

General research and assembling of basic data

Prerequisite to the varied activities of the Tariff Commission is its continuing task of assembling, maintaining, coordinating, and analyzing basic economic, statistical, and technical information pertinent to its work. Over the years, the Commission has devoted a large part of its work to such activity. Section 332 of the Tariff Act of 1930 directs the Commission to gather such information and to place it at the disposal of the President, the Senate Committee on Finance, and the House Committee on Ways and Means, "whenever requested."

Basic information is collected by the Commission's various divisions on several thousand individual commodities. It includes technical data on the nature of the commodities and their processes of production; data on United States production, imports, exports, and prices; data on production, imports, exports, and prices for the leading foreign producing and exporting countries; and facts as to the conditions of competition between foreign and domestic products, particularly in the principal domestic markets. This information is obtained primarily through the assembly, collation, and analysis of data obtained

from Government publications, from trade journals, and from individual firms, and through field work by the Commission's technical experts. Another major class of the Commission's basic data has to do with foreign countries—their exports, imports, resources, and industries; their economic, financial, and trade position; and their commercial policies.

The Tariff Commission Library, which contains an outstanding collection of materials on the tariff, on commercial policy, and on international trade, primarily serves the Commission and its technical experts. These materials, however, are also available to other Government agencies and to private organizations, as well as to private individuals. The library's legislative reference service closely follows congressional legislation that is of interest to the Commission and its staff, and maintains a complete file of pertinent legislative documents.

Field work

Field work by the Commission's commodity and economic experts is essential to the gathering of information for the investigations that the Commission is charged with conducting. A substantial part of the data that the Commission uses in its Summaries of Tariff Information and its other reports is obtained by personal visits of its representatives to manufacturers, importers, and other groups. Through years of experience the Commission has found that neither public hearings nor inquiries by mail can supply it with all the details it needs for making decisions in its investigations, and for verifying information on production, costs, industrial practices, and competitive factors.

In 1953, as in 1952, the Commission found it necessary to devote an exceptionally large amount of time to field work. During 1953 the Commission's experts made field trips in connection with the investigations that the Commission was conducting under the escape-clause provision, under sections 332 and 336 of the Tariff Act of 1930, and under section 22 of the Agricultural Adjustment Act, as amended. In addition, certain of the Commission's experts visited representative manufacturing and importing firms in their fields of specialization in order to keep abreast of technical and trade developments. Representatives of the Commission also attended several conferences of trade and technical associations in order to follow developments affecting competitive markets.

Work of the Invoice Analysis Section and the New York office

The Invoice Analysis Section of the Commission's Technical Service at Washington serves as liaison between the Washington office and the New York office and between the Commission and other Govern-

ment agencies with respect to analyses of import invoices and other work carried on by the New York office. This section coordinates all requests for invoice analyses, for special tabulations connected with the regular work and investigations of the Commission, and for special analyses made for other Government agencies. The Invoice Analysis Section also compiles special tabulations for other Government agencies from the invoice cards received from the New York office.

The office that the Commission maintains in the customhouse at the port of New York performs several related functions. It assists in carrying out the field aspects of the Commission's investigations in the New York area. It also provides the Commission, through its invoice analyses, with more detailed information on imports of commodities than is available from the regular tabulations of import statistics. Through personal calls and interviews, the New York office also maintains contacts with manufacturers, importers, exporters, customs examiners and appraisers, and others in the New York area. In this way it assists the Commission's specialists in maintaining up-to-date information.

In its analysis of imports entered through the customs district of New York, the New York office uses the original customhouse documents, to which are attached consular and commercial invoices that have been reviewed and passed on by the appraisers and examiners. These invoices describe imports in detail as to type, grade, size, quantity, and value, and provide other data not available elsewhere. The New York office also analyzes the statistical copies of import entries through customs districts other than New York. Should the Commission require additional detail for these entries from other districts, the New York office obtains the customhouse documents that are on file at the port of entry.

During 1953 the New York office analyzed the data on more than 600 commodity classifications of imports. Somewhat more than half of these analyses were on a monthly basis and the rest for occasional months. In addition, the New York office made special analyses for use in the Commission's investigations under section 7 of the Trade Agreements Extension Act of 1951, under sections 332, 336, and 337 of the Tariff Act of 1930, under section 22 of the Agricultural Adjustment Act, as amended, and under Executive Order 10401. It also made, for the defense agencies, several special analyses of imports of certain critical and strategic materials, as well as special analyses for the use of other Government agencies.

Furnishing information to business concerns and the public

On specific matters within its field, the Tariff Commission furnishes information in response to many requests from outside the Federal Government. These requests come from industrial and commercial

organizations, labor unions, farm organizations, and research organizations, as well as from individual research workers, lawyers, teachers, editors, and other private individuals. Supplying the requested information entails a variety of work, such as preparation of appropriate letters and statistical compilations, and conferences with individuals and representatives of organizations. The Commission maintains no "public relations" staff for dealing with the public.

PART III. ADMINISTRATION AND FINANCES

Membership of the Commission

Edgar B. Brossard, Republican from Utah, was designated by the President as Chairman of the Commission on March 5, 1953, to serve for the remainder of his predecessor's term ending June 16, 1953. He succeeded Oscar B. Ryder, who submitted his resignation as Chairman on January 21, 1953, to be effective at the pleasure of the President. On June 15, 1953, the President again designated Mr. Brossard as Chairman of the Commission for the period ending June 16, 1954.

Joseph E. Talbot, Republican from Connecticut, was appointed a member of the Commission by the President for the term expiring June 16, 1953. Mr. Talbot, who succeeded the late John P. Gregg, entered on duty April 15, 1953, and subsequently was reappointed a member of the Commission by the President for the term expiring June 16, 1959. On August 8, 1953, Mr. Talbot was designated by the President as Vice Chairman of the Commission for the period ending June 16, 1954. In this post he succeeded Lynn R. Edminster, whose term as Vice Chairman expired on August 8, 1953.

Walter R. Schreiber, Republican from Maryland, was appointed a member of the Commission by the President for the term expiring June 16, 1958. Mr. Schreiber, who succeeded E. Dana Durand, entered on duty August 5, 1953.

The other members of the Commission are Oscar B. Ryder, Democrat from Virginia, Lynn R. Edminster, Democrat from Illinois, and George McGill, Democrat from Kansas.

Personnel

On June 30, 1953, the personnel of the Tariff Commission consisted of 5 Commissioners and 191 employees. The total of 196 persons consisted of 109 men and 87 women.

The following tabulation shows the size of the Commission's staff on June 30 of the alternate years from 1939 to 1953:

<i>Year</i>	<i>Number on staff</i>	<i>Year</i>	<i>Number on staff</i>
1939-----	311	1947-----	235
1941-----	297	1949-----	239
1943-----	308	1951-----	211
1945-----	301	1953-----	196

Between June 30, 1945, and June 30, 1953, the number of persons on the roll of the Commission dropped from 301 to 196, a decline of 105 persons, or more than one-third. With such a sharply reduced force and the mounting demands on it, the Commission's staff has had to devote nearly all its time to current projects of the highest priority, and has had little opportunity to undertake projects on other subjects that are of great interest to the Congress, the Executive, and the public.

The accompanying table shows the distribution of the Commission's staff, by title, on June 30, 1952, June 30, 1953, and October 31, 1953.

Number of persons on the staff of the United States Tariff Commission, by title, on June 30, 1952, June 30, 1953, and Oct. 31, 1953

Title	June 30, 1952	June 30, 1953	Oct. 31, 1953
Commissioners.....	5	5	6
Secretary.....	1	1	1
Director of Investigation.....	1	1	1
Chief Economist.....	1	1	1
Chief, Technical Service.....	1	1	1
General Counsel.....	1	1	1
Advisers.....	4	4	4
Chiefs of Divisions.....	8	8	8
Commission Representative in New York.....	1	1	1
Assistant to the Chief, Technical Service.....	1		
Chiefs of Sections.....	8	8	7
Librarians.....	5	6	6
Commodity-Industry Analysts.....	39	43	43
Industrial Engineers.....	6	6	6
Economists.....	18	17	17
Attorneys.....	1	2	2
Statistical Assistants.....	2	2	2
Budget and Methods Analyst.....	1	1	1
Customs Records Analysts.....	5	5	5
Secretaries to Commissioners.....	6	5	6
Administrative Assistant.....	1	1	1
Clerks, Stenographers, and Secretaries.....	64	63	60
Operators, Office Devices.....	6	7	7
Telephone Operators.....	3	3	3
Library Assistant.....	1	1	1
Messengers.....	4	2	3
Skilled Laborer.....	1	1	1
Total.....	195	196	195

Finances and Appropriations, Fiscal Year 1953

The appropriated funds available to the Tariff Commission during the fiscal year 1953 amounted to \$1,291,375. Reimbursements received

amounted to \$29,825. In accordance with the President's request, \$30,000 was reserved for savings and, at the end of the fiscal year, there was an additional unobligated balance of \$15,457.

Expenditures during the fiscal year 1953 were as follows:

Salaries :	
Commissioners.....	\$68, 592
Employees :	
Departmental.....	1, 100, 055
Field.....	39, 564
Overtime.....	1, 105
Federal Insurance Contribution Act tax.....	597
Travel expense.....	13, 465
Books of reference and publications.....	3, 993
Communication service.....	5, 067
Contractual services.....	5, 046
Office equipment, supplies, etc.....	20, 546
Printing and reproduction.....	17, 713
Total.....	<u>1, 275, 743</u>

The Commission does not own or operate any motor vehicles.

PART IV. SUMMARIES OF REPORTS ISSUED IN 1953

Operation of the Trade Agreements Program: Fifth Report

The Tariff Commission's report, *Operation of the Trade Agreements Program: Fifth Report*, which was issued in June 1953, covers the period from July 1951 through June 1952. During this period, the United States Government conducted its trade agreements program under the provisions of the Trade Agreements Act of 1934, as amended, and the Trade Agreements Extension Act of 1951.

Apart from the accession of new members after the Torquay tariff negotiations, the major developments respecting the General Agreement on Tariffs and Trade during the period under review related to the Sixth Session of the Contracting Parties, held at Geneva from September 17 to October 26, 1951. The report describes in detail the various discussions and consultations that the Contracting Parties held at that session on the general provisions of the agreement, the operation of the agreement, and routine problems and complaints. It also discusses two actions of the Contracting Parties relating to the long-run administration of the General Agreement: the establishment of an ad hoc Committee for Agenda and Intersessional Business, and the adoption of rules for tariff negotiations in the periods between full-scale conferences.

At the Torquay Conference, which was held at Torquay, England, from September 1950 to April 1951, the United States concluded regular negotiations with 17 countries, and participated in the special negotiations under article XXVIII of the General Agreement in which 16 foreign countries modified or withdrew certain concessions they had previously granted at Geneva and Annecy. The fifth report discusses the general nature of the concessions that the United States granted and obtained at Torquay, the concessions that the United States granted to and obtained from each of the countries with which it concluded regular negotiations, and the actions taken by the countries that modified or withdrew concessions under the provisions of article XXVIII of the General Agreement. It also analyzes the effect on the level of the United States tariff of trade-agreement concessions made by the United States since 1934. This analysis presents data on the effect of the Torquay concessions, the combined effect of all trade-agreement concessions, the effect of concessions by tariff schedules, and the extent to which rates of duty have been reduced by trade agreements.

The fifth report also describes, for the last half of 1951 and the first half of 1952, United States actions relating to imports of trade-agreement items. Among the matters discussed are the following: The entry into force, withdrawal, or modification of United States trade-agreement concessions; the report by the President to the Congress on escape clauses in trade agreements; the status of escape-clause investigations pending before the Tariff Commission; the status of United States quantitative restrictions on imports, including those imposed under section 22 of the Agricultural Adjustment Act (as amended), the Sugar Act of 1948, section 104 of the Defense Production Act of 1950, and section 504 of the Philippine Trade Act of 1946; the status of United States mixing regulations for rubber; and United States export subsidies.

During all or part of the period July 1951–June 1952, the United States had trade-agreement obligations in force with 44 countries. Of these, 33 countries were contracting parties to the General Agreement on Tariffs and Trade, and 11 were countries with which the United States had bilateral trade agreements.

The trade controls employed by most of the countries with which the United States had trade agreements tend to conform to certain patterns, depending on whether the countries fall into one or another of the following three groups (with some overlapping): (1) Countries that are members of the European Payments Union (EPU); (2) those that are members of the sterling area, which consists of all British Commonwealth countries (except Canada) and a few non-Commonwealth countries; and (3) those that use multiple-exchange-rate systems as an important feature of their systems of trade control. The pattern of trade controls within each of these groups, as well as the changes in the controls imposed by individual countries, is discussed. The report also describes the systems employed by certain of these countries to stimulate exports—such as export subsidies, tax rebates to exporters, special credit facilities for exporters, and so-called currency-retention quotas. The report concludes with a discussion of various matters regarding trade-agreement obligations at issue between the United States and foreign countries. These matters relate mainly to the failure of some countries with which the United States has trade agreements to correct certain practices that the United States Government has maintained are in violation of their trade-agreement obligations.

Reports on Escape-Clause Investigations Under Section 7 of the Trade Agreements Extension Act of 1951

During the period December 1, 1952, through November 30, 1953, the Tariff Commission issued the following reports on escape-clause

investigations under section 7 of the Trade Agreements Extension Act of 1951. The investigations were for the purpose of determining whether the specified products, on which concessions had been granted by the United States in trade agreements, were, as a result, in whole or in part, of the duty or other customs treatment reflecting such concessions, being imported into the United States in such increased quantities, either actual or relative, as to cause or threaten serious injury to the domestic industries producing like or directly competitive products.

Tobacco Pipes and Tobacco-Pipe Bowls of Wood or Root

On November 10, 1953, the Tariff Commission issued a report, dated December 22, 1952, on its investigation of tobacco pipes and tobacco-pipe bowls of wood or root, made pursuant to section 7 of the Trade Agreements Extension Act of 1951. At the same time, the Commission issued a supplemental report on such tobacco pipes and pipe bowls, dated August 19, 1953, containing certain additional information that had been requested by the President on February 18, 1953.

An application for an investigation under section 7 with respect to certain tobacco pipes having bowls wholly or in chief value of brier wood was filed with the Commission on December 29, 1951, by the American Smoking Pipe Manufacturers Association of New York, N. Y. In instituting the investigation on January 10, 1952, the Commission on its own motion expanded the scope of the investigation to include all finished and partly finished tobacco pipes and pipe bowls of wood or root. A public hearing was held March 24 and 25, 1952.

On the basis of its investigation, including the hearing, the Commission found that as a result in part of the customs treatment reflecting the concession granted in the General Agreement on Tariffs and Trade, tobacco-pipe bowls wholly or in chief value of brier wood or root and tobacco pipes having such bowls, valued at not more than \$5 per dozen, were being imported into the United States in such increased quantities, both actual and relative, as to cause serious injury to the domestic industry producing like or directly competitive products, and as to threaten continuance of such injury. The Commission also found that the application, for an indefinite period, of a rate of duty on such pipes or bowls of 15 cents each, but not less than 2½ cents each and 40 percent ad valorem or more than 3¾ cents each and 60 percent ad valorem, was necessary to prevent the continuance of serious injury to the domestic industry.

In view of its findings, and in accordance with section 7 of the Trade Agreements Extension Act of 1951, the Commission, on December 22, 1952, recommended to the President that the concession on tobacco-pipe bowls of brier wood or root and tobacco pipes having such

bowls be modified to permit, for an indefinite period, the application of the rate of duty specified above.

On February 18, 1953, in identical letters to the chairmen of the Senate Committee on Finance and the House Committee on Ways and Means, the President reported that he was not, at that time, giving effect to the recommendation of the Commission. The President stated that he was requesting further information from the Tariff Commission to assist him in arriving at an appropriate decision. Subsequently, the Commission forwarded copies of its original report of December 22, 1952, to the chairmen of the Senate Committee on Finance and the House Committee on Ways and Means.

A supplemental report, containing the information requested by the President on February 18, 1953, was submitted to him on August 19, 1953. On November 10, 1953, the President announced that he was not giving effect to the recommendation made by the Commission in its report of December 22, 1952. Copies of the Commission's supplemental report were sent to the chairmen of the Senate Committee on Finance and the House Committee on Ways and Means on November 12, 1953.

The tobacco pipes and bowls of wood or root covered by the Commission's investigation are provided for in paragraph 1552 of the Tariff Act of 1930. The rate of duty originally imposed by that act was 5 cents each and 60 percent ad valorem. Pursuant to a tariff concession that the United States granted in the bilateral trade agreement with France, the duty on wholly finished brier pipes valued at less than \$1.20 per dozen, was reduced to 2½ cents each plus 40 percent ad valorem, effective June 15, 1936. In the bilateral trade agreement with the United Kingdom, which became effective January 1, 1939, the United States granted tariff concessions on all other articles provided for in the classification covered by the investigation. These concessions, together with the concession granted in the bilateral trade agreement with France, resulted in a rate of 2½ cents each plus 40 percent ad valorem on all pipes and bowls of wood, except those valued per dozen at \$1.20 or more but not more than \$5, on which a concession in the trade agreement with the United Kingdom resulted in a rate of 5 cents each and 50 percent ad valorem.

In the General Agreement on Tariffs and Trade, at Geneva, the United States granted tariff concessions on all tobacco pipes and bowls of wood. These concessions became effective January 1, 1948, on which date the bilateral trade agreements with France and the United Kingdom became inoperative. In the General Agreement on Tariffs and Trade, at Torquay, the United States granted a further concession on pipes and bowls of wood other than brier, valued at less than \$1.20 per

dozen. This concession, which became effective October 19, 1951, resulted in a rate of duty of $1\frac{1}{4}$ cents each and 20 percent ad valorem on such pipes and bowls.

Household China Tableware

On February 6, 1953, the Tariff Commission issued a report on its investigation of certain household china tableware, kitchenware, and table and kitchen utensils, made pursuant to section 7 of the Trade Agreements Extension Act of 1951.¹

The Commission instituted the investigation on February 15, 1952, in response to an application filed by the Vitrified China Association, Inc., of Washington, D. C., and the National Brotherhood of Operative Potters, of East Liverpool, Ohio. A public hearing was held June 23-26, 1952.

On the basis of the investigation, including the hearing, the Commission found that the chinaware covered by the investigation was not being imported in such increased quantities, either actual or relative, as to cause or threaten serious injury to the domestic industry producing like or directly competitive products. Accordingly, in the judgment of the Commission, no sufficient reason existed for a recommendation to the President under the provisions of section 7 of the Trade Agreements Extension Act of 1951.

The rates of duty originally established by the Tariff Act of 1930 on imported household chinaware of the kinds covered by this investigation were 10 cents per dozen separate pieces plus 60 percent ad valorem if not decorated, and 10 cents per dozen separate pieces plus 70 percent ad valorem if decorated. Pursuant to concessions granted in the General Agreement on Tariffs and Trade, the chinaware under consideration, if containing 25 percent or more of calcined bone (bone china), is dutiable at 30 percent ad valorem but not less than 5 cents per dozen separate pieces plus 25 percent ad valorem if not decorated, and 35 percent ad valorem but not less than 5 cents per dozen separate pieces plus 30 percent ad valorem if decorated. Pursuant to other concessions granted in the General Agreement, the chinaware under consideration, if containing less than 25 percent of calcined bone (feldspar china), is dutiable at 10 cents per dozen separate pieces plus 35 percent ad valorem, whether plain or decorated, if valued at more than certain amounts per dozen separate pieces specified in the agreement. Imports of feldspar household chinaware valued at less than those specified amounts are not the subject of trade-agreement concessions; such chinaware was therefore not covered by the investigation.

¹ This report was subsequently printed as Rept. No. 186, Second Series.

Wood Screws of Iron or Steel

On March 27, 1953, the Tariff Commission issued a report on its second investigation of wood screws of iron or steel, made pursuant to section 7 of the Trade Agreements Extension Act of 1951. The Commission's report on its first investigation, issued December 29, 1951,² is summarized in the Commission's Annual Report for 1952.

The Commission instituted its second investigation on April 4, 1952, in response to an application filed by the United States Wood Screw Service Bureau of New York, N. Y. A public hearing was held June 30 and July 1, 1952.

On the basis of its second investigation, including the hearing, the Commission found (Commissioner Brossard dissenting)³ that wood screws of iron or steel were not being imported into the United States in such increased quantities, either actual or relative, as to cause or threaten serious injury to the domestic industry producing like or directly competitive products. Accordingly, in the judgment of the Commission, no sufficient reason existed for a recommendation to the President under the provisions of section 7 of the Trade Agreements Extension Act of 1951.

The rate of duty established on imports of wood screws of iron or steel by the Tariff Act of 1930 (par. 338) was 25 percent ad valorem. Pursuant to a concession granted in the General Agreement on Tariffs and Trade at Geneva, the duty on such wood screws was reduced to 15 percent ad valorem, effective January 1, 1948. This rate was further reduced to 12½ percent ad valorem, effective June 6, 1951, pursuant to a concession granted in the General Agreement at Torquay.

Pregnant Mares' Urine and Estrogens Obtained Therefrom (1953)

On April 2, 1953, the Tariff Commission issued a report on its investigation of pregnant mares' urine (PMU) and estrogenic substances obtained or derived therefrom, made pursuant to section 7 of the Trade Agreements Extension Act of 1951.

The Commission instituted the investigation on April 16, 1952, in response to an application filed by the National P. M. U. Producers Association, of Farmer City, Ill. A public hearing was held on January 27, 1953.

On the basis of its investigation, including the hearing, the Commission found that pregnant mares' urine and estrogenic substances obtained or derived therefrom were not being imported in such increased quantities, either actual or relative, as to cause or threaten serious injury to the domestic industry producing like or directly competitive products. Accordingly, in the judgment of the Commission,

² The report of December 1951 and that of March 1953 were subsequently printed and issued under one cover as Rept. No. 189, Second Series.

³ The majority consisted of Commissioners Ryder, Edminster, and McGill.

no sufficient reason existed for a recommendation to the President under the provisions of section 7 of the Trade Agreements Extension Act of 1951.

Pregnant mares' urine in its natural state and crude concentrates of the estrogenic substances in pregnant mares' urine originally entered as crude drugs of animal origin free of duty under paragraph 1669 of the Tariff Act of 1930. Such imports were bound free of duty in the trade agreement with Canada, effective January 1, 1939, and in the General Agreement on Tariffs and Trade at Geneva, effective January 1, 1948. Imports of estrogenic substances obtained or derived from pregnant mares' urine originally entered under paragraph 5 of the Tariff Act of 1930, as medicinal preparations of animal origin, at a duty of 25 percent ad valorem. The rate was reduced to 12½ percent ad valorem pursuant to a concession granted in the trade agreement with Argentina, effective November 15, 1941. However, as a result of a decision by the United States Court of Customs and Patent Appeals (C. A. D. 378), on January 6, 1948, these products were classified under paragraph 34 as drugs of animal origin, advanced in value or condition, at a rate of duty of 5 percent ad valorem. The rate of duty provided in paragraph 34 for drugs of animal origin, advanced in value or condition, had been reduced from 10 percent to 5 percent ad valorem pursuant to a concession granted in the General Agreement on Tariffs and Trade at Geneva, effective January 1, 1948.

Chalk Whiting

On April 9, 1953, the Tariff Commission issued a report on its investigation of chalk whiting, made pursuant to section 7 of the Trade Agreements Extension Act of 1951.

The Commission instituted the investigation on April 16, 1952, in response to an application filed by the Southwark Manufacturing Co. of Camden, N. J. A public hearing was held on July 8, 1952.

On the basis of its investigation, including the hearing, the Commission found (Commissioner Brossard dissenting)⁴ that chalk whiting was not being imported in such increased quantities, either actual or relative, as to cause or threaten serious injury to the domestic industry producing like or directly competitive products. Accordingly, in the judgment of the Commission, no sufficient reason existed for a recommendation to the President under the provisions of section 7 of the Trade Agreements Extension Act of 1951.

The rate of duty established on imports of chalk whiting under the Tariff Act of 1930 (par. 20) was ¼ cent per pound. The duty was reduced to ⅔ cent per pound pursuant to a concession granted in the trade agreement with Belgium, effective May 1, 1935. It was further

⁴The majority consisted of Commissioners Ryder, Edminster, and McGill.

reduced to the currently applicable rate of $\frac{1}{10}$ cent per pound pursuant to a concession granted in the General Agreement on Tariffs and Trade, effective January 1, 1948.

Screen-Printed Silk Scarves

On June 12, 1953, the Tariff Commission released a report on its investigation of screen-printed silk scarves, made pursuant to section 7 of the Trade Agreements Extension Act of 1951.

The Commission instituted the investigation on August 25, 1952, in response to an application filed by the Association of Textile Screen Makers, Printers and Processors, Inc., of New York, N. Y. A public hearing was held February 24-27, 1953.

On the basis of its investigation, including the hearing, the Commission found that as a result in part of the customs treatment reflecting the concession granted in the General Agreement on Tariffs and Trade, as supplemented by the Torquay Protocol, screen-printed silk scarves were being imported into the United States in such increased quantities, both actual and relative, as to cause serious injury to the domestic industry producing like or directly competitive products, and as to threaten continuance of such injury. The Commission also found that the application, for an indefinite period, of a rate of duty of 65 percent ad valorem on screen-printed silk scarves was necessary to prevent the continuance of serious injury to the domestic industry.

In view of its finding, and in accordance with section 7 of the Trade Agreements Extension Act of 1951, the Commission, on April 13, 1953, recommended to the President that the concession with respect to screen-printed silk scarves be modified to permit, for an indefinite period, the application of a rate of duty of 65 percent ad valorem.⁵

The screen-printed silk scarves covered by the Commission's investigation are provided for in paragraph 1210 of the Tariff Act of 1930, in the provision therein for "Clothing and articles of wearing apparel of every description, manufactured wholly or in part, wholly or in chief value of silk, and not specially provided for." The rate of duty originally imposed was 65 percent ad valorem. Effective January 1, 1948, the rate of duty was reduced to 35 percent ad valorem

⁵ On June 10, 1953, in identical letters to the chairmen of the Senate Committee on Finance and the House Committee on Ways and Means, the President reported that he was not, at that time, giving effect to the recommendation of the Commission. The President stated that he had questions concerning certain matters relating to the manufacture and distribution of silk scarves, and that he was requesting the Tariff Commission to make a further examination of the case and report its findings to him. Subsequently, the Commission forwarded copies of its original report to the chairmen of the Senate Committee on Finance and the House Committee on Ways and Means.

pursuant to a concession granted in the General Agreement on Tariffs and Trade at Geneva. It was reduced effective June 6, 1951, to 32½ percent ad valorem pursuant to a concession granted in the General Agreement at Torquay.

Woodwind Musical Instruments and Parts

On April 28, 1953, the Tariff Commission issued a report on its investigation of woodwind musical instruments and parts thereof, made pursuant to section 7 of the Trade Agreements Extension Act of 1951.

The Commission instituted the investigation on May 6, 1952, in response to an application filed by Penzel, Mueller and Co., Inc., of Long Island City, N. Y., and certain other domestic concerns. A public hearing was held August 5-7, 1952.

On the basis of its investigation, including the hearing, the Commission found that woodwind musical instruments and parts thereof were not being imported in such increased quantities, either actual or relative, as to cause or threaten serious injury to the domestic industry producing like or directly competitive products. Accordingly, in the judgment of the Commission, no sufficient reason existed for a recommendation to the President under the provisions of section 7 of the Trade Agreements Extension Act of 1951.

The rate of duty originally established in the Tariff Act of 1930 (par. 1541 (a)) on imports of woodwind musical instruments and parts was 40 percent ad valorem. Effective June 15, 1936, the rate of duty was reduced from 40 to 30 percent ad valorem pursuant to a concession granted by the United States in the trade agreement with France. As a result of concessions granted by the United States in the General Agreement, the rate was further reduced to 20 percent ad valorem, effective January 1, 1948, and to 15 percent ad valorem effective June 6, 1951.

Cotton-Carding Machinery and Parts

On July 29, 1953, the Tariff Commission issued a report on its investigation of cotton-carding machinery and parts, made pursuant to section 7 of the Trade Agreements Extension Act of 1951.

The Commission instituted the investigation on August 21, 1952, in response to an application filed by the American Textile Machinery Association, of Whitinsville, Mass. A public hearing was held March 9 and 10, 1953.

On the basis of its investigation, including the hearing, the Commission found that cotton-carding machinery and parts were not being imported in such increased quantities, either actual or relative, as to cause or threaten serious injury to the domestic industry producing like or directly competitive products. Accordingly, in the judgment of the Commission, no sufficient reason existed for a recommen-

dation to the President under the provisions of section 7 of the Trade Agreements Extension Act of 1951.

Cotton-carding machinery is not separately provided for in the Tariff Act of 1930, as amended and modified. This type of textile machinery is included in the statutory "basket" provision in paragraph 372 of the tariff act for "all other textile machinery, finished or unfinished, not specially provided for," and was originally dutiable thereunder at the rate of 40 percent ad valorem. Pursuant to a concession granted by the United States in the trade agreement with the United Kingdom, the rate of duty on certain of the textile machinery (including cotton-carding machinery) in this "basket" provision was reduced to 20 percent ad valorem, effective January 1, 1939.

Since January 1, 1948, cotton-carding machinery has been dutiable at 10 percent ad valorem, as a result of a concession made by the United States in the General Agreement on Tariffs and Trade at Geneva, with respect to textile machinery for manufacturing or processing vegetable fibers prior to the making of fabrics or woven, knit, crocheted, or felt articles not made from fabrics (except winding, beaming, warping, and slashing machinery, and combinations thereof).

Under paragraph 372 and the pertinent trade-agreement concessions, parts for cotton-carding machinery, not specially provided for, wholly or in chief value of metal or porcelain, have been and are subject to the same rate of duty that is applicable to such machinery.

Metal Watch Bracelets and Parts

On August 20, 1953, the Tariff Commission issued a report on its investigation of watch bracelets and parts thereof wholly or in chief value of metal other than gold or platinum, made pursuant to section 7 of the Trade Agreements Extension Act of 1951.

The Commission instituted the investigation on September 26, 1952, in response to an application filed by the Watch Attachment Manufacturers Association, of New York, N. Y. A public hearing was held June 15, 1953.

On the basis of its investigation, including the hearing, the Commission found that the metal watch bracelets and parts covered by the investigation were not being imported in such increased quantities, either actual or relative, as to cause or threaten serious injury to the domestic industry producing like or directly competitive products. Accordingly, in the judgment of the Commission, no sufficient reason existed for a recommendation to the President under the provisions of section 7 of the Trade Agreements Extension Act of 1951.

Watch bracelets are specifically named in paragraph 1527 (c) of the Tariff Act of 1930 among other articles (valued at above 20 cents per dozen) designed to be worn on apparel or carried on or about or

attached to the person. The rate of duty originally imposed on the watch bracelets and parts covered by this investigation was a compound rate equivalent to 110 percent ad valorem. The rate of duty on such watch bracelets and parts valued at not over \$5 per dozen pieces or parts was reduced to 65 percent ad valorem, effective April 21, 1948, pursuant to a concession granted by the United States in the General Agreement on Tariffs and Trade at Geneva.

The rate of duty on the watch bracelets and parts covered by the investigation and valued at over \$5 per dozen pieces was first reduced to 65 percent ad valorem, effective June 15, 1936, pursuant to a concession granted in the trade agreement with France. It was further reduced to 45 percent ad valorem, effective January 1, 1948, pursuant to a concession granted in the General Agreement on Tariffs and Trade at Geneva, and then to 35 percent ad valorem, effective June 6, 1951, pursuant to a concession granted in the General Agreement at Torquay.

Rosaries

On August 21, 1953, the Tariff Commission issued a report on its investigation of rosaries, made pursuant to section 7 of the Trade Agreements Extension Act of 1951.

The Commission instituted the investigation on September 19, 1952, in response to an application filed by G. Klein & Son, of New York, N. Y., and the H. M. H. Co., Inc., of Pawtucket, R. I. A public hearing was held June 8, 1953.

On the basis of its investigation, including the hearing, the Commission found that the articles covered by the investigation were not being imported in such increased quantities, either actual or relative, as to cause or threaten serious injury to the domestic industry producing like or directly competitive products. Accordingly, in the judgment of the Commission, no sufficient reason existed for a recommendation to the President under the provisions of section 7 of the Trade Agreements Extension Act of 1951.

Under paragraph 1544 of the Tariff Act of 1930, rosaries were originally dutiable at a rate of 50 percent ad valorem. This rate of duty was reduced to 30 percent ad valorem, effective June 15, 1936, pursuant to a concession granted in the trade agreement with France. The agreement with France was suspended on January 1, 1948, when concessions initially negotiated with France in the General Agreement on Tariffs and Trade at Geneva became effective. Although rosaries were not among the articles on which the United States granted duty concessions at Geneva in 1948, the rate did not at once revert to the 1930 rate of 50 percent ad valorem, but became 42 percent ad valorem as a result of limitations on the statutory authority to make tariff increases with respect to products of Cuba, and international com-

mitments not to increase the margin of tariff preference accorded to Cuban products. A change in the law resulted in the restoration of the statutory general rate of 50 percent ad valorem on rosaries, effective December 30, 1949. That rate remained in effect until the present rate of 15 percent ad valorem was established, effective June 6, 1951, pursuant to a concession made in the General Agreement on Tariffs and Trade at Torquay.

Handmade Blown Glassware

On November 20, 1953, the Tariff Commission issued a report on its investigation of handmade blown glassware, made pursuant to section 7 of the Trade Agreements Extension Act of 1951, as amended.

The Commission instituted the investigation on September 26, 1952, in response to an application filed by the Import Committee for the Hand Division of the American Glassware Association, of New York, N. Y. A supporting statement was filed concurrently by the National Labor-Management Council on Foreign Trade Policy, on behalf of the president of the American Flint Glass Workers' Union, which represents the workers in the handmade blown-glassware industry. A public hearing was held on March 2, 1953.

Upon consideration by the Commission of the facts obtained in the investigation, including the hearing, the Commission divided into two equal groups, each of which was unanimously agreed upon opposite findings, as to whether or not handmade blown glassware covered by the investigation was being imported in such increased quantities, either actual or relative, as to cause or threaten serious injury to the domestic industry producing like or directly competitive products.

Commissioners Brossard, Talbot, and Schreiber found that table articles and utensils, vases, and articles primarily designed for ornamental purposes, which are blown or partly blown from molten glass gathered by hand, and valued at less than \$3 each (except Christmas tree ornaments and articles and utensils commercially known as bubble glass), were being imported into the United States in such increased quantities, both actual and relative, as to cause serious injury to the domestic industry concerned and to threaten continuance of such injury; that products covered by the investigation, other than those immediately described above, were not being imported in such increased quantities as to cause or threaten serious injury to the domestic industry concerned; and that the application, for an indefinite period, of a rate of duty of 67½ percent ad valorem on cut or engraved articles and utensils valued at less than \$3 but not less than \$1 each, and a rate of 90 percent ad valorem on specified articles and utensils valued at less than \$3 each, was necessary to prevent the continuance of serious injury to the domestic industry concerned.

Commissioners Ryder, Edminster, and McGill found that none of the products covered by the investigation were being imported in such increased quantities, either actual or relative, as to cause or threaten serious injury to the domestic industry concerned, and that accordingly there was no sufficient reason for a recommendation to the President for action under section 7 of the Trade Agreements Extension Act of 1951.

In split decisions of this kind, section 330 of the Tariff Act of 1930, as amended by section 201 of the Trade Agreements Extension Act of 1953 (Public Law 215, 83d Cong.), provides that the findings (and recommendations, if any) of each group of Commissioners shall be transmitted to the President, and that the findings (and recommendations, if any) of either such group may be considered by the President as the findings (and recommendations, if any) of the Commission. A report incorporating the views of the two groups of Commissioners was transmitted to the President on September 22, 1953. In a letter to the Chairman of the Tariff Commission, dated November 19, 1953, the President stated that he is postponing making a decision in this case pending receipt of additional information which he requested the Commission to supply. The President advised the chairmen of the Senate Committee on Finance and the House Committee on Ways and Means of his action.

The handmade blown glassware covered by the Commission's investigation is provided for in paragraph 218 (f) of the Tariff Act of 1930. The rate of duty originally imposed on such glassware under that act was 60 percent ad valorem. Before 1948, reductions in this rate of duty were made on various classifications of glassware, including handmade blown glassware, pursuant to concessions granted in the bilateral trade agreements with Sweden (effective August 5, 1935), Czechoslovakia (effective April 16, 1938), the United Kingdom (effective January 1, 1939), and Mexico (effective January 30, 1943). The concessions granted in the bilateral agreements with Czechoslovakia and Mexico were terminated on April 22, 1939, and January 1, 1951, respectively. The bilateral agreement with the United Kingdom was suspended, effective January 1, 1948, when the United Kingdom became a contracting party to the General Agreement on Tariffs and Trade, and the bilateral agreement with Sweden was terminated July 1, 1950, after that country became a contracting party to the General Agreement (April 30, 1950). In 1948, and subsequently, the United States granted various concessions under the General Agreement on all types of glassware dutiable under paragraph 218 (f). The rates of duty reflecting the concessions granted on the glassware covered by this investigation, all of which rates are currently in effect, are 15 percent ad valorem on certain engraved ornamental articles valued at \$8 or more each; 22½ percent ad valorem on cut or engraved articles

valued at \$3 or more each; 30 percent ad valorem on certain articles and utensils commercially known as bubble glass; and a specific rate of 50 cents each (with a maximum rate of 50 percent ad valorem and a minimum rate of 30 percent ad valorem) on all other glassware.

Report on Investigation Under Executive Order 10401

Figs, Dried

On June 3, 1953, the Tariff Commission submitted to the President a report on its investigation of dried figs,⁶ made pursuant to paragraph 2 of Executive Order 10401.

The Commission instituted the investigation of dried figs in response to a request from the President dated March 5, 1953. The purpose of the investigation was to review the action taken by the President on August 16, 1952, modifying the tariff concession granted in the General Agreement on Tariffs and Trade on dried figs, and increasing the import duty on such figs from 2½ cents a pound to 4½ cents a pound, effective August 30, 1952. A public hearing was held on April 14, 1953.

As a result of its investigation, including the hearing, the Commission found that the modification of the concession granted in the General Agreement on Tariffs and Trade, pursuant to which a duty of 4½ cents a pound was being applied to imports of dried figs, remained necessary in order to prevent serious injury to the domestic industry producing the like or directly competitive product. In a letter to the Chairman of the Tariff Commission, dated June 25, 1953, the President accepted the Commission's findings.

Reports on Investigations Under Section 22 of the Agricultural Adjustment Act

Specified Manufactured Dairy Products; Flaxseed and Linseed Oil; Peanuts and Peanut Oil; Tung Nuts and Tung Oil

On April 10, 1953, by direction of the President, the Tariff Commission instituted an investigation of specified dairy products and fats and oils under the provisions of section 22 of the Agricultural Adjustment Act, as amended. The purpose of the investigation was to determine whether, in the event that section 104 of the Defense Production Act of 1950, as amended, expired on June 30, 1953, the specified articles, the importation of which had been restricted under section 104, were practically certain to be imported into the United States under such conditions and in such quantities as to render or tend to render ineffective, or materially interfere with, programs or operations under-

⁶ This report and that of the 1952 investigation of dried figs were subsequently printed and issued under one cover as Rept. No. 188, Second Series.

taken by the United States Department of Agriculture with respect to any of such articles or with respect to any products from which any of such articles are processed, or to reduce substantially the amount of any such articles processed in the United States from any agricultural commodity with respect to which any programs or operations of the United States Department of Agriculture were being undertaken. A public hearing was held on May 4, 5, 7, and 8, 1953.

On June 1, 1953, the Commission reported to the President its findings and recommendations. On the basis of its investigation, including the hearing, the Commission found (Commissioner Ryder not participating and Commissioner Edminster dissenting in part)⁷ the need for, and recommended to the President the imposition of, the following quantitative limitations and fees:

<i>Item</i>	<i>Quota or fee</i>
Butter.....	707,000 pounds.
Dried whole milk.....	7,000 pounds.
Dried buttermilk.....	496,000 pounds.
Dried cream.....	500 pounds.
Dried skimmed milk.....	1,807,000 pounds.
Malted milk, and compounds or mixtures of or substitutes for milk or cream (aggregate quantity).....	6,000 pounds.
Cheddar cheese, and cheese and substitutes for cheese containing, or processed from, Cheddar cheese (aggregate quantity).....	2,780,100 pounds.
Edam and Gouda cheese (aggregate quantity).....	4,600,200 pounds.
Blue-mold (except Stilton) cheese, and cheese and substitutes for cheese containing, or processed from, blue-mold cheese (aggregate quantity).....	4,167,000 pounds.
Italian-type cheese, made from cow's milk, in original loaves (Romano made from cow's milk, Reggiano, Parmesano, Provoloni, Provolette, and Sbrinz) (aggregate quantity).....	9,200,100 pounds.
Peanuts, whether shelled, not shelled, blanched, salted, prepared, or preserved (including roasted peanuts, but not including peanut butter) (aggregate quantity).....	1,709,000 pounds: <i>Provided, That peanuts in the shell shall be charged against this quota on the basis of 75 pounds for each 100 pounds of peanuts in the shell.</i>
Peanut oil.....	25 percent ad valorem on peanut oil entered, or withdrawn from warehouse, for consumption during any 12-month period beginning July 1 in excess of 80,000,000 pounds.
Flaxseed (except flaxseed approved for planting pursuant to the Federal Seed Act).....	50 percent ad valorem.
Linseed oil, and combinations and mixtures in chief value of such oil.....	50 percent ad valorem.

By proclamation of June 8, 1953, the President imposed the restrictions recommended by the Commission, to become effective July 1,

⁷ The majority consisted of Commissioners Brossard, McGill, and Talbot; Commissioner Edminster concurred in part. Commissioner Edminster's dissenting views related to certain items with respect to which he favored the establishment of larger quotas than those recommended by the majority of the Commission. These items were butter, Cheddar cheese, blue-mold cheese, dried whole milk, malted milk, and peanuts.

1953, if section 104 of the Defense Production Act expired on June 30, 1953. Since section 104 did expire on the latter date, the restrictions became effective the next day.

Besides the articles listed above, the Commission's investigation covered butter oil, tung nuts, and tung oil. In its report, the Commission found that there was at that time no basis under section 22 for imposing restrictions on imports of those products; it therefore did not recommend that any restrictions be imposed on imports of butter oil, tung nuts, and tung oil.

In its report to the President, the Commission stated that it would continue to observe developments with respect to the trade in the products for which import restrictions were recommended and the effects of imports thereof upon programs of the Department of Agriculture, and that it would take such action as might be appropriate when necessary for the purpose of section 22 (d) of the Agricultural Adjustment Act, as amended.

Edible Tree Nuts (fourth report)

On September 21, 1953, the Tariff Commission submitted to the President its fourth report on its investigation of edible tree nuts under section 22 of the Agricultural Adjustment Act, as amended. This investigation was instituted on April 13, 1950, on direction of the President, to determine, for the purposes of section 22 of the Agricultural Adjustment Act, as amended, whether almonds, filberts, walnuts, brazil nuts, or cashews were being, or were practically certain to be, imported into the United States under such conditions and in such quantities as to render or tend to render ineffective, or materially interfere with, any one or more of the programs undertaken by the United States Department of Agriculture with respect to almonds, filberts, walnuts, or pecans, or to reduce substantially the amount of any product processed in the United States from domestic almonds, filberts, walnuts, or pecans.

In its first report, submitted on November 24, 1950, the Commission found no justification for action under section 22. In its second report, submitted on November 28, 1951, the Commission found the need for and recommended the imposition of a fee of 10 cents per pound under section 22 on imports of shelled and prepared almonds entered in excess of 4,500,000 pounds during the period October 1, 1951, to September 30, 1952, inclusive. This fee was put into effect by Presidential proclamation. The Commission's third report,⁸ submitted on September 25, 1952, recommended imposition of an import fee of 5 cents per pound on entries of shelled and prepared almonds

⁸ The first three reports were subsequently printed and issued under one cover as Rept. No. 133, Second Series.

up to 7,000,000 pounds and a fee of 10 cents per pound on entries in excess of that amount during the period October 1, 1952, through September 30, 1953, and an absolute import quota of 4,500,000 pounds for shelled filberts entered during the same period. The President imposed the recommended fees on almonds, effective October 1, 1952. On October 20, 1952, President Truman issued a statement that he was not putting into effect the Commission's recommendation on filberts. On June 10, 1953, however, President Eisenhower issued a proclamation putting the Commission's recommendation on filberts into effect.

In its fourth report, submitted September 21, 1953, the Commission found that there was no basis under section 22 for imposing restrictions at that time on imports of walnuts, filberts, cashews, brazil nuts, or in-shell almonds. The Commission did find, however, that imports of shelled and prepared almonds, if subject only to the regular tariff, were practically certain to be imported, after September 30, 1953, under such conditions and in such quantities as to materially interfere with the program undertaken by the Department of Agriculture under the Agricultural Marketing Agreement Act of 1937, as amended, with respect to almonds. To prevent such interference, the Commission recommended continuation for the year beginning October 1, 1953, and subsequent years, of the import fees on almonds which had been in effect since October 1, 1952. On September 29, 1953, the President issued a proclamation imposing the recommended fees on almonds; however, he made them effective only for the 12-month period beginning October 1, 1953.

In its report of September 21, 1953, as in its previous reports, the Commission advised the President that it was continuing the investigation, and that it would report again if further action was found to be necessary to carry out the purposes of section 22.

Report on Investigation Under Section 332 of the Tariff Act of 1930

Tuna Fish

On March 20, 1953, the Tariff Commission transmitted to the Senate Committee on Finance a report on its investigation of the tuna industry, conducted under section 332 of the Tariff Act of 1930 pursuant to a resolution of that committee dated June 26, 1952.

Since 1948 United States imports of fresh, frozen, and canned tuna and tunalike fishes have increased substantially. This expansion has been mainly attributable to the postwar resumption and growth of United States trade with Japan; continued growth of the tuna-fishing and tuna-canning industries abroad, principally in Japan and Peru; and increased United States demand for such products, arising from growth of population, full employment, war-scared buying, sales pro-

motions by domestic tuna canners and distributors, and high prices for most other protein foods. The aggregate quantity of United States imports of these products has varied considerably from year to year, partly in response to variations in the size of the catch both here and abroad. Primarily because of changes in the rates of United States duty as a result of the granting and withdrawal of trade-agreement concessions, the particular forms in which the aforementioned imports have entered the United States have also been subject to considerable variation.

The trend of the domestic catch of tuna has risen sharply in recent years. The catch of 1950 was nearly one-fifth higher than the catch of 1949, which was itself the highest on record up to that time. But the position of the domestic tuna-fishing industry deteriorated in the following year; the catch was smaller, prices were weaker, and inventories were higher. This deterioration was mainly attributable to the very large domestic pack of tuna in 1950 (about 11 percent of which was processed from imported frozen tuna), to the extraordinarily large imports of canned tuna and tunalike fishes in 1950, and to the continuing heavy imports of fresh or frozen tuna in 1951.

The developments described above caused widespread apprehension on the part of the domestic tuna-fishing interests and the domestic tuna packers. In consequence, numerous proposals were made to restrict imports of fresh or frozen tuna, canned tuna, canned tunalike fishes, or all of the foregoing. The desire for such action has continued notwithstanding the increase in the domestic catch of tuna in 1952, the firming of prices, and the sharp reduction in inventories of canned tuna.

In view of the widespread repercussions which any significant alteration in the tariff treatment applicable to the aforementioned products would have on the domestic tuna-fishing and tuna-canning interests and on the consuming public, as well as on this country's foreign trade relations, the Senate Committee on Finance, in a resolution dated June 26, 1952, requested the Tariff Commission to make a thorough study of all factors bearing on the domestic tuna situation.

The Tariff Commission instituted its investigation of the tuna industry on June 30, 1952. A public hearing was held November 17-21, 1952.

The difficulties of two sectors of the domestic tuna fisheries—albacore fishing and purse seining—reached their height in 1951, while the difficulties of bait-boat fisheries were at a high level in both 1951 and 1952. The tuna situation that existed in 1951 resulted from an exceptional combination of circumstances. For some years before 1951 the carrying capacity of domestic vessels fishing for tuna was expanding much faster than domestic consumption of canned tuna and tunalike fishes, the form in which virtually all such fish are con-

sumed in the United States. The carrying capacity of the domestic bait-boat fleet was almost 81 percent larger at the end of 1951 than at the end of 1946, while apparent domestic consumption increased by 49 percent. Rising prices of canned tuna and tunalike fishes in the United States, as well as rising prices of most other protein foods, also greatly encouraged the tuna fisheries and canneries in foreign countries—notably Japan and Peru—to develop and to expand their exports to the United States.

The record catch of tuna and tunalike fishes in the United States in 1950 was accompanied by a record catch in Peru and by the first large postwar catch in Japan, so that the domestic pack and the imports, both frozen and canned, were unusually large. Contributing to the record imports of canned tuna in oil during the second half of 1950 was the foreknowledge that the duty would revert to 45 percent ad valorem on January 1, 1951, following the termination of the trade agreement with Mexico.

A large part of the tuna and tunalike products that were packed or imported in 1950 were still in the hands of the trade in January 1951. In 1951 both the domestic pack and the aggregate imports of canned tuna and tunalike products were lower than in 1950. Despite the smaller domestic pack and smaller aggregate imports, however, the supply of canned tuna was larger than the average of immediately preceding years.

The domestic demand for canned tuna and tunalike fishes sustained relatively firm prices through May 1951. Thereafter rising inventories, together with a tapering off of war-scare buying, caused prices to decline substantially until the end of the year. The break in prices forced many canners, importers, and dealers to take inventory losses; it also caused reductions in the prices offered for fresh tuna by domestic canners. The expansion of the fleet was checked, and the fleet was operated at a reduced level; employment and income of tuna fishermen were lowered; and the earnings of shipowners were sharply reduced, many owners incurring substantial losses. Incomplete information at hand when the report was submitted indicated considerable recovery of the industry in 1952.

The share of total apparent consumption of all tuna and tunalike fishes in the United States that has been supplied by the domestic tuna fishery ranged between 82 and 87 percent in most years of the decade preceding World War II, but was at a low of 66 percent in 1933. The ratio rose to as high as 99 percent during the war period, but declined thereafter, reaching a postwar low of 67 percent in 1952. The absolute quantity supplied by the domestic tuna fishery in 1952, however, was higher than in any year before 1949, and was almost 80 percent higher than in 1939, a year in which the domestic fishery supplied 87 percent of the domestic consumption.

The extent to which the domestic tuna fisheries are exposed to foreign competition is governed by imports of both the raw and the canned fish. The particular forms in which the imports enter the United States depend largely upon the comparative incidence of the applicable rates of duty, some of which have been changed recently. The existing tariff structure appears to be most restrictive of imports of tuna canned in oil and least restrictive of imports of fresh or frozen tuna and of tuna and bonito canned in brine.

Domestic tuna-canning interests have been concerned about the tariff treatment of imports of tuna and tunalike fishes in all forms. The tariff protection they receive depends primarily on the spreads between the duties on raw fish and those on the several types of canned fish. Some packers have feared that a duty might be imposed on fresh or frozen tuna without compensatory adjustment in the rates on the canned products. Such action would harm the domestic tuna packers, especially those relying largely on foreign sources of supply for raw fish.

Imports of fresh or frozen bonito and yellowtail, tuna canned in brine, and bonito and yellowtail canned in oil or in brine are now the subject of tariff commitments under trade agreements with various countries; imports of fresh or frozen tuna and tuna canned in oil are not the subject of such commitments. Any changes in the tariff treatment of imports now subject to these commitments would, therefore, require modification of the agreements with one or more of the following countries: Iceland and the contracting parties to the General Agreement on Tariffs and Trade, of which Peru, Chile, Canada, and Cuba would probably be the countries principally concerned.

Although the United States has no trade-agreement obligations with Japan with respect to United States tariff treatment of imports of tuna and tunalike products, Japan has an important interest in that matter. The exportation of frozen and canned tuna and tunalike fishes to the United States by foreign countries, particularly Japan and Peru, provides employment for their nationals, some revenue for their governments, and a supply of dollar exchange for their foreign trade.

Reports on Synthetic Organic Chemicals

Preliminary report on production and sales, 1952

Following established procedure, the Tariff Commission's preliminary report on the production and sales of synthetic organic chemicals in 1952 was issued in 14 separate sections, each covering a segment of the industry. The first section was issued in April 1953; all sections had been released by the end of June. These reports covered the production and sales of tar and tar crudes; crude products from petroleum

and natural gas for chemical conversion; cyclic intermediates; coal-tar dyes; lakes and toners; bulk medicinal chemicals; flavor and perfume materials; plastics and resin materials; rubber-processing chemicals; elastomers (synthetic rubbers); plasticizers; surface-active agents; pesticides and other agricultural chemicals; and miscellaneous chemicals.

Final report on production and sales, 1952

The Tariff Commission's final report, *Synthetic Organic Chemicals, United States Production and Sales, 1952* (Rept. No. 190, 2d ser.), was issued early in September 1953. The statistics given in the report were compiled from data supplied by nearly 600 companies and company divisions on approximately 6,000 individual chemicals and chemical products. The report contains final statistics for 1952 for the groups of products mentioned in the discussion of the preliminary report, statistics on the number of persons engaged in research on synthetic organic chemicals, and data on expenditures for such research. The report also includes a Directory of Manufacturers which identifies the manufacturers of each chemical, except those who have requested that their names not be identified with a particular product.

In 1952, United States production of tar from all sources was 793 million gallons, or about 15 percent less than the 932 million gallons reported for 1951. Of the 1952 production of tar, 705 million gallons was coal tar, and 88 million gallons was water-gas and oil-gas tar. The decline in the output of water-gas and oil-gas tar from 134 million gallons in 1951 was caused by the continued conversion from manufactured gas to natural gas, particularly in the eastern part of the country. The most important products obtained from coke-oven gas and tar are benzene, toluene, xylene, naphthalene, cresylic acid, road tar, and creosote oil. In 1952 the output of benzene (except motor benzene) was 252 million gallons, slightly below the 266 million gallons reported for 1951. Production of benzene from coke-oven gas and tar in 1952 was 216 million gallons and from petroleum, 36 million gallons. Production of toluene was 105 million gallons in 1952, compared with 101 million gallons in 1951. The output of xylene in 1952—72 million gallons—was slightly smaller than in 1951. The production of crude naphthalene in 1952 was 322 million pounds, or 10 percent below the 356 million pounds reported in 1951. The output of road tar in 1952 was 112 million gallons, compared with 143 million gallons in 1951.

Production of crude chemicals from petroleum and natural gas in 1952 was 7,867 million pounds, or 8.6 percent less than in 1951. The output of aromatics and naphthenes (benzene, toluene, xylene, cresylic acid, naphthenic acids, and aromatic distillates and solvents) in 1952 amounted to 1,605 million pounds, approximately the same as in 1951.

Production of aliphatic hydrocarbons in 1952, however, declined to 6,262 million pounds from the 7,008 million pounds reported in 1951. This group includes such aliphatic hydrocarbons as ethane and ethylene, propane and propylene, and butadiene. In volume of output the most important aliphatic hydrocarbons in 1952, as in 1951, were ethylene, propylene, and 1,3-butadiene.

In 1952 the production of cyclic intermediates totaled 4,171 million pounds, a decline of 7.9 percent from the 4,528 million pounds reported in 1951. Of the total production of cyclic intermediates in 1952, about 57 percent was used by the producing companies in the manufacture of more advanced products such as dyes, medicinals, surface-active agents, and flavor and perfume materials. The remainder was sold to other producers for use in the manufacture of the above-mentioned products. In 1952 the combined output of all intermediates and finished products was 26,119 million pounds, a decline of 5 percent from the 27,499 million pounds reported for 1951. In 1952 cyclic intermediates and finished products accounted for 8,686 million pounds of the total, and acyclic intermediates and finished products, for 17,433 million pounds. In 1952, as in 1951, plastics and resin materials ranked first in volume of production, and elastomers ranked second.

Specified synthetic organic chemicals: Monthly releases on production

During 1953 the Tariff Commission continued to release each month statistics on the production of a selected list of synthetic organic chemicals. The statistics compiled by the Commission include data on the consumption of each listed chemical in the producing plant, and data on plant inventories, but these figures are not included in the published releases. These latter data were compiled for the use of the National Production Authority. This agency was furnished each month with a confidential transcript of all data reported on these chemicals. The releases on chemical production, designated as Facts for Industry Series 6-2, give data on the production of each listed chemical for the current month and for the previous month.

Synthetic plastics and resin materials: Monthly releases on production and sales

During 1953 the Tariff Commission continued to release each month statistics on the production and sales of synthetic plastics and resin materials. In addition to data on production and sales, the Commission collects data on inventories of plastics and resin materials held by the producing companies at the end of each month. The inventory data were collected primarily for the use of the National Production Authority, and were not published. The National Production Authority was supplied with a confidential transcript of all data on plas-

tics and resins that are reported to the Tariff Commission. The statistics on plastics and resin materials are designated as Facts for Industry Series 6-10. These reports contain statistics for the current month and the previous month on the production and sales of cellulose plastics, phenolic and other tar-acid resins, urea and melamine resins, styrene resins, alkyd resins, vinyl resins, and miscellaneous plastics and resins. These groups are further classified according to major uses: as adhesives, as laminates, as molding and extrusion materials, as protective coatings, and for other purposes.

Imports of Coal-Tar Products, 1952

In July 1953 the Tariff Commission released its annual analysis of imports (for consumption) of coal-tar products entered under paragraphs 27 and 28 of the Tariff Act of 1930. The report, which covers imports through all United States customs districts, is based on data obtained from an invoice analysis made by the Commission's New York office.

The report shows that in 1952 imports of coal-tar chemicals entered under paragraph 27, virtually all of which are intermediates, totaled 3.0 million pounds, valued at 1.7 million dollars (foreign invoice value), compared with 8.5 million pounds, valued at 2.2 million dollars, in 1951, and 5.5 million pounds, valued at 1.6 million dollars, in 1950. In 1952 imports came principally from Germany and the United Kingdom; lesser quantities came from the Netherlands, Belgium, Italy, Japan, France, Switzerland, Australia, Sweden, Czechoslovakia, and Canada.

Finished coal-tar products that enter under paragraph 28 consist of dyes, medicinals and pharmaceuticals, flavor and perfume materials, and miscellaneous finished products. In 1952 imports of these coal-tar products totaled 5.1 million pounds, valued at 6.9 million dollars (foreign invoice value), compared with 5.2 million pounds, valued at 7.3 million dollars, in 1951. As in previous years, dyes were by far the most important group of finished coal-tar products entered under paragraph 28. Imports of dyes amounted to 4.4 million dollars, or 64 percent of the total value of imports entered under paragraph 28 in 1952; imports in 1951 were valued at 6.3 million dollars. Switzerland and Germany were the principal sources of the dyes imported in 1952. Imports of medicinals and pharmaceuticals, the next most important group of finished products, amounted to 1.9 million dollars in 1952, or 28 percent of the total value of all imports under paragraph 28; imports in 1951 were valued at \$732,000. Imports of flavor and perfume materials amounted to \$18,000 in 1952, compared with \$67,000 in 1951. Imports of other coal-tar products under paragraph 28 were valued at \$584,000 in 1952 and \$266,000 in 1951.

Effect of Trade-Agreement Concessions on United States Tariff Levels Based on Imports in 1952

In September 1953 the Tariff Commission issued an analysis of the effect of trade-agreement concessions on the level of the United States tariff. This analysis, which takes into account all trade-agreement concessions in effect on January 1, 1953, is based on the import statistics for 1952. Like similar analyses the Commission has published in the past, this report indicates the proportion of dutiable imports into the United States that has been covered in trade agreements by reductions in duty or bindings of existing rates of duty, and the extent to which the average ad valorem equivalents of United States duties have been reduced by trade agreements. The report compares the ad valorem equivalents of the rates of duty in effect before any trade agreements were signed, on January 1, 1945, and on January 1, 1953.

The report includes tables that show the combined effect of all trade-agreement concessions, the effect of trade-agreement concessions by tariff schedules, the effect of trade-agreement concessions on agricultural and nonagricultural products, and the height of rates before and after reductions. The report also lists all commodities the imports of which in 1952 were valued at 5 million dollars or more each, and groups them according to whether the rates of duty applicable have been reduced by the maximum permissible since January 1, 1945, have been reduced by less than the maximum, or have not been reduced at all since that time. It also lists those commodities imported in 1952 on which the import duties were equivalent to more than 45 percent ad valorem.

Statistics on Unmanufactured Lead and Zinc

In May 1953 the Tariff Commission issued a report entitled *Statistics on Unmanufactured Lead and Zinc*, a summary of information on rates of duty, prices, production, trade, and supply. This report, which was prepared to answer requests for the latest available information on developments in the lead and zinc industries, consists of a group of 17 statistical tables. These tables include statistics on world consumption and production of lead and zinc, and on United States consumption, production, imports, and exports in selected years and periods from 1937 through 1952; monthly data on United States stocks and prices January 1948–February 1953; and United States rates of duty.

**OTHER AVAILABLE REPORTS OF THE UNITED STATES TARIFF
COMMISSION**

TRADE PROBLEMS OF THE AMERICAN REPUBLICS

Economic Controls and Commercial Policy

Argentina, 15¢	Cuba, 15¢	Guatemala, 10¢	Panama, 10¢
Bolivia, 10¢	Dominican Re-	Haiti, 10¢	Paraguay, 15¢
Brazil, 20¢	public, 15¢	Honduras, 10¢	Peru, 15¢
Chile, 15¢	Ecuador, 10¢	Mexico, 15¢	Uruguay, 15¢
Colombia, 15¢	El Salvador, 15¢	Nicaragua, 10¢	Venezuela, 15¢
Costa Rica, 15¢			

Mining and Manufacturing Industries

Argentina, 25¢	Cuba, 20¢	Guatemala, 15¢	Panama, 10¢
Bolivia, 15¢	Dominican Re-	Haiti, 10¢	Paraguay, 10¢
Brazil, 25¢	public, 15¢	Honduras, 15¢	Peru, 15¢
Chile, 20¢	Ecuador, 15¢	Mexico, 25¢	Uruguay, 15¢
Colombia, 20¢	El Salvador, 15¢	Nicaragua, 10¢	Venezuela, 15¢
Costa Rica, 10¢			

Agricultural, Pastoral, and Forest Industries

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Brazil, 20¢	Colombia, 20¢	Mexico, 25¢	

Recent Developments in Foreign Trade

Argentina, 50¢	†Chile	Colombia, 20¢	†Venezuela
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- No. M-2. Bedding Feathers and Downs
- No. M-3. Asbestos
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- No. M-5. Fluorspar
- No. M-6. Kyanite and Allied Minerals
- No. M-7. Flaxseed and Linseed Oil

NOTE.—The reports preceded by a dagger (†) are out of print. Those followed by a price may be purchased from the Superintendent of Documents, U. S. Government Printing Office, Washington 25, D. C. Reports in the Industrial Materials Series may be obtained without charge from the U. S. Tariff Commission. See inside front cover for other available reports. All U. S. Tariff Commission reports reproduced by the U. S. Government Printing Office may also be consulted in the official depository libraries throughout the United States.