

SUGAR BEETS AND SUGARCANE AS BASIC AGRICULTURAL COMMODITIES

APRIL 23, 1934.—Ordered to be printed

Mr. JONES, from the committee of conference, submitted the following

CONFERENCE REPORT

[To accompany H.R. 8861]

The committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H.R. 8861) to include sugar beets and sugarcane as basic agricultural commodities under the Agricultural Adjustment Act, and for other purposes, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the Senate recede from its amendments numbered 47 and 48.

That the House recede from its disagreement to the amendments of the Senate numbered 1, 2, 3, 4, 5, 6, 7, 8, 9, 10, 11, 11½, 12, 13, 14, 15, 16, 17, 18, 19, 20, 21, 22, 23, 24, 25, 27, 28, 29, 30, 31, 32, 33, 36, 37, 38, 39, 40, 41, 42, 43, 44, 45, 46, 49, 50, 51, 52, 53, 54, 55, 56, 57, and 58, and agree to the same.

Amendment numbered 26:

That the House recede from its disagreement to the amendment of the Senate numbered 26, and agree to the same with an amendment as follows:

On page 5 of the Senate engrossed amendments, line 20, after the word "section" insert a comma and the following: *except quotas fixed by paragraph (B) of this subsection*; and the Senate agree to the same.

Amendment numbered 34:

That the House recede from its disagreement to the amendment of the Senate numbered 34, and agree to the same with an amendment as follows:

On page 9 of the House bill, line 15, after the word "Act" insert *relating to sugar beets, sugarcane, or the products thereof*; and the Senate agree to the same

Amendment numbered 35:

That the House recede from its disagreement to the amendment of the Senate numbered 35, and agree to the same with an amendment as follows:

In lieu of the matter proposed to be stricken out by said amendment insert: *and will fix minimum wages for workers or growers employed by the producers and/or processors of sugar beets and/or sugarcane who are parties to such agreements*; and the Senate agree to the same.

The committee of conference report in disagreement amendment numbered 59.

MARVIN JONES,
H. P. FULMER,
WALL DOXEY,
CLIFFORD R. HOPE,
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Managers on the part of the House.

PAT HARRISON,
WILLIAM H. KING,
W. F. GEORGE,
E. P. COSTIGAN,
JAMES COUZENS,

Managers on the part of the Senate.

STATEMENT OF THE MANAGERS ON THE PART OF THE HOUSE

The managers on the part of the House at the conference on the disagreeing votes of the two houses on the amendments of the Senate to the bill (H.R. 8861) to include sugar beets and sugarcane as basic agricultural commodities under the Agricultural Adjustment Act, and for other purposes, submit the following statement in explanation of the effect of the action agreed upon by the conferees and recommended in the accompanying conference report:

Amendments nos. 1, 2, 6, 7, 8, 11, 15, 28, 29, 41, 44, 45, 46, 51, 54, 55, 56, 57, and 58 are clerical amendments; and the House recedes.

Amendments nos. 9, 11½, 16, 21, 25, and 49 clarify the language used in the bill as it passed the House, but do not in any way change the substance of the provisions to which they relate. On these amendments the House recedes.

Amendment no. 3: The House bill defined the term "processing" in the case of sugar beets and sugarcane. The Senate amendment is a restatement, in clearer language, of the definition, using the term "first domestic processing". The processing tax attaches upon the production of "direct-consumption sugar" whether this product is produced as a result of successive processings or in one continuous process. The House recedes.

Amendment no. 4: This amendment strikes out the definition of "processor", contained in the House bill; and the House recedes.

Amendment no. 5: This amendment does not change the substance of the definition of "sugar" in the House bill but states it in simpler and clearer language. The House recedes.

Amendments nos. 10 and 12: These amendments to the definitions of "raw sugar" and "direct-consumption sugar" provide that further preparation for distribution or use shall be the distinguishing characteristic, in addition to further refining or improving in quality, as contained in the House bill. The House recedes.

Amendment no. 13: This amendment clarifies the definition of "raw value" and fixes a definite measure to be used in determining quotas and the amount of tax. The House recedes.

Amendment no. 14: The House bill provided that the rate of the processing tax should not be in excess of the reduction of the rate of duty on a pound of sugar raw value in effect on January 1, 1934, under paragraph 501 of the Tariff Act of 1930; that is, "full-duty" sugar, as distinguished from sugar coming from Cuba, and provided that in the case of sugar beets and sugarcane the processing tax should be imposed upon the production of products and/or byproducts resulting from the processing thereof, and that the rate of the processing tax should be in accordance with the total sugar content. The Senate amendment provides that if the tax at the full rate on the processing of a commodity for a particular use or uses will cause an accumulation of surplus stocks of the commodity or depression of the farm price thereof, upon investigation, after due notice and opportunity for

hearing, the Secretary of Agriculture may reduce the rate of the processing tax upon the processing of the commodity for such use or uses, or as to any designated product of the commodity. The amendment also provides that in the case of sugar beets or sugarcane the rate of tax shall not be in excess of the reduction of the rate of duty on a pound of sugar raw value in effect on January 1, 1934, under paragraph 501 of the Tariff Act of 1930, as adjusted to the Treaty of Commercial Reciprocity between the United States and Cuba. The amendment also clarifies the language with respect to the rate of the processing tax in conformity with the action of the conferees on amendments nos. 3, 5, and 13. The House recedes.

Amendment no. 17: This amendment extends the provision of paragraph 8 a (1) (A) (i) to the processing of sugar in any area to which the provisions of the title with respect to sugar beets and sugarcane may be made applicable, for consumption in continental United States. The provision of the House bill related only to importation of sugar into continental United States for consumption therein, and to sugar transported to be received in, processed, or marketed in continental United States. The House recedes.

Amendments nos. 18, 19, 23, and 24: These amendments strike out from the provisions of paragraph 8 a (1) (A) (i) (relating to foreign countries and other areas) the Territory of Hawaii and Puerto Rico. The House recedes.

Amendment no. 20: This amendment clarifies the language by specifically providing that the quotas referred to are the quotas fixed by the Secretary of Agriculture. The House recedes.

Amendment no. 22: This amendment, in connection with amendment no. 27, makes it clear that in determining quotas for the several supply areas outside continental United States areas provided for in paragraph (ii) (relating to Hawaii and Puerto Rico) will be included. The House recedes.

Amendment no. 26: This amendment provides for the readjustment of any quota subject to the provisions of the section, that is, quotas not fixed by Congress, and provides that the Secretary of Agriculture may appoint an officer, including the Governor General of the Philippine Islands for that area, in his name to allot any quota. The House recedes with an amendment making certain that the Secretary of Agriculture may not readjust quotas fixed in the bill for continental United States.

Amendment no. 27: This amendment makes separate provision for the Territory of Hawaii and Puerto Rico. In the House bill, these areas were covered in the preceding paragraph by the provision relating to various areas, including foreign countries. The House recedes.

Amendment no. 30: The House bill provided generally that, for any area producing less than 250,000 long tons of sugar raw value, during the next preceding calendar year, the Secretary may determine the quota. The Senate amendment does not change the substance of this provision but provides that the quota for the States of Louisiana and Florida, if fixed under this provision, shall not be less than the quota specifically fixed in paragraph (B). The House recedes.

Amendment no. 31: The House bill authorized the establishing of a separate quota or quotas for edible molasses and/or for sirup of cane juice produced in continental United States, in addition to the

quotas established pursuant to the bill. The Senate amendment provides that the Secretary of Agriculture may establish a separate quota or quotas for edible molasses and/or sirup of cane juice produced in continental United States, in addition to, and/or for edible molasses, sirups, and sugar mixtures produced in any other area or areas to which the title relates, as part of or in addition to, the quotas established pursuant to paragraphs (A) to (C), inclusive, of the subsection. These provisions apply to the products referred to for use as such and not for the extraction of sugar. The House recedes.

Amendment no. 32: This amendment strikes out the provision in the House bill with respect to the proration of consumption requirements in excess of those determined for the year immediately preceding. In addition, it provides that continental United States shall have allotted not less than 30 percent of consumption requirements in excess of 6,452,000 short tons of sugar raw value. The House bill left to the Secretary of Agriculture the determination of the base upon which the 30 percent participation applied. The House recedes.

Amendment no. 33: The effect of this amendment is to strike out the provision in the House bill with respect to the proration of consumption requirements found to be less than those determined for the year next preceding. The House recedes.

Amendment no. 34: This amendment provides that authorized agreements may contain provisions which will limit or regulate child labor. The House bill provided that agreements might contain provisions which would eliminate child labor. The House recedes with a clarifying amendment making certain that the agreements referred to are agreements relating only to sugar beets, sugarcane, or the products thereof.

Amendment no. 35: This amendment strikes out the provision in the House bill that all authorized agreements may contain provisions which will fix minimum wages for workers or growers employed by, or under the control of, the producers and/or processors who are parties to such agreements. The House recedes with an amendment restoring the substance of the language in the House bill but inserting a provision conforming to the limitation to sugar beets and sugarcane in amendment no. 34, and omitting the authority as to workers or growers "under the control of" producers or processors.

Amendment no. 36: This amendment reduces the fine for violating the Secretary's regulations from not more than \$1,000, as in the House bill, to not more than \$100. The House recedes.

Amendment no. 37: This amendment strikes out the provision in the House bill for imprisonment for violating any order or regulation of the Secretary. The House recedes.

Amendment no. 38: The House bill provided for forfeitures for exceeding quotas and allotments fixed under new section 8 (a) of the Agricultural Adjustment Act. The Senate amendment extends these provisions to the whole title. The House recedes.

Amendment no. 39: This amendment strikes out the provision in the House bill authorizing the appropriation, for the purposes of the Agricultural Adjustment Act, of amounts recovered as forfeitures. The House recedes.

Amendment no. 40: This amendment provides specifically that the district courts of the United States shall have the power to order

specific performance of any order, regulation, agreement, or license. The House bill provided specifically that the several district courts should have power to prevent and restrain any person from violating any order, regulation, agreement, or license. The House recedes.

Amendment no. 42: This amendment provides that the enforcement powers may be exercised in any proceeding now pending or hereafter brought in the district courts. The House recedes.

Amendment no. 43: The House bill provided for the institution of proceedings to enforce the remedies and to collect the forfeitures provided for in the title. The Senate amendment extends these provisions to remedies and forfeitures provided for "pursuant to" the title. The House recedes.

Amendments nos. 47 and 48: These amendments provide that in the case of sugar beets or sugarcane, the compensating tax shall apply only upon direct-consumption sugar. The House bill contained no such provision. The Senate recedes.

Amendment no. 50: This amendment specifically provides that for the year 1934, the marketing year shall begin January 1, 1934. The House bill provided, generally, that the calendar year shall be considered to be the marketing year. The House recedes.

Amendment no. 52: This amendment provides that the refund may be paid to the consignor named in the bill of lading under which the product is exported. The amendment also provides that section 17 (a) of the Agricultural Adjustment Act, relating to exportations, shall be applicable to exports of products of sugar beets and sugarcane to the Philippine Islands, the Virgin Islands, American Samoa, the Canal Zone and/or the island of Guam, only if the act with respect to sugar beets and sugarcane is not made applicable thereto. The House recedes.

Amendment no. 53: This amendment strikes out the provision in the House bill that there shall be a tax upon the reimportation of any article with respect to which any tax under the act has been, or is to be, refunded. The House recedes.

DISAGREEMENT

The committee of conference report in disagreement amendment numbered 59.

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