On September 22 the United States established import quotas on lead and zinc amounting to 80 percent of the average annual imports for the period 1953-1957. The announcement was met with varying responses: a spokesman for the lead-zinc industry stated that the action was much less than had been hoped for; countries which import the metals into the United States (annual average 1953-1957, 443,400 short tons of lead and 651,200 short tons of zinc) issued statements ranging from consideration of severing diplomatic relations to scathing criticism; lead-zinc mining states, whose unemployment rolls had risen to an alarming high, were relieved to find something was done that recognized their plight; nonmining states and port areas expressed opinions which generally deplored the decision as damaging to free trade. The domestic producers of the nonferrous metals, still smarting from House defeat of the minerals stabilization bill, were surprised at the direction federal assistance had taken. Of all the ways domestic mining could be strengthened - i.e., tariffs and their variations, support prices, stockpiling, direct subsidies, and barter - quotas seemed the least likely to be adopted due to diplomatic difficulties in assigning allotments.

Just prior to the United States announcement of quotas, a United Nations sponsored meeting was held in London to consider views and suggestions on a plan to help world producers of lead and zinc achieve a better balance between supply and demand. It was reported that the United States, Peru, Mexico, and other nations were ready to proceed with a voluntary restriction of 20 percent on exports, based on 1957 figures, but Canada is said to have blocked acceptance of the scheme. Early this month (October) a statement was drafted by State Department officials setting forth the views of the United States on the problem of the two metals. The statement was to the effect that the 80 percent import quota merely represents a sharing of this nation's burden with other countries, the United States having cut its own production as the nations were ready to proceed with a voluntary restriction of considerable amounts from other countries.

Up to now there has been little worldwide "sharing of the burden" of overproduction in nonferrous metals. The domestic producers have had to take up almost all of the world slack, and because most mines are located in the West the effect has been concentrated in a relatively restricted area with serious economic results. The value of metallic mineral production in the 11 western states dropped 25 percent from $1,300,000,000 in 1956 to $977,000,000 in 1957. Production of some commodities - for instance, tungsten, chrome (on the West Coast), and antimony - has stopped completely and other commodities, such as mercury and manganese, are in a very shaky condition. None of the western mines competing on the world market have escaped drastic cutbacks.

The nation, for its survival, must keep domestic mining in as many fields as possible in order to maintain a raw material base, a trained working force, and continued exploration for new deposits. This necessity has been demonstrated several times in the last two decades. Examples that stand out are: the frantic search for a wide variety of minerals during wartime when foreign sources of supply were cut off; the big uranium program following realization of the tremendous importance of fissionable material; and the discovery of deposits to fulfill bulk demands by the jet and rocket manufacturers for elements hitherto regarded as laboratory curiosities. Recently the world supply of minerals and metals has been used as a weapon of economic warfare, as witness the market disturbances in aluminum and tin caused by dumping of metal by the U.S.S.R. This threat continues.

Unfortunately many people consider the recurring crisis to the domestic metal mines as temporary difficulties to be met by temporary measures. Many others are out of sympathy with the domestic producer because they subscribe to the fallacious theory that minerals should be left in the ground for future use. These people never give thought to the fact that mineral deposits are to be found only through exploration and that exploration depends on steady, profit-making mining operations capable of supporting the expense.

A step has been taken to strengthen our domestic mining industry. Many more steps must be taken to prevent mining from becoming an Achille's heel of national security.

Hollis M. Dole, Director.

* Annual value of all farm products in 11 western states is nearly 5 billion dollars, minerals produced 3.3 billion dollars, forest products 3 billion dollars.
The following article has been extracted from the U.S. Bureau of Mines Mineral Trade Notes, a monthly inventory of information obtained from U.S. Government Foreign Service offices and other sources. The report, according to the foreword, is based on a 150-page "Statistical Review of the U.S.S.R. Foreign Trade in 1956" which was issued by the Soviet government in 1958, the April and May 1958 issues of "Vneshnyaya Torgovlya," and numerous other sources. Parts of the report are reproduced below in order that people living in Oregon may better understand the mineral activities of Russia and how they use minerals and metals as an instrument of foreign policy. Those wishing the complete report should write to the U.S. Bureau of Mines, Publications Distribution Section, 4800 Forbes Street, Pittsburgh 13, Pennsylvania, giving the title and references in the footnote.

Ed.

Foreign-Mineral Trade - Reasons and Motivations

Soviet mineral trade. - The number and quantities of mineral and metal commodities that the Sino-Soviet bloc of nations, headed by the U.S.S.R., is offering for sale on the world markets are constantly growing. Augmenting the traditional exports of manganese ore, chromite, gold-platinum group metals, asbestos and anthracite, the Soviet Union trades in about 35 additional mineral and metal commodities with the Free World and in an even greater number within the Sino-Soviet bloc. By 1956 the value of the Soviet foreign-mineral trade (exports plus imports) exceeded US$2 billion (at the artificial commercial exchange rate of 4 Soviet rubles to US$1).

Effect on Free-World markets. - Many of the Soviet mineral commodity exports constitute a small proportion of the Free-World mineral needs; nonetheless, even relatively small Soviet shipments of such items as aluminum, tin, and zinc, particularly when injected at a lower price, dislocate established Free-World trade patterns.

Economic planning. - Mineral and metal trading companies must have facts to look into the future and plan. Since, however, the Soviet Union does not (nor do the other communist nations of the world) publish complete production and consumption statistics, reserves of commercial mineral resources, plant capacities, or production costs, the already difficult task of mineral-market analysts is further complicated by the addition of a potentially large, unknown quantity -- Soviet mineral exports and imports.

Large mineral resources. - Soon after World War II the Soviet Union realized the strategic significance and the economic importance of a broad and well founded domestic mineral raw-material base for industrial development. Organized geological prospecting and exploration were greatly intensified. According to various reports, in a single year as many as 6,000 field parties (some with as many as 1,000 members) employing modern tools and methods, including geochemical prospecting, were engaged in exploring for minerals and in large-scale geological mapping of the country. The total annual exploration budget is equivalent to approximately 1 percent of the Soviet Gross National Product.

As a result of this work, the U.S.S.R. claims possession of commercial reserves of all mineral commodities, including diamonds. It further claims the world's largest explored reserves of iron ore (41 percent of world total), manganese ore (88 percent of world total), copper, lead, zinc, nickel, bauxite, tungsten, mercury, mica, potash salts (54 percent of world total), peat (60 percent of world total), coal (53 percent of world total geological reserves), and significant resources of crude petroleum, natural gas, phosphate raw material (nearly one third of world total explored reserves), titanium, molybdenum, uranium, sulfur, and numerous other minerals. There are insufficient quantitative data on the individual commodities to support these Soviet claims to such vast mineral resources. In fact, some statements are inconsistent with widely accepted views, for example, that Communist China has the world's greatest tungsten resources. Similar uncertainties arise in respect to other minerals (mercury, * From U.S. Bureau of Mines, Mineral Trade Notes, Special Supplement No. 55 to vol. 47, no. 3, Sept. 1958.
** East European Specialist, Division of Foreign Activities, U.S. Bureau of Mines.
sulfur). However, the U.S.S.R. if for no other reason than its immense size, undoubtedly possesses great mineral wealth, and, according to Soviet sources, the proved reserves of most mineral raw materials are increasing faster than their exhaustion by expanding industry. Furthermore, where Soviet resources are inadequate, the country can draw on the resources of its satellites in Europe and Asia.

Mineral industry. - The U.S.S.R. has built an impressive mineral and metal industry and has become the world's second largest producer and consumer of most mineral and metal commodities after the United States. The minerals and metals industry is providing one of the more stable pillars for the support of the communist way of life. From a nations that less than 3 decades ago required foreign brainpower and financial aid to develop its basic mineral industries, it has, despite the devastating war, become a country capable of competing successfully in a Free-World market. Mineral and metal products play an increasingly important role in the Soviet Union's foreign trade and as an instrument of foreign policy. Along with ferrous and ferroalloy ores and metals, precious metals, nonferrous metals, nonmetallics, solid and liquid fuels, and construction materials, the country now exports technical competence as well: Construction of steel facilities in India; plans for construction of oil refineries, coal washing, cement, fertilizer, and aluminum plants; offers to perform countrywide geological exploration; programming technical assistance; and training foreign students and technicians are manifestations of present-day Soviet capabilities and efforts to penetrate into traditionally Western endeavors.

Inferior raw materials and poor economics. - There is ample evidence that many of the Soviet mineral raw materials are inferior to those produced and/or consumed in the United States. In some instances unfavorable geographical distribution of superior deposits precludes their use.

Although Soviet mining men, metallurgists, and economists claim great progress, the mining and metallurgical industries of the U.S.S.R. are plagued with low labor productivity, raw-material supply and distribution, and transportation problems. Many Soviet ventures in the minerals and metals field are economic failures if measured by Western standards. The Soviets admit, for example, that although the entire Ministry of Coal Industry operated at a profit in 1955, more than half the coal mines finished the year with a net loss. Now that all mineral and metal industries have been combined into one Ministry of Geology and Conservation of Natural Resources the policy of subsidizing unprofitable operations may very well carry over from one mineral industry to another.

Post-World War II mineral and metal developments. - A large part of the Soviet industrial capacity, including the Krivoi Rog iron and the Donets and Moscow coal basins, was in areas occupied by the Germans soon after they attacked the U.S.S.R. This necessitated increased industrial development and activity in the eastern U.S.S.R. After World War II the transplanted industries in the new eastern locations continued to operate, and the Soviet Union set out to reconstruct its devastated industries in the western parts of the country with equipment dismantled in Eastern Europe, reparation payments from most of the same nations, and forced labor.

Prewar levels reached. - In 1948, three years after V-E Day, the Soviet had almost reached prewar production rates of most mineral and metal commodities. By 1949, the U.S.S.R. reports, the country had exceeded its 1940 production rates of iron ore, pig iron, steel, coal, coke, petroleum, natural gas, and many other mineral commodities.

During that period (circa 1948) the U.S.S.R. put into effect a Master-Plan, tying the economies of the East-European communist nations with that of the Soviet Union and initiating a stockpiling program. Meanwhile, the United States and its western allies placed an embargo on shipments of strategic materials (including most mineral and metal commodities) to Soviet-bloc nations.

The Master-Plan. - By 1948 Communist regimes were firmly established in the Eastern European countries. Mining and metallurgical industries were nationalized along with all others. Two, three, five, and six-year plans for the industrial development of these countries were initiated; and all these lesser plans became part of a comprehensive Soviet master-plan.

Joint mining companies were organized between the Soviet Union and its satellites, ostensibly to help the satellite nations to develop their mineral resources properly. "Gorubso" (Soviet-Bulgarian Mining Administration), "Sovrompetrol" (Soviet-Rumanian Petroleum Co.), and "Wismut A.G." (Soviet-East German Uranium Mining Co.) are examples of such companies. To these joint companies the Soviets contributed mostly administrative skill, sometimes technical assistance and equipment as well, and in return for this contribution the Soviet Union received a large share of the mineral output from these nations. The U.S.S.R. also made large purchases of mineral commodities from these nations at most favorable prices. Before the Polish uprising (Poznan 1956), for example, the U.S.S.R. purchased from that country about 8 million tons of coal annually at prices that just about covered transportation costs. Some of the mineral commodities acquired by the U.S.S.R. in this fashion were frequently resold on world markets at several times the purchase price. Although nearly all the joint companies (except for those mining uranium) have been dissolved, the U.S.S.R. may act as agent for its satellites in the international trade of many a mineral commodity.
Stock-piling program. - As minerals and mineral products flowed into the Soviet economy, the country started a stock-piling program. It is reasonable to assume that the program is similar basically to that of the United States, and similarly the Soviet stockpiling objectives have already been achieved for the majority of mineral commodities considered strategic in the U.S.S.R. It is further possible that the Soviet Union started with a program to cover a long emergency period and has now decided to plan for a shorter one. If so, some stockpiled minerals may be considered surplus supplies available for foreign trade.

Western embargo. - As East-West tensions increased after World War II, the Western Allies decided to discontinue shipments of strategic commodities (including strategic minerals and metals) to the U.S.S.R. and its satellites in 1948. This was obviously intended to deprive the Soviet economy of vitally needed raw materials and finished products and to weaken that country's offensive potential. While this policy may have caused temporary set-backs, just as obviously its effects were dissipated in the long range as the Soviet Union proceeded towards higher and higher production and greater self-sufficiency. The Soviet Union was forced into development of certain industries to make up for no longer available imports, even if it required the use of more costly raw materials. What it could not produce indigenously, it acquired from its satellites in Europe and Asia. What the country could not find within the Communist bloc (industrial diamonds) it was able to purchase outside despite the embargo. When other measures failed to satisfy its needs, the Soviet government intensified scientific research to find suitable substitutes.

Soviet motivations and reasons. - Among other mineral commodities, three highly competitive metals from the U.S.S.R. - aluminum, tin, and zinc - have recently made a debut into Free World markets. These three metals as far as the Soviet Union is concerned, have one thing in common: in each case the U.S.S.R. imports either some of the raw material or some finished metal from other bloc countries:

1. Bauxite from Hungary and fluor spar from China and Mongolia.
2. Zinc concentrate from Bulgaria, North Korea, and China, and zinc metal from Poland.
3. Tin metal from China.

This circumstance makes it difficult to form a clear picture of the Soviet trade plans and motivations. In addition to the economic motivations given below, there is evidence that the Soviet may now be able to use its mineral-production potential as a formidable economic-political weapon through foreign trade. Such activities are facilitated by the integration of the Soviet trade organizations in the government of the U.S.S.R. Some of the motives behind the Soviet foreign-mineral trade might be:

1. The Soviet Union initiated a crash program to meet its stockpiling objectives. Now that some of these objectives have been met, the country finds itself with a surplus production capacity of some minerals and metals.
2. As a result of the large exploration program, the Soviet Union found new mineral resources, which it developed beyond its own normal domestic needs.
3. The country needs foreign exchange to purchase industrial equipment and is prepared to sacrifice some of its own domestic needs in mineral raw materials.
4. The recent economic reorganization of the country resulted in a slowdown in the development rate of some mineral and metal industries, while other mineral industries did not experience a commensurate slowdown of development pace and are out of step with the rest of the country's industrial development program.
5. Because the Soviet Union exports many commodities for which she herself depends on substantial imports from other Communist nations, it is possible that it is in the interest of the U.S.S.R. to keep world prices for these commodities down, as Free-World market prices also affect the price that the Soviet Union must pay to its satellites for the same commodities.

Desire United States trade. - As evidenced by the appointment of an experienced trader to the Soviet ambassador's post in Washington, D.C., and by their recent attempts to purchase taconite and chemical plants in the United States, the Soviet Union would like to remove the barriers to normal trade development between the two Nations. Soviet earning power in the United States, however, is limited because of the absence of a formal trade agreement, which would entitle the U.S.S.R. to the lower tariff rates of a "most preferred nation." At the higher tariff rates, the Soviet Union finds it difficult to compete for United States markets. Given the opportunity, the U.S.S.R. would like to sell iron ore, manganese, chromite, and anything else for which it can find a market in the United States.
Exports vs. Imports - Mineral Commodities

Several features are outstanding in the Soviet foreign-mineral trade developments:

1. From 1938 to 1956 the proportion of mineral imports to the total value of foreign trade dropped from 29 to 26 percent, and exports of mineral commodities increased from 13 to 31 percent.

2. Almost all the increase in the proportion of exports is due to the growth in ferrous and nonferrous metal exports.

3. While nearly all the prewar mineral imports consisted of metals and metal products, these commodities constituted less than one-third (by value) of the Soviet mineral imports in 1956.

4. The U.S.S.R. is establishing itself (particularly within the Sino-Soviet bloc) as a manufacturing nation. In 1956 the Soviet Union imported about three times as much ore and concentrate by value as it exported. On the other hand, in metals it exported twice as much by value as it imported (see table 1).

East vs. West Trade in Mineral Commodities

Although there are still large gaps in the Soviet trade statistics, it is possible to estimate that approximately 70 percent of the export trade in mineral commodities and probably more than 80 percent of the import trade is with the Communist nations (including Yugoslavia). There are not enough historic mineral-trade statistics available to establish any definite overall trends. In individual commodities, however, such trends are quite apparent. This is particularly true of tin, zinc, and aluminum.

Within the Free World, about three-quarters of the Soviet mineral trade is with European nations -- the United Kingdom, Finland, France, the Federal Republic of Germany, Italy, and Sweden (in that order) heading the list.

Within the Sino-Soviet bloc the principal mineral-trading nations are China, the German Democratic Republic (East Germany), Poland, and Czechoslovakia (see table 2).

Mineral-Trade Patterns

Metals:

Ores and concentrates.— Soviet exports of ores and concentrates consist almost entirely of iron ore, manganese ore (including some battery grade), and chromite. While significant exports of manganese and chromite are traditional with the U.S.S.R., the large shipments of iron ore, all to Communist nations in Europe, are an outgrowth of post-World War II developments. Before the war, the Soviet Union shipped a maximum 1.1 million tons of iron ore in 1931 to Poland, Czechoslovakia, and the United States. After the war, the European Communist nations insisted, and the U.S.S.R. encouraged them, upon the development

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### Table 1.

Soviet Foreign Trade in Mineral Commodities in 1956

<table>
<thead>
<tr>
<th></th>
<th>Exports</th>
<th>Imports</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Value</td>
<td>Percent of total trade</td>
</tr>
<tr>
<td>Fuels:</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Solid</td>
<td>571,157</td>
<td>3.9</td>
</tr>
<tr>
<td>Liquid</td>
<td>3,322,940</td>
<td>7.7</td>
</tr>
<tr>
<td>Total fuels</td>
<td>3,994,097</td>
<td>11.6</td>
</tr>
<tr>
<td>Metals:</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Ores and concentrates</td>
<td>520,913</td>
<td>3.5</td>
</tr>
<tr>
<td>Ferrous metals</td>
<td>5,334,690</td>
<td>10.5</td>
</tr>
<tr>
<td>Nonferrous metals</td>
<td>629,322</td>
<td>4.3</td>
</tr>
<tr>
<td>Total metals</td>
<td>7,564,912</td>
<td>14.8</td>
</tr>
<tr>
<td>Nonmetals</td>
<td>165,528</td>
<td>1.1</td>
</tr>
<tr>
<td>Total mineral trade</td>
<td>4,553,430</td>
<td>31.0</td>
</tr>
</tbody>
</table>

1/ 4 Soviet rubles equals US”.
2/ All exports include re-exports.

---

### Table 2.

Value of Soviet Foreign Mineral Trade by Continent and Bloc, 1956

<table>
<thead>
<tr>
<th></th>
<th>Exports</th>
<th>Imports</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Total value all trade</td>
<td>Total value mineral trade</td>
</tr>
<tr>
<td>Free world nations:</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Europe</td>
<td>2,255,000</td>
<td>923,780</td>
</tr>
<tr>
<td>Asia</td>
<td>404,300</td>
<td>117,720</td>
</tr>
<tr>
<td>Africa</td>
<td>255,826</td>
<td>78,528</td>
</tr>
<tr>
<td>South America</td>
<td>88,200</td>
<td>60,792</td>
</tr>
<tr>
<td>North America</td>
<td>33,000</td>
<td>9,692</td>
</tr>
<tr>
<td>Oceania</td>
<td>24</td>
<td>6,628</td>
</tr>
<tr>
<td>Total</td>
<td>3,091,800</td>
<td>1,059,744</td>
</tr>
<tr>
<td>Communist nations</td>
<td>10,917,900</td>
<td>3,048,880</td>
</tr>
<tr>
<td>Unaccounted</td>
<td>667,040</td>
<td>213,806</td>
</tr>
<tr>
<td>Grand total</td>
<td>14,947,800</td>
<td>4,353,420</td>
</tr>
</tbody>
</table>

1/ 4 Soviet rubles equals US”.
2/ All exports include re-exports.
of basic iron and steel industries at home, of a size unwarranted by indigenous iron-ore resources. In 1956
the Soviet Union supplied about 50 percent of the iron contained in the total pig-iron output of the satellite
nations in Europe for that year by exporting 11.6 percent of its own marketable iron-ore output. Following
are the Soviet Union's exports of manganese, chrome, and iron ore for selected years, in 1,000 metric tons:

<table>
<thead>
<tr>
<th>Year</th>
<th>Iron ore</th>
<th>Manganese ore</th>
<th>Chrome ore</th>
</tr>
</thead>
<tbody>
<tr>
<td>1946</td>
<td>792</td>
<td>281</td>
<td>122</td>
</tr>
<tr>
<td>1950</td>
<td>3,227</td>
<td>277</td>
<td>96</td>
</tr>
<tr>
<td>1955</td>
<td>8,818</td>
<td>851</td>
<td>158</td>
</tr>
<tr>
<td>1956</td>
<td>9,124</td>
<td>918</td>
<td>219</td>
</tr>
</tbody>
</table>

At the same time Soviet imports consist primarily of bauxite, zinc, and lead ores and concentrates,
and some ferroalloy-metal concentrates. In these Soviet-import statistics are considerable gaps. For example,
there are no details on Soviet ore and concentrate imports from Bulgaria, Czechoslovakia, or any of the other
European satellites. The Soviets admit imports of tungsten and molybdenum concentrates from China but will
publish no details. There is, of course, a complete blackout in the field of fissionable raw materials.

**Nonferrous metals.** The Soviet Union's nonferrous metal trade is principally with the Communist nations.
Much of its exports are re-exports (zinc, tin, antimony, cadmium) or domestic products that have been made
available as a result of the sizable imports. Most interesting are the Soviet Union imports of tin from China in
1,000 metric tons:

<table>
<thead>
<tr>
<th>Year</th>
<th>Tin</th>
</tr>
</thead>
<tbody>
<tr>
<td>1950</td>
<td>3.8</td>
</tr>
<tr>
<td>1955</td>
<td>16.9</td>
</tr>
<tr>
<td>1956</td>
<td>15.7</td>
</tr>
<tr>
<td>1957</td>
<td>22.0</td>
</tr>
</tbody>
</table>

Of equal interest are the imports of zinc from Poland - about 47,000 metric tons for each of the years
1955 and 1956. Polish export statistics show the following zinc and zinc-alloy shipments to the U.S.S.R. In
1,000 metric tons:

<table>
<thead>
<tr>
<th>Year</th>
<th>Zinc</th>
</tr>
</thead>
<tbody>
<tr>
<td>1953</td>
<td>54.4</td>
</tr>
<tr>
<td>1954</td>
<td>50.5</td>
</tr>
<tr>
<td>1955</td>
<td>51.1</td>
</tr>
<tr>
<td>1956</td>
<td>49.0</td>
</tr>
</tbody>
</table>

Here the Soviet statistics are deficient in that they do not show the probably sizable mercury imports
from China nor do they give enough detail about imports of copper. The bulk of the country's copper imports,
however, almost all in the form of copper wire, can be traced to shipments from the United Kingdom (40,600
tons in 1956), the Federal Republic of Germany (5,100 tons), Belgium-Luxembourg (3,300 tons) and Yugo-
slavia (1,500 tons).

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SOUTHERN OREGON-NORTHERN CALIFORNIA CHROME MINERS FORM CO-OP
At a meeting of the California-Oregon Chrome Producers Association in Cave Junction,
Oregon, September 27, articles of incorporation were signed forming the group into a co-
operative. Incorporation directors were given as Jack Eggers, Cave Junction, Oregon;
Eugene R. Brown, O'Bri en, Oregon; and Harry E. Hawk, Ashland, Oregon. Bruce J. Manley,
attorney, was named agent for the co-op and the principal place of business was given as
212 Leverette Building, Medford, Oregon.

Purpose of formation of the Association was given in the Articles of Incorporation as:
Mining, milling, beneficiation, blending, storing, purchasing equipment and supplies for
resale or rental to members, conversion of chrome and other ores and concentrates to higher
end-use and more salable products, marketing, research, and such other activities as may
be conducted by cooperative associations for the benefit of its members.

Since completion of the GSA stockpile in May of this year, all chrome mines in Oregon
and California have shut down as price of foreign ore was below western mining costs. It is
the plan of the newly formed Association to investigate the possibility of marketing their chrome
ore as ferrochrome manufactured in a cooperative-owned electric furnace. By competing on
the open market at the finished product level, it is believed the mines can be kept open and
western chrome mining can be placed on a firm base.

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NEW DRILLING PERMIT

Permit No. 34 was issued to the Linn County Oil Development Company to drill an oil test on October 6, 1958. The hole is to be drilled on the Elmer Barr property located in sec. 31, T. 11 S., R. 1 W., Linn County. Approximate elevation is 365 feet. Principals in the company are P. L. Turnidge of Albany, president; C. M. Lowen of Salem, vice president; and Adolph Hildebrand of Dallas, secretary. Address of the company is given as 80 East Maple Street, Lebanon, Oregon.

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MINING NEWS

Webster Decker and Wilford Sirrine of Salt Lake City have completed several weeks of exploration trench work on a molybdenum prospect located on the east side of the Elkhorn Mountains in Baker County. The claims, held by Robert Hulin and associates, are situated on the north side of the North Powder River. Work has been suspended for this season but it is understood the lessees plan to resume exploration next spring and that they are considering drifting the prospect.

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KENNEDY APPOINTED CHAIRMAN OF DEPARTMENT BOARD

At a meeting of the Governing Board of the Department held in Portland, October 14, Mr. William Kennedy was selected to act as Chairman of the group. Mr. Kennedy, who received his appointment to the Board from Governor Robert D. Holmes September 17, is from Portland. Other members of the Board are Nadie Strayer, Baker, and Les Child, Grants Pass.

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HEARINGS TO BE HELD IN BEND ON WILDERNESS BILL

A subcommittee of the Senate Interior and Insular Affairs Committee will hold public hearings November 7 in Bend, Oregon, on a bill to establish a vast wilderness preservation system in National Forest and other public domain lands.

According to the measure, "The Wilderness System shall be devoted to the public purposes of recreational, educational, scenic, scientific, conservation and historical use." The bill provides that "Within such areas . . . there shall be no permanent road; nor shall there be any use of motor vehicles, motorized equipment, or motorboats, or landing of aircraft, nor any other mechanical transport or delivery of persons or supplies, nor any temporary road, nor any structure of installation, in excess of the minimum required for administration of the area for the purposes of this Act."

Included in the system would be (1) wilderness, wild, primitive, or roadless areas within the national forests (the Secretary of Agriculture can designate additional areas for inclusion); (2) each park, monument, and recreational area in the National Park System embracing a continuous area of 5,000 acres or more without roads (additional units could be designated for inclusion by the Secretary of Interior); (3) wildlife refuges and game ranges designated by the Secretary of Interior; (4) areas of tribal land on Indian reservations designated by the Secretary of Interior after consultation with authorities of the tribes; and (5) such other units as may be designated within any federally owned or controlled area of land or water by the Government officials having jurisdiction.

Persons wishing to testify at Bend should contact Senator James Murray, Chairman of the Senate Committee. Other hearings will be held at San Francisco on November 10; Salt Lake City on November 12; and Albuquerque, New Mexico, on November 14.
NEW LAWS  
(Continued)  

The following new laws were passed by the last session of Congress. These items are a continuation of the list appearing in the September Ore-Bin but were not included for lack of space. The résumé is from the American Mining Congress Legislative Bulletin No. 18.  

Public Law 85-471.  
Provides for a 2-year extension of the Defense Production Act, including priorities and allocations and distribution of materials to the civilian market. Also provides for the expansion of productive capacity and supply through loans to private business enterprises, including the exploration, development and mining of strategic and critical metals and minerals, the purchase of raw materials, the development of substitutes for strategic and critical materials and regulations dealing with the national stockpile. Also extends the executive reserve program and programs for the encouragement of small business, the distribution of defense contracts and exemptions from the antitrust laws in certain instances.  

H.R. 12591 - Extend Trade Agreements Program. Passed Senate, amended, July 22. Differences between the House version (which included a 5-year extension) and the Senate version (which included a 3-year extension) were compromised by a joint conference committee. Signed by the President August 20, 1958. Public Law 85-686.  
Extends the President's authority to enter into trade agreements for four years to June 30, 1962, and permits him to further reduce tariffs by as much as 20 percent. The law also provides that (1) not more than a 10 percent reduction could become effective in any one year; (2) no reduction could become initially effective after June 30, 1962; (3) under escape-clause procedure, the President may (a) raise duties as much as 50 percent above the rates in effect July 1, 1934, rather than January 1, by 1945, (b) base an increase on the ad valorem equivalent of a 1934 specific duty, and (c) impose a duty not in excess of 50 percent ad valorem on any article not otherwise subject to duty; (4) Congress may override a Presidential decision in an escape-clause case by a two-thirds vote of both Houses; and (5) under the National Security provision, which empowers the President to take such action as he deems necessary to adjust imports which are threatening a defense-essential industry, consideration must be given during any investigation to unemployment and to the "investment, exploration, and development necessary to assure (the industry's) growth."  

S. 3651 - Small Business Aid. Approved by the President August 21, 1958.  
Public Law 85-699.  
Provides for a system of small business investment companies, Federally chartered, to provide equity capital and loans of long duration to small business enterprises. Such investment companies would be privately operated with the Federal Government supplying a portion of the initial funds.  

Legislation of particular interest to the mining industry which fell by the wayside during the 85th Congress is given below by title only.  

(1) Tax-Free Period for Certain New Mines.  
(2) All Minerals Stabilization Bills.  
(3) Authorize Production Incentive Payments on beryl concentrates, metallurgical chromite, columbium-tantalum concentrates, metallurgical manganese, mercury, cobalt, antimony, metallurgical-grade fluorspar.  
(4) Free Market for Gold.  
(5) Give tariff Commission Control over Duties on Critical Minerals.  
(6) Federal Inspection of Metallic and Nonmetallic Mines.  

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