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SOURCE Ta Kung Pao.

MINISTRY OF TRADE REGULATES WHEAT SALES;
GRAIN SMUGGLING FROM KWANGTUNG CONTINUES

COMMITTEES TO CONTROL MARKETING -- Hong Kong Ta Kung Pao, 10 Jun 50

Peiping, 9 June (Hsin-hua) -- As the 1950 wheat crop appears to be larger than in previous years, the Ministry of Trade, with the expectation of heavy selling, has instructed all trade bureaus of the large administrative regions, Peiping, Tientsin, and five provinces in North China to abide by the following regulations for handling wheat transactions:

1. The main policy of all government trade organizations in control of wheat buying is to control the purchasing price which would allow private buyers a certain amount of profit upon reselling. Forming a monopoly should be prevented, but those buyers who abide by the regulations should be permitted to purchase the quantities they want.
2. To regulate private and public buying of wheat, each large and medium-size city should set up a joint wheat-purchasing committee, on which flour mills, food-processing factories, food merchants, etc., are represented. Its duty would be to study the capital situation of buyers, set up purchasing plans, designate buying areas, and notify the governments in the buying areas of allocations. When the buyers exceed the supply of wheat, the government in the buying areas should establish distribution plans to prevent competition and raising of prices.
3. Other buyers who do not wish to join the buying committee may make their own transactions. No trading bureau shall set a limit or deny permission for these buyers to purchase.
4. Any buyer may request assistance from the trade bureau if necessary in buying a large amount of wheat.

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REGULATIONS FAIL TO CONTROL GRAIN SMUGGLING -- Hong Kong Ta Kung Pao, 10 Jun 50

Canton, 9 June -- The South China Financial and Economic Control Commission issued the following announcement today:

Kwangtung Province is one of the provinces in our regional district which does not have adequate supply of food. As a result, no exporting of rice and grain from this province has ever been approved by this commission. However, numerous evidence indicates that a large amount of such commodities are being smuggled out by racketeers and the civil population as well, mainly through the town of Shen-ch'uan. Therefore, more rigid controls will hereafter be enforced. As of this date, all rice and grain, regardless of quantity, shipped to Shen-ch'uan by railroad or over highways, shall be investigated by the personnel of government trade organizations, all illegitimate grain confiscated, and all violators punished.

The regulation to control export of grain from Kwangtung to Hong Kong and Macao, which has been in effect since 23 February 1950, is not effective enough to stem smuggling since it allows a person to transport an amount of grain worth less than 2,500,000 yuan, or about 620 shih chin (one shih chin equals 1.1 pounds), and the smugglers have operated by taking advantage of this limitation. According to an official report, about 50,000 shih chin of rice disappeared each day from Ta-sha-t'ou and Huang-sha areas in April. Enforcement of more rigid control is necessary to stop further drain on Kwangtung's food supply.

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- 2 -

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