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INDEPENDENT OFFICES APPROPRIATION BILL, 1948

JUNE —, 1947.—Committed to the Committee on the Whole House on the State of the Union and ordered to be printed

Mr. WIGGLESWORTH, of Massachusetts, from the Committee on Appropriations, submitted the following

REPORT

[To accompany H. R. —]

The Committee on Appropriations submits the following report in explanation of the accompanying bill making appropriations for the Executive Office and sundry independent executive offices, boards, bureaus, and commissions for the fiscal year 1948.

SCOPE OF THE BILL

The bill provides appropriations for the Executive Office of the President and for sundry independent offices of the Government, estimated for in the independent offices chapter of the 1948 budget, pages 37 to 158 inclusive. Estimates for the Federal Works Agency, funds for which are included in the bill, will be found beginning on page 227 of the 1948 budget. The committee also considered supplemental estimates contained in House Documents Nos. 95, 181, 201, 202, 209, 236, 252, and 260.

APPROPRIATIONS AND ESTIMATES

A tabulation appears at the end of this report giving each appropriation recommended for the fiscal year 1948, the amount appropriated for the fiscal year 1947, and the budget estimates for the fiscal year 1948, together with the increase or decrease in appropriations and estimates as compared with the amounts recommended in the bill.

The 1947 appropriation includes, in each instance, Pay Act funds to meet increases in salary as provided in Public Law 390. The 1948 budget estimates were submitted on a similar basis.

A summary of the totals in the tabulation is as follows:

The budget estimates for 1948 total.....	\$8, 498, 409, 759
The committee recommends in the bill.....	8, 167, 869, 027
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The reductions in the revised budget estimates total....	330, 540, 732
Additional savings, due to reductions in original budget estimates, rescissions, and reductions in expenditures, are.....	576, 075, 000
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Total savings in original budget estimates, rescissions, and reductions in expenditures.....	906, 615, 732
Additional revenue available from sale and charter of vessels not included in budget estimates of receipts (includes \$404,300,000 for 1947 and \$100,775,000 for 1948 not shown in the Budget estimates of receipts.....	505, 075, 000
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Total over-all savings from all sources, including additional receipts not shown in the budget.....	¹ 1, 411, 690, 732

¹ For itemization of savings, see tabulation at end of this report.

The bill as reported shows a reduction of \$1,446,257,123 below total appropriations for the fiscal year 1947 which amounted to \$9,614,126,150.

The committee believes that it has accomplished substantial and effective results in reporting a measure which shows savings totaling \$1,411,690,732. In claiming credit for reductions in several items in addition to those set forth in the revised budget figures in connection with the War Assets Administration and the Veterans' Administration, the committee points out that the amended and reduced supplemental budget estimates were submitted after committee investigators had made inquiries and specifically recommended to the committee the revised budget reductions in question. While the committee welcomes the action of the Budget Bureau in submitting supplemental estimates reducing these items, it feels that, under the circumstances, it is entitled to include such savings in its tabulation of savings which have been effected in the original budget estimates.

The bill includes appropriations for the Veterans' Administration which makes up a total of 85 percent, and civil-service retirement funds which constitute nearly 3 percent of the bill, which in large measure are not subject to reduction. In view of this situation the committee believes that its action in recommending savings of approximately \$1,411,690,732 represents a creditable showing.

It has been the general policy of the committee to hold appropriations for the old-line agencies at a maximum to the current year level in the absence of compelling reasons to the contrary. The committee feels that under this policy no great hardship will accrue to the various boards and commissions or the valuable work which they are performing. Substantial savings in other activities contained in the bill have enabled the committee to report a measure in line with the policy of the Congress insofar as its economy program is concerned.

Permanent appropriations, general, special, and trust accounts.—The permanent appropriations are those which occur automatically each year without annual action by Congress, having been created specifically by Congress in previous years, and continue as such until modified or discontinued. A tabular statement of such funds will be found at the end of this report.

NEED FOR INSTALLATION OF ADEQUATE ACCOUNTING SYSTEMS

One of the most amazing pieces of testimony in the record is that of the General Accounting Office indicating that almost nowhere in the Government is there any semblance of cost accounting; that billions of dollars have been spent which can never be properly accounted for. It appears that the General Accounting Office has encountered difficulty in inducing certain Government agencies to adopt accounting systems which it seems to be essential. The Maritime Commission, to take one example, has apparently declined to cooperate in this respect for almost 10 years. The Comptroller General, it will be recalled, found that this agency had spent over \$8,000,000,000 up to July 1, 1943, which could not be properly accounted for.

The committee feels that the testimony of the General Accounting Office strikes at the heart of the entire problem of controlling expenditures. It cannot urge too emphatically the importance of cooperation by all agencies of the Government with the General Accounting Office with a view to proper accounting.

In this connection, the committee has added a new provision (sec. 109 of the bill) which gives to the Comptroller General of the United States authority to control the installation and maintenance of accounting systems being operated in Government agencies contained in the bill. Attention of the committee has been called to the need for improvement in accounting systems and procedures in several Government agencies and the purpose of the new section is to implement the Comptroller General with authority to require proper accounting equipment and procedure wherever he believes a change is desirable.

EMPLOYEES ENGAGED IN PERSONNEL WORK

The committee noted a wide discrepancy in the size of the personnel set-ups of the agencies provided for in the bill. The ratio of personnel employees to the total personnel employed in each of the several agencies ranged from a maximum of 1 to 18 to a minimum of 1 to 121. While some differences can be explained due to the particular functions of each agency, no justification was made for the large variance. Several of the agencies, and particularly the Atomic Energy Commission, War Assets Administration, Maritime Commission, and the National Archives appear to be particularly top-heavy with personnel employees.

It is the opinion of the committee that in most of the agencies the personnel divisions are considerably overstuffed and that positive action should be taken to correct the situation. The committee also feels that there will not be as great a turn-over of employees in the various agencies as was evidenced during the war period, thus reducing the work load to a marked degree. As the work load decreases a cor-

responding reduction in the number of employees engaged in personnel work should be effected.

Figures supplied the committee by the Bureau of the Budget reflect that the total personnel in the executive branch of the Government, engaged in personnel work in 1938, was 4,197 and that they received a total salary of \$8,397,217. In 1947 there were 29,397 personnel employees receiving a total salary of \$94,086,254. This is an increase of 700 percent in personnel employees while the increase in Government employees was 243 percent for the same years.

On the basis of 1 personnel employee to 150 other employees suggested by the Bureau of the Budget as a reasonable ratio, the 29,397 personnel employees should be ample to service a Government pay roll of about 4,500,000 persons or more than double the total personnel on the Federal pay rolls.

The committee recommends that a study be made by the Bureau of the Budget as to the employees engaged in personnel work by agencies with a view to curtailing and standardizing insofar as practicable on a minimum basis, the ratio of employees engaged in such work to the total number of employees in each agency.

EXCESSIVE PERSONNEL IN HIGH-INCOME GROUP

Numerous instances have come to the attention of the committee during hearings on the bill where agencies are overstaffed with high-paid personnel. In one agency the average salary requested is in excess of \$6,400 per annum and in another it is \$5,131. Granting that the above examples represent the maximum in averages among the various agencies, the fact remains that many boards and commissions are carrying a staff top-heavy with high-salaried personnel. In connection with this matter the committee believes that agencies should effect a down grading or reduction of personnel in the upper brackets. Subsequent reductions in force should be made with this policy in mind. In the past, the low-salaried group has been the target for reductions when a decrease in staff is required. The committee believes that the Bureau of the Budget and the Civil Service Commission should give assistance in correcting this inequitable situation which has become so general in the past year or so.

TITLE II. GENERAL PROVISIONS

Title II of the bill consists of general provisions relating to the expenditure of funds appropriated in all appropriation measures. The number of such items has been substantially diminished in the bill owing to the fact that during the last session of the Seventy-ninth Congress a general authorization bill was enacted (Public, No. 600), authorizing certain expenditures for all executive departments. The sections which have been eliminated because of the enactment of this legislation have to do with the expenses of travel of civilian officers and employees of the executive department and transportation of household goods and other articles, the purchase and operation of motor-propelled passenger-carrying vehicles, the purchase and maintenance of aircraft, and an authorization to make purchases without regard to section 3709 of the Revised Statutes.

EXECUTIVE OFFICE OF THE PRESIDENT

The bill includes funds as submitted in the estimates for the Executive Office of the President, consisting of \$75,000 for the salary of the President and \$952,500 for salaries and expenses of the Executive Office, the latter sum being an increase of \$68,840 in current year requirements.

The budget estimate of \$202,250 for the maintenance of the Executive Mansion and Grounds has also been included in the bill without change.

Emergency fund for the President.—The bill contains \$500,000 as an emergency fund for the President to enable him to provide for certain staff and emergencies affecting the national interest or security during the next fiscal year. The committee has approved the amount proposed in the budget estimate, and has added thereto a provision similar to that contained in the 1947 act in connection with the appropriation of an emergency fund for the President, which prohibits the use of such funds for any function for which a budget estimate may be denied by the Senate or House of Representatives or by the Committee on Appropriations of either body during the Eightieth Congress.

While the appropriation will permit the President to provide for emergencies brought about by the recent war or otherwise, the committee feels justified in pointing out that many of the purposes for which funds were provided during the current year and in previous years cannot be considered as emergency. It is understood that funds provided for the next fiscal year will be used only for matters which are clearly of an emergency character, and is not available for boards or commissions which may be appointed by the President in connection with the merchant marine, civil rights, amnesty, or higher education and so forth.

Bureau of the Budget.—For salaries and expenses of the Bureau of the Budget there is recommended \$3,376,608, which is a decrease of \$385,875 in the 1947 appropriation and \$93,392 less than the budget estimate. The apparent reduction of \$385,875 under the 1947 appropriation is due, in fact, to the elimination of funds in the 1948 estimates for the Government Information Service which was set up in the 1948 estimate as a separate item under the heading "Office of Government Reports."

The reduction of \$93,392 in the budget estimate represents the denial of all proposed increases other than the allowance of \$25,125 for the extension of existing activities for which an increase in excess of \$50,000 was requested. The remainder of the reduction in the item totals \$6,000 and was effected in the request for funds for printing and binding.

COUNCIL OF ECONOMIC ADVISORS

The Council of Economic Advisors, which is provided for in this bill for the first time, was authorized by the Congress in Public Law 304 of the last session. The law requires that at the opening of each regular session of the Congress the President shall transmit to the Congress an economic report. The principal duty of the Council is to assist and advise the President in the preparation of this report.

During the current year this office is operating on approximately a 9-month basis with an appropriation of \$275,000, and it is estimated that of the total amount provided, \$77,000 will be returned to the Treasury. It is believed that further expansion is not justified at the present time. In providing a total of \$350,000 for the next fiscal year the committee is of the opinion that a sufficient sum will be available to carry on all essential activities of the agency during the fiscal year 1948.

PHILIPPINE ALIEN PROPERTY ADMINISTRATION

The Philippine Alien Property Administration was established under authority contained in the Trading With the Enemy Act of October 6, 1917, as amended, and the Philippine Property Act of 1946. The purpose of the agency is to eliminate all significant German and Japanese external assets in the islands. The net equity vested as of December 31, 1946, is estimated at \$3,500,000, and the total value of such property is estimated at \$35,000,000. Funds available to the agency consist of \$1,250,000 deposited in the United States Treasury and about \$250,000 in the National City Bank, Manila branch, which is a Treasury depository. In recommending that \$440,000 from such funds be made available for the fiscal year 1948 for general administrative expenses of this agency, the committee has approved the budget estimate. It is estimated that this work will not be completed until after the fiscal year 1949.

WAR ASSETS ADMINISTRATION

A total of \$257,149,270 is recommended in the bill for the War Assets Administration for the fiscal year 1948. This is a decrease of \$49,600,730 from the 1948 revised budget estimate. The original budget estimate for 1948 was \$327,500,000 and was subsequently reduced to \$306,750,000. The revisions in the budget estimate were submitted after an investigation was instituted by the investigative staff of the Appropriations Committee. The revisions followed, in the main, recommendations which had already been made to the committee by its staff.

The reductions made by the committee are set forth in the following table:

Personal services:	<i>Reduction</i>
Departmental.....	\$2, 447, 520
Field.....	12, 771, 060
Travel.....	750, 000
Communications services.....	350, 000
Rents and utilities.....	350, 000
Printing and binding.....	426, 000
Other contractual services.....	32, 000, 000
Supplies and materials.....	456, 150
Equipment.....	50, 000
 Total.....	 49, 600, 730

The above reductions are in most instances below those recommended and justified by the committee investigators.

The total personnel in War Assets Administration on June 30, 1946, was 36,500. On November 30, 1946, the number of employees had increased to 58,800. On April 25, 1947, there were 47,461 employees and it is anticipated that the employment figure as of June 30, 1947, will be 41,900. They further estimate that as of June 30, 1948, the total employment will be 16,400.

The reductions in personnel made by the committee are substantially in accordance with the recommendations of committee investigations.

The committee investigators also reported that there are 6 zone offices and 32 regional offices; that the zone offices have general administrative supervision of the regional offices in their area and appear to duplicate functions being performed in the Washington office. It was further reported that each regional office contained a complete staff for carrying out all of the operating phases of the work. This duplication included services of technical personnel such as accountants, advertising specialists, budget experts, legal counsel, commodity specialists, and, in addition, policy-planning and administrative personnel. It was suggested by the investigators that the number of regional offices be reduced, that the regional office report to the Washington office, and that the zone offices be abolished thus effecting a large saving in highly paid personnel.

The committee has decided that no part of the appropriation should be used to pay the salaries of personnel engaged in the preparation and publication of the history of the agency in World War II.

The travel item was reduced from \$3,190,000 to \$2,440,000 which is in line with the reduction in personnel. Likewise, on the same basis the item for communications services was reduced from \$2,568,000 to \$2,218,000.

The item for rents and utilities was reduced from \$6,100,000 to \$5,750,000. The committee has received complaints regarding the rental of expensive office space by War Assets Administration and also that War Assets Administration was paying rental on empty warehouses. The Committee feels that the amount allowed is ample to carry out the work of the agency.

A total of \$2,000,000 is allowed for printing and binding which is a decrease of \$426,000 in the amount requested.

A reduction of \$32,000,000 is recommended in the item "Other contractual services" which provides a total of \$152,272,500 for this item. It is the opinion of the committee that the reduction in this item, which includes such things as warehousing operations contracts, warehouse repairs and alterations, reimbursement to owning agencies, protection and maintenance of real property, site restoration obligations, sales commissions, advertising, etc., will in effect act as a stimulus to the War Assets Administration toward quicker disposals of the surplus property.

The item of supplies and materials was reduced 15 percent and the request for \$50,000 for new equipment was disallowed, it being felt that the program of reducing the number of offices and warehouses would produce an oversupply of equipment which would make additional purchases unnecessary.

No reduction was made by the committee in the amount requested by War Assets Administration in its revised estimates for the other Government disposal agencies. These funds were provided with the

specific understanding that there is to be no duplication by the War Assets Administration of the work performed by the other disposal agencies.

AMERICAN BATTLE MONUMENTS COMMISSION

The bill includes \$300,000 for the operations of the commission, which is an increase of \$66,560 in the 1947 appropriation and is \$22,000 less than the Budget estimate. The work of the commission consists primarily of the care and maintenance of graves of casualties of World War I, located in Belgium, France, and England. During the past year additional funds were requested for the repair and maintenance of damage caused to these cemeteries during the recent war, it being estimated that work amounting to \$80,162 will be undertaken during the fiscal year 1947 and that a total of \$147,350 will be required for the fiscal year 1948. The committee has not reduced the amount recommended for this purpose. The act of June 26, 1946, Public Law 456, placed the additional duty upon the Commission of planning work in connection with the erection and designing of monuments and memorials located in overseas areas. Such memorials will be constructed in Europe, the Pacific, and tropical areas, and will require personal inspection of these areas by members of the Commission. The committee has allowed an increase over the current year for travel expenses for this purpose, and has effected an overall reduction of \$10,000 in the travel item. The remaining reductions recommended by the committee consist of \$8,000 for personal services and \$4,000 for fees of architects.

ATOMIC ENERGY COMMISSION

Operation of the activities involved in the production of atomic energy were, until the end of the calendar year 1946, under the control of the Army and were carried on under what is known as the Manhattan project. On January 1, 1947, and pursuant to Public Law 663, a portion of the funds appropriated to the War Department were transferred to the Atomic Energy Commission for conducting the project as authorized by the Atomic Energy Act of 1946 which placed all further operations under civilian control.

The committee considered a budget estimate totaling \$250,000,000 for this purpose together with a contract authorization for an additional \$250,000,000. The committee heard the Commission in connection with the estimates on two different occasions. On the first occasion, the committee found it impossible to obtain definite information as to the distribution and use of personnel requested or to secure a reasonably comprehensive break-down as to the distribution of funds requested for other objects of expenditure.

The committee thereupon requested the Commission to make a further survey and report back at a later date, giving an administrative break-down as to personnel and a somewhat detailed break-down of other estimated expenditures in order that a concrete picture could be obtained as to the distribution of funds under the estimate of \$250,000,000.

The committee regrets to report that the second hearing of this agency failed to produce any substantial additional information which would warrant appropriation of the amount requested in the budget estimate.

In view of this situation, and in order that research and development will not be delayed, the committee has determined that funds in the amount of \$175,000,000 should be provided for operation in connection with this important project on a part-year basis, additional funds to be provided during the early part of the next session to whatever extent developments at that time indicate such additional funds are required. The committee has allowed the full contract authorization requested amounting to an additional \$250,000,000.

In making this substantial reduction in the budget estimate, it should be clearly understood that it is not the intention of the committee to retard development in connection with this most important project. The purpose of the committee in withholding funds for a portion of the last half of the fiscal year is to defer final action on all requirements for the fiscal year until information in some detail is available on which it can act and recommend to the House with some accuracy as to how the substantial sum recommended is to be expended. The amount in the bill will provide adequate funds for all purposes for a period beyond the first half of the next fiscal year and until the committee and the Congress has had an opportunity to secure tangible facts on which to base a final recommendation as to total needs for the full fiscal year.

Data before the committee disclosed that this agency presently employs 17 persons engaged in publicity and public relations work and it is proposed to employ 22 such persons during the next fiscal year. The committee is of the opinion that employment of this number of persons is excessive and requests the commission to effect a substantial reduction in employees engaged on this work in the next fiscal year.

There has been inserted in the bill a provision which authorizes the expenditure of not more than \$25,000,000 for research in connection with the control of cancer. The Atomic Energy Act specifically authorizes the Commission to exercise its powers in connection with research into matters pertaining to health, and it is believed that progress already made justifies continued activity in this field to combat this increasingly menacing disease.

CIVIL SERVICE COMMISSION

The bill includes \$12,000,000 for salaries and expenses for this Commission which is \$1,080,500 less than the 1947 appropriation and \$759,000 below the Budget estimates. The appropriation for this agency in the fiscal year 1940 was \$4,625,000.

In effecting a substantial reduction in the current year appropriation and in the budget estimates for 1948, the committee has taken into consideration the fact that employment conditions throughout the country are becoming stabilized and that the Commission expects the personnel on the Federal pay roll to decline from 2,100,000 on June 30, 1947 to 1,500,000 on June 30, 1948. Also, the committee has been advised that the estimated cost of placements will be \$8.57 per placement as compared to \$17.58 for the current year. A further reason for the decrease is attributed to the estimate of the Civil Service Commission that during the fiscal year 1948, 44 percent of placements will be made by boards of examiners in the various executive departments. This is a considerable increase over previous

years, the comparable figure for the fiscal year 1937 being 27.6 percent, for 1939, 40 percent; for 1941, 47 percent; and for 1946, 34 percent. A further reduction could be made in this item were it not for the need for personnel in connection with the replacement of War Service appointees by persons having veterans' preference status.

The committee has applied substantial portions of the reduction to items for maintenance and travel, inspection service, personnel classification work, the administrative services project, personnel set-up, and to "other obligations." The size of regional offices should also be considered. The proposed expenditure of \$9,000 for a history of the work of the Commission in connection with World War II is specifically disallowed.

Civil-service retirement fund.—The bill includes \$244,000,000 for the Government's contribution to the civil-service retirement and disability fund, which is an increase of \$23,900,000 over the 1947 appropriation. It is estimated that 649,577 employees will have acquired rights to benefit under the Civil Service Retirement Act by the close of the fiscal year 1948, and that the annual pay roll for this personnel will amount to \$1,716,182,434. On the basis of the formula used by the Board of Actuaries, the amount recommended in the bill, \$244,000,000, represents the amount necessary insofar as the Federal Government is concerned to keep the fund in a sound financial condition.

FEDERAL COMMUNICATIONS COMMISSION

In recommending a total of \$6,000,000 for salaries and expenses for this activity, the committee has provided a sum \$211,900 below the 1947 appropriation and \$875,000 less than the budget estimate of \$6,875,000, largest peacetime appropriation ever requested.

While the amount recommended in the bill is somewhat below the current year appropriation, it should be pointed out that it is well in excess of the 1946 appropriation which amounted to about \$3,300,000 and far in excess of the 1938 appropriation which amounted to \$1,717,000.

The Commission's request would include a 15 percent increase in its Engineering Department; an 18 percent increase in its Accounting Department; a 34 percent increase in its Law Department; an 11 percent increase in its secretary's office, all over and above the 1947 figures.

During hearings on the 1947 bill the committee was advised that in order to catch up with the backlog of applications of various types which had piled up following the war period, it would be necessary to have greatly increased funds. In recognition of this, the committee and the Congress finally allowed a total increase of \$2,902,000 in excess of the 1946 appropriation. In its report on the 1947 bill, in commenting on the increase, the committee stated as follows:

* * * However, the committee is of the opinion that with the funds provided the Commission should be able to clear up the backlog of applications for broadcast licenses which are pending and that there should be a downward trend in appropriations for the 1948 fiscal year.

The committee is of the opinion that with proper utilization of staff and facilities the Commission should soon catch up in large measure with the backlog of work and that it is highly improbable that the recent work load of new applications will continue throughout the fiscal year 1948. In fact, the record indicates that the saturation

point for AM licenses has already been reached in New York and New England. This opinion of the committee is substantiated by the testimony of representatives of the Commission during recent hearings in which it was pointed out that there recently had been a marked speed-up in action on applications of all types due to the increased efficiency of personnel and improvement in methods of handling such applications.

For instance, it was stated that during the past year, from January 1, 1946, to January 1, 1947, the Commission had authorized 532 new AM stations as compared to a total of 469 issued during the 11-year period prior to that time, 1934 through 1945. Furthermore, it was stated that the FM backlog had been reduced from 773 to 494 in a 9-month period, and that the amateur backlog had been recently reduced from 11,500 to 4,000 in a period of 8 months. Applications for aviation licenses are now handled at the rate of 2,100 a month as compared with 600 a month previously.

Further progress would appear possible in view of the shortcomings pointed out in the April 1, 1946, survey by the Bureau of the Budget of the Personnel, Pay Roll, and Tabulating Sections of the Commission, indicating, among other things, duplication and triplication of effort within and between sections, lack of coordination, and clumsy and time-consuming procedures.

In view of this increased production, referred to above, and the possibility of further efficiency, the committee feels that a substantial reduction in the request can be made without in any respect jeopardizing the activities which the Commission should perform.

Special telegraph investigation.—The estimate of \$375,000 for this special investigation has been eliminated from the estimates. In the opinion of the committee the Federal Communications Commission has at the present time substantially complete information on the situation in connection with interstate telegraph communication, including the problems and difficulties to which it has referred during the testimony and in the justification presented to the committee. It is believed that the investigation suggested by the Commission would not add materially to the information necessary for the Commission to have before it in order to reach a conclusion in the matter.

FEDERAL POWER COMMISSION

For salaries and expenses in connection with the activities of this Commission the Budget proposed a total of \$3,905,000, a net increase of \$515,000 over the 1947 appropriation. In denying the proposed increase of \$515,000, the committee has taken into consideration the fact that an increase of \$771,000 was provided this activity during the current year to enable it to catch up with work in connection with licensed hydroelectric projects, the regulation of rates for electricity and natural gas, and other important activities. The committee does not believe that a further increase during the fiscal year 1948 is warranted and has denied the proposed increase in the estimate.

Flood-control surveys.—The committee has allowed an increase of \$7,500 over the current-year appropriation of \$259,000 for this work. This will permit surveys by the Commission in connection with the installation of power facilities at dams now being planned by the Army engineers and the Bureau of Reclamation on a slightly increased basis during the next fiscal year.

FEDERAL TRADE COMMISSION

For this activity there is recommended a total of \$2,855,120, an increase of \$5,000 in the current year appropriation and \$1,122,880 less than the Budget estimates, the largest request ever made by the Agency.

The action of the committee results in the denial of all proposed increases, including all funds for work in connection with the proposed financial reports program which was to have been carried on in cooperation with the Securities and Exchange Commission. This Commission received a substantial deficiency appropriation amounting to \$325,000 during the fiscal year 1947 to handle trade practice agreements on an industry-wide basis. In view of this substantial increase in 1947, which has been projected into the fiscal year 1948, it is not believed that any additional increase is warranted at this time. In fact a letter from the Commission appearing on page 292, part I, of the hearings raises the question if the Commission is not already overstaffed in several of its divisions.

FEDERAL WORKS AGENCY

Office of the Administrator.—In recommending a reduction of \$35,460 in the estimate of \$380,000 for this activity, there has been provided funds for operation of this Office on the same basis as during the current fiscal year, and in addition thereto \$10,741 has been allowed to provide for the salary of the Administrator on a full-year basis, the present Administrator having received a major portion of his pay during the current year from the Army, from which he will retire by the beginning of the fiscal year 1948.

Public Buildings Administration.—For the general administrative expenses of this agency there is provided \$2,160,500, a decrease of \$48,500 in the budget estimate. It is believed that some saving should be effected in funds to be provided for the space-control survey for which \$282,000 was appropriated during the fiscal year 1947 and which is projected into the fiscal year 1948 by the budget estimates, and that there can be some retrenchment in the administrative and technical personnel required to handle the repair and preservation program for which \$10,000,000 is provided in the bill.

The estimate of \$10,000,000 for conducting the repair and preservation program which has been approved by the committee will provide funds for this purpose for several hundred projects. The Public Buildings Administration is charged with the repair and alteration of substantially all public buildings in the field, and as of July 1, 1946, there were 4,952 separate buildings, located throughout the States and possessions, consisting of post offices, marine hospitals, and so forth, for which this agency is responsible.

The committee has recommended a reduction of \$3,300,000 in the budget estimate of \$33,015,000 for salaries and expenses in connection with the administration and protection of public buildings and grounds in the District of Columbia. The committee is of the opinion that the amount recommended in the bill, \$29,715,000, will be sufficient to provide for full operation of all necessary buildings and other activities in view of the substantial reductions in personnel resulting from the economy program which the Congress is now putting

into effect, and that substantial office space should be released in recognition of such personnel reductions. The committee has also denied \$250,000 of the proposed estimate of \$500,000 for repair and renovation of buildings in the District of Columbia, and \$25,000 requested for repair, preservation, and equipment of buildings operated by the Treasury and Post Office Departments.

In connection with the item for salaries and expenses for public buildings and grounds outside the District of Columbia, there is recommended a reduction of \$2,300,000 in the budget estimates of \$22,908,000. While this is a decrease in the budget estimates, it reflects a net increase of \$2,411,115 over the current year. This substantial increase is due primarily to the requirement for additional space for Veterans' Administration offices in the field. The reduction of \$2,300,000 recommended by the committee is based primarily on the economy program of the Congress which, as stated in the preceding paragraph, will result in a substantial decrease in the need for office space and other expenditures due to decreases in personnel.

Return of departmental functions to the District of Columbia.—The committee considered the estimate of \$900,000 for expenses in connection with the return of certain bureaus and agencies to the District of Columbia. Testimony was given to the effect that a tentative program had been scheduled, but that no definite decision had been reached as to which agencies were to be returned. In view of this situation, the committee has decided to defer approval of the item until the program has definitely crystallized and can be presented in specific terms in order that the committee and the Congress can be advised as to just which agencies it is proposed to return to Washington. Until this decision has been reached, it is not believed that affirmative action should be taken on the matter.

Construction of public buildings.—A total budget estimate of \$4,950,000 was considered by the committee for the construction of public buildings, and there is included in the bill \$3,800,000 for this purpose. A table giving the amounts recommended in the budget estimates and the sums included in the bill is inserted at this point as follows:

Project	Budget estimate, 1948	Recommended in bill, 1948
West central heating plant.....	\$1,250,000	\$1,250,000
Hospital center.....	2,750,000	1,700,000
National Institute of Mental Health.....	850,000	850,000
Geophysical Institute, Alaska.....	¹ 100,000	
Total.....	4,950,000	3,800,000

¹ And contract authorization of \$875,000.

The amount of \$1,250,000 for the west central heating plant will provide funds for the completion of this project which is estimated to cost \$7,750,000.

The budget estimate of \$2,750,000 for preliminary expenses in the acquisition of a site in connection with the proposed hospital center for the District of Columbia authorized by Public Law 648 of the last

Congress has been reduced to \$1,700,000 by the committee. This reduction in the estimate will not delay the undertaking of the project, however, as it represents merely a reduction in the amount to be provided for the acquisition of a site which will not be required owing to the fact that a provision has been inserted in the bill authorizing the transfer of a site from the Navy Department to the Federal Works Agency without exchange of funds. In a statement to the committee in connection with this project, the Public Buildings Commissioner, Mr. Reynolds, advised the committee that it would necessary to purchase a portion of the site and that \$950,000 would be required for this purpose. This latter sum is being provided for in the bill. The remainder, \$750,000, will be required for plans and specifications and other work preliminary to actual construction.

The committee has allowed the budget estimate of \$850,000 for the construction of a National Institute of Mental Health. The amount provided will consist of \$450,000 for purchase of a site and \$400,000 for preparation of plans, drawings, and other work. The hospital is to be located in the Bethesda, Md., area.

Public Roads Administration.—The committee considered budget estimates totaling \$300,288,854 for this agency. The amount recommended in the bill, \$264,000,000, is \$11,838,792 less than the 1947 appropriation and \$36,288,854 less than the budget estimates. The amounts proposed in the budget estimates, the appropriations recommended by the committee for 1948, and the increase or decrease in such amounts are set forth below.

Item	Budget estimate, 1948	Recommended in bill, 1948	Increase (+) or decrease (-)
Federal-aid highway system.....	\$10,288,854	\$10,288,854	-----
Secondary or feeder roads.....	3,000,000	3,000,000	-----
Elimination of grade crossings.....	5,000,000	-----	-\$5,000,000
Federal-aid postwar highways.....	279,000,000	247,711,146	-31,288,854
Public-land highways.....	3,000,000	3,000,000	-----
War and emergency damage, Hawaii.....	(1)	(1)	-----
Total.....	300,288,854	264,000,000	-36,288,854

¹ Contract authorization of \$2,000,000 recommended.

In recommending a reduction of \$5,000,000 in the grade-crossing elimination item and \$31,288,854 in connection with the postwar highway program, the committee has been substantially supported in its recommendation by the Federal Works Administrator, General Fleming, who on request of the committee, has advised it as follows:

The Commissioner of Public Roads and his staff have worked in close cooperation with the State highway departments in determining factors under which contracts should be let. The State highway departments have not awarded contracts at the rate anticipated because of bid prices exceeding estimates and in some instances uncertainty in delivery of steel. In addition to these lettings on which the State highway departments have not made awards, the Public Roads Administration has not concurred in the awarding of a small percentage of contracts for similar reasons.

This administrative action on the part of the State highway departments and the Public Roads Administration is, in my opinion, based on sound judgment and a sincere effort to get maximum value of completed work for each highway dollar. This action has, of course, resulted in the postwar highway program moving at a

rate slower than originally anticipated. This obviously causes a reduction in the cash requirements of the Public Roads Administration for the fiscal year 1948.

While the reduction recommended by the committee totaling \$36,288,854 is in excess of the saving which the Federal Works Administrator believes can be conservatively made at this time, the committee is of the opinion that the additional saving it has recommended will not result in any shortage of cash required to carry forward the program during the fiscal year 1948. In eliminating the estimate of \$5,000,000 for grade-crossing work, it should be pointed out that all funds for this purpose are not being cut off; it being ascertained that a substantial cash balance for this purpose will be carried forward into the fiscal year 1948, and that funds provided in the bill for postwar highway construction also will be available for expenditure in connection with grade-crossing elimination work.

*Bureau of Community Facilities—(Public Works advance planning).—*A supplemental estimate in House Document 201 proposing an appropriation of not to exceed \$1,000,000 of the unobligated balance on June 30, 1947, for the liquidation of this work was considered by the committee, which has included \$895,000 in the bill for such purpose. The act authorizing this project expires on June 30, 1947, and the amount recommended in the bill will provide funds for liquidation. It is estimated that this program by date of completion will have involved an expenditure of some \$60,000,000 on 7,370 planning projects, and that a shelf of projects in excess of \$2,000,000,000 will have been provided as a result of funds advanced to the States and municipalities in connection with this work.

For the construction of Virgin Islands public works a total estimate of \$3,006,205 was considered, consisting of funds for water-supply facilities, the construction of highways, and administrative expenses. The committee has allowed the estimate of \$1,632,687 for a water-supply system on the islands of St. Thomas, St. John, and St. Croix, and has disallowed funds totaling \$1,252,966 for highway construction on these islands, the former projects having priority under the act of Congress authorizing such public-works construction. The estimate of \$120,552 for administrative expenses has been reduced to \$75,000.

The committee has eliminated the budget estimate of \$550,000 for War Public Works (community facilities) liquidation, and has inserted in lieu thereof a reappropriation of \$500,000 of the unobligated balance of funds for this purpose. During hearings on the bill, the committee was advised that on June 30, 1947, there would be an unobligated balance of \$2,100,000 which would be available for reappropriation or rescission and that in addition thereto, \$3,500,000 was being held back for possible use in connection with the San Diego project in California. The committee is of the opinion that these funds should be rescinded and has inserted an appropriate provision in title III of the bill providing that the sum of \$5,100,000, the remainder after reappropriation of \$500,000 for this project, shall revert to the Treasury.

GENERAL ACCOUNTING OFFICE

The committee has included in the bill a total of \$36,517,000 for all expenses of this Office, which is \$3,783,000 less than the 1947 appropriation and \$1,100,000 below the budget estimate.

The committee feels that this Office has made an earnest effort to reduce expenditures in connection with its operations and appreciates the fact that had it not absorbed all Pay Act funds required for 1947, it would show a substantially greater saving in the fiscal year 1948. Personnel has been reduced sharply by this agency which reached its peak about a year ago when 15,000 employees were on the pay roll. This number has been reduced to 11,000, and will be reduced to 10,000 by the end of the coming fiscal year.

In view of this situation, the committee has recommended no decrease in the item for salaries as presented by the Budget, the reduction of \$1,100,000 being attributable to the denial of \$100,000 in the estimate of \$1,817,000 for miscellaneous expenses and \$1,000,000 for a proposed new item having to do with an analysis of agency expenditures authorized by the recent Legislative Reorganization Act. The committee is of the opinion that this latter proposal should be deferred until a more complete and definite program can be evolved.

The committee believes that the work of this Office is highly important to the committee and the Congress in seeking to establish proper control over expenditures in the various departments. In this connection, there is inserted herewith a table showing exceptions and collections by the General Accounting Office during the last three fiscal years.

Exceptions and collections in the audit, exclusive of the transportation audit

Fiscal year	Exceptions	Collections
1944	\$1, 680, 615, 200	\$24, 965, 066
1945	775, 534, 521	47, 140, 056
1946	1, 031, 144, 309	43, 470, 818

INTERSTATE COMMERCE COMMISSION

The committee considered estimates totaling \$11,898,000 for this Commission and is recommending appropriations in the sum of \$10,611,100, a reduction of \$1,286,900 in the budget estimates. The refusal of the committee to recommend the substantial increase proposed for this agency during the next fiscal year is due to the fact that a very substantial increase was allowed for the fiscal year 1947. The committee does not feel that a further substantial increase is justified during the fiscal year 1948. However, in recognition of the importance of railroad safety and locomotive inspection work, there has been recommended slight increases in the budget estimates for each of these items.

NATIONAL ADVISORY COMMITTEE FOR AERONAUTICS

The National Advisory Committee for Aeronautics is the Government agency charged with the responsibility for scientific aeronautical research. A large share of the credit for the marked progress which has been made by this country in civilian and military aviation belongs to the scientists of this agency by reason of the considerable contributions they have made to the advancement of the art. There is now an urgent necessity for renewed emphasis on fundamental

research. The research data produced by the agency is essential to the military services and the aircraft industry for the design and development of improved military and civilian aircraft. Aeronautical science is in the midst of a revolution brought about by the introduction of new methods of propulsion. It is vital to our national security that these new possibilities be fully exploited. Painstaking and extensive fundamental research will be necessary to realize the full potentialities that are now attainable by any nation willing to make the effort.

In recognition of the importance of this work, the committee has approved a total of \$33,490,000 for salaries and expenses, an increase of \$5,950,000 over current year requirements and \$390,000 less than the budget estimate. The reduction in the estimate is due to the denial of funds for a proposed increase of \$130,000 for personal services in the District of Columbia; \$200,000 is attributable to the delay in the need for funds for operation of three large wind tunnels which will reduce the requirements for electric power in 1948; and \$60,000 in connection with civil service examinations.

A total of \$2,400,000 plus a contract authorization of \$2,143,000 is approved for modernization of existing facilities and for the construction of a few urgently needed research facilities at all three NACA laboratories. The funds requested will provide for the construction of two small supersonic tunnels at the Ames laboratory; a materials laboratory, a supersonic model fabrication building, and modernization of air handling equipment at the Cleveland laboratory; and missile handling facilities, a propeller static test stand, and a supersonic tunnel laboratory building for the Langley laboratory and its auxiliary flight research station. These facilities are required particularly for work in the high-speed flight ranges.

The committee has also approved supplemental estimates contained in House Document No. 95 in the sum of \$7,479,000 to complete certain research facilities, including modification of existing facilities. At the Langley laboratory, \$5,805,000 is required to meet increases in construction costs since July 1945 when the original estimates were prepared, and to permit modifications in the design of two wind tunnels to provide the increased power which has been found necessary to carrying out research at conditions more closely approaching full-scale flight conditions and at higher speeds than originally contemplated. The modernization of these two tunnels is necessary to prevent their obsolescence in the light of recent scientific advances. The amount of \$1,674,000 required at the Cleveland laboratory is necessary to meet increased construction costs for a supersonic tunnel and a jet propulsion fuels laboratory over the original estimates prepared early in 1945.

NATIONAL ARCHIVES

The bill includes \$1,256,335 for the expenses of operating this activity, which is \$15,000 in excess of the 1947 appropriation and \$434,665 less than the budget estimate. The committee has disallowed all proposed increases in the estimates for personal services for this activity, including \$265,340 which was requested for the continuation of work on a history of the Government's war experiences, such work being initiated during the current year by allocation of funds from the State, War, and Navy Departments. In this connec-

tion the committee wishes to express disapproval of the practice of starting projects of this type by the allocation of funds under section 601 of the Economy Act which may commit the Congress to provide additional funds to continue the work in a subsequent year. It does not believe that the purpose and intent of the Economy Act was to authorize such procedure.

The committee has provided \$14,972 for four additional employees at the Franklin D. Roosevelt Library, with the restriction that the money for such personnel shall be obtained from funds presently applied to use in the District of Columbia. The actual increase of \$10,000 over the 1947 appropriation is to provide for additional personnel in the Legislative Records Section.

The committee is not in accord with the reorganization plan recently put into effect by this agency, including the reallocation of positions in the upper grades. It is believed that there should be a down-grading of personnel which would permit the appointment of additional personnel in the lower grades where there is greater need for personal services. The committee recommends that action be taken by this agency which will result in readjustment along the lines proposed above.

NATIONAL CAPITAL PARK AND PLANNING COMMISSION

Land acquisition.—In allowing a total of \$279,000 for land acquisition in the National Capital and metropolitan area, the committee has provided a reduction of \$2,994,000 in the budget estimate. Of this reduction \$1,494,000 has been made possible by the failure of the Maryland Legislature to pass enabling legislation necessary to cooperation with the Federal Government in the acquisition of land in the Maryland park area. The remainder of the reduction is made by the committee because it is of the opinion that the acquisition of additional property in suburban areas should be deferred until a later date, when it is believed land values will have depreciated to a degree where considerable savings can be effected.

The committee has allowed \$200,000 as proposed by the budget for the acquisition of land in connection with the development of the George Washington Memorial Parkway and an additional \$79,000 for approved park, parkway and playground development in the District of Columbia, the latter sum being provided for the acquisition of two additional playground sites and for operating expenses of the commission.

District of Columbia redevelopment.—The estimate of \$95,000 for restoration of so-called blighted areas in the District of Columbia authorized by Public Law 592 of the Seventy-ninth Congress has been disallowed by the committee, it being of the opinion that the program, which involves the removal and reconstruction of housing in several areas, should be deferred until the demand for housing has been met to some extent and until the cost of construction has decreased.

PHILIPPINE WAR DAMAGE COMMISSION

The Philippine War Damage Commission was authorized by Public Law 390 of the Seventy-ninth Congress, its duties being to estimate the extent of war damages and provide for the payment thereof within

the total of the authorizations recommended in the act. The act provides for the payment of war damage to private property in an amount not to exceed \$400,000,000 and not to exceed \$120,000,000 for the restoration and improvement of public property. The work is now under way with an appropriation of \$10,000,000 for the current year, and the committee is advised that the staff has been organized and it was expected that operations would begin on a significant scale about April 1, 1947.

It is estimated that about 800,000 individual claims for compensation and 100,000 miscellaneous claims of firms, corporations, and others, will be filed with the Commission. More recent estimates indicate the total may reach the 1,000,000 mark. In recommending a reduction of \$20,000,000 in the estimate of \$90,000,000 for this purpose, the committee has taken into consideration the fact that there has been some slowness in getting the program under way and that in all probability a considerably smaller number of claims will be actually processed and ready for payment during the next fiscal year than was estimated when the budget was prepared. It is not the intention of the committee to withhold funds for the settlement of these claims, but it is believed that the amount provided will be sufficient to meet all payments due during the next fiscal year.

SECURITIES AND EXCHANGE COMMISSION

There is included in the bill for salaries and expenses of this Commission \$5,688,700, which is \$200,000 in excess of the 1947 appropriation and \$750,000 less than the budget estimate. In effecting the reduction in the budget estimate, the committee has disallowed all funds proposed for work in the collection of corporation statistics, \$22,748 for work in connection with the Administrative Procedure Act, and \$6,636 which had been requested for the holding of civil-service examinations.

SMITHSONIAN INSTITUTION

For salaries and expenses of the Smithsonian Institution, the committee recommends \$1,700,312, which is an increase of \$67,400 in the 1947 appropriation and \$354,088 less than the budget estimate, the largest request ever made by the agency. The increase over current year appropriations will provide \$50,000 for planning work necessary in connection with the establishment of a national air museum which was authorized by Public Law 722 of the Seventy-ninth Congress. The remaining increase of \$17,400 is to provide for the increased cost of personnel due to the recent reclassification of some 26 positions. The committee has denied all remaining requests for increases as submitted in the budget estimate.

National Gallery of Art.—In recommending a reduction of \$10,574 in the budget estimate for the Gallery of Art, the committee has disallowed funds requested for two positions consisting of an assistant secretary at \$8,180 and a secretary-stenographer at \$2,394.

TARIFF COMMISSION

There is included in the bill a total of \$1,148,349 for this Commission, which is an increase of \$39,349 in excess of the 1947 appropriation and \$171,651 less than the budget estimate. The funds recom-

mended by the committee will provide for the operation of this agency on the same basis as for the current year, the increase of \$39,349 being allowed for within-grade promotions and printing and binding, and the decrease of \$171,651 being due to the denial of increases requested for 56 new positions and for additional expenses which would have been incurred with the employment of such new personnel.

VETERANS' ADMINISTRATION

The committee held hearings with General Bradley and his staff and went as far as possible into all phases of the Veterans' Administration's requirements for the fiscal year 1948. The information obtained by the committee in this connection will be found in part II of the printed hearings.

No recommendation by the committee contemplates any reduction or change in any existing veterans' benefits. No recommendation of the committee suggests the reduction of even 1 penny in financial assistance to the disabled or to the widowed or orphaned, or in medical care to those eligible. The record makes it clear that the Congress has not denied either money or medical personnel for hospitals and that personnel ceilings fixed by the Bureau of the Budget in this connection have not been reached.

The recommendations of the committee concern themselves with administrative expenditures and policies which have been under fire so often in the past by national veterans organizations, national publications, and other groups and individuals.

The Veterans' Administration has had a tremendous problem to deal with. The large number of men demobilized during the latter part of 1945 and the early part of 1946 made rapid expansion essential. The Congress gave the Veterans' Administration all the money and personnel requested to meet the impact of this work load. This phase of the work is now over. The great demobilization period is long past. Individual emergency services have settled down to a more normal flow of activities. The time has come to establish efficiency in administration.

The record discloses disturbing weaknesses in the present situation.

There appears to be no proper central control of personnel. This seems to have been lost back in December 1945 when the power of employment was delegated to heads of offices in the field, some 78,000 employees having been added to the rolls in a period of 6 months thereafter. The committee is advised that no current personnel records, covering positions and salaries of those in the field offices, are available in the central office in Washington, although available records do show a disproportionate assignment of personnel of branch and regional offices and of administrative and maintenance personnel at hospitals.

A lack of proper central control over supplies is also indicated. There is evidence of delay and lack of efficiency and economy in the real estate and construction field. Construction costs appear to be tremendous and out of line with those for private construction. The situation in the insurance field is such that Veterans' Administration officials believe a year at least will be required to straighten it out.

Over 1,200,000 premium payments have been unallocated to insurance policies which may be located in any one of 14 offices. The committee investigators are of the opinion that the decentralization program has not provided the improvement in efficiency expected and that in certain instances it has created a duplication of work and personnel at the three levels of supervision. These and other matters which might be mentioned indicate the importance of efficient operation from the standpoint of every veteran in America.

No one wants to see a recurrence of the events that took place in the Veterans' Administration after World War I. No one wants to see another act reducing veterans' benefits such as we had in 1933.

For the reasons indicated the committee has found it impossible to do a careful or thorough piece of work at this time. The work of the investigators in the time available was necessarily limited to the central office in Washington. Essential information was not available there.

In their recommendations for a reduction in personnel, the committee investigators have gone further than the committee has been willing to go. The committee has preferred, under the circumstances, to act conservatively in the knowledge that General Bradley appreciates the necessity of proper personnel control and already has studies under way, in the field, with this end in view.

The total of the estimates considered by the committee in connection with this activity is \$7,075,341,300. The committee has allowed a total of \$6,944,457,080. This latter amount represents a reduction of \$130,884,220 below the budget estimate and is \$1,380,052,335 less than the total funds appropriated for the current fiscal year.

Administration, medical, hospital, and domiciliary services.—The committee has recommended for this purpose \$878,040,780, which reflects a reduction of \$38,959,220 in the budget estimate and is \$31,295,635 less than the funds provided for the fiscal year 1947.

This appropriation covers all expenses including salaries and operating expenses of the central office in Washington, the New York branch of central office, 13 branch offices; 71 regional offices, of which 8 are located at hospitals; 144 subregional offices; 875 contact offices; 7 supply depots; 3 publication depots and for the cost of operating 138 hospitals, of which 11 have domiciliary activities, a total of 1,252 Veterans' Administration stations. This appropriation also covers the cost of travel and examination and treatment of beneficiaries on a fee basis; repairs and alterations to hospitals and homes and other property housing Administration activities; payments to contract institutions and other Government hospitals wherein Veterans' Administration patients are hospitalized; reimbursement to States for veterans cared for in State soldiers' homes; payment of contract burial expenses; and the cost of administration in connection with national service life insurance, vocational rehabilitation, education and training, readjustment allowance, compensation and pension, and loans.

The recommendation for a reduction of \$38,959,220 in this item, contemplates no reduction which will curtail existing benefits to any veteran. Reductions in personnel are not applied in connection with the maintenance or operation of any hospital or domiciliary facility.

An itemized statement showing the several items making up the overall reduction in this appropriation is set forth below as follows:

Item:

	<i>Reduction</i>
Salaries, 10,000 employees at an average salary of \$2,707.50 each.....	\$27, 075, 000
Travel of employees.....	100, 000
Travel of beneficiaries.....	612, 000
Other contractual services.....	2, 797, 965
Supplies and materials, other.....	733, 940
Equipment.....	1, 340, 315
Grants, subsidies, and contributions.....	4, 000, 000
Lands and structures.....	2, 300, 000
 Total.....	 <hr/> 38, 959, 220

As emphasized above, the reduction of 10,000 employees will not result in a decrease in the number of personnel engaged in hospital work. The committee recommends that a portion of the reduction be applied specifically to employees engaged in personnel work, coordination and planning other than the Budget and Investigation Divisions, and public relations personnel which the committee has reduced from 300 to 100 employees. A further reduction can be effected in connection with employees at branch and regional offices. A report by committee investigators showed a wide variance in the number of employees at branch offices. For example, at the Chicago branch office there were 1.168 employees per 1,000 veterans, while at Denver there were 3.020 employees per 1,000 veterans, which is a difference of over 258 percent. A comparison in connection with regional offices presents a similar picture.

Special consideration should also be given to special services and to contact work insofar as it may be possible to be performed by veterans' organizations on an efficient basis.

The budget estimates as presented to the committee proposed a total of 215,000 full- and part-time employees for the fiscal year 1948. The reduction of 10,000, as recommended by the committee, will provide about 205,000 employees, full- and part-time, for the fiscal year 1948, or a reduction of about 5 percent in the force recommended by the Bureau of the Budget, the peak in administrative work load having been reached in the opinion of General Bradley. The decrease in turn-over of personnel which is to be anticipated at this time should unquestionably result in a marked increase in efficiency, and this improvement in conditions should have a favorable effect on the quantity and quality of work which will be turned out by Veterans' Administration personnel during the next fiscal year.

Additional reductions in travel, contractual services, supplies and materials, equipment, and grants to States are primarily supported and justified by careful examination into such requirements by committee investigators and were further examined by the committee during the hearings on the bill. As a result, the committee feels that these reductions set forth in the table above are fully warranted and that in no case will any hardship result to any veteran because of the denial of funds for any purpose.

In connection with the request for funds under the heading "Lands and structures," the budget estimate proposed an expenditure of

\$3,350,000 for the acquisition in three instances of lands and buildings for offices. The committee also considered an estimate totaling \$12,725,000 for the construction of regional office facilities in eight other instances. The committee has investigated the need for these new quarters with considerable care and has ascertained that in most instances the facilities requested are not required at the present time. Where existing facilities can continue to be used or where new quarters can be rented, the committee has disallowed the request. Of the 11 projects under consideration, it is estimated that there is immediate and urgent need for only 4 of such projects. In other cases, it was discovered that there existed quarters which could provide adequate administrative facilities for some time to come or that existing facilities could continue in use. The four cases where it is believed desirable that new facilities should be provided and for which funds are included in the bill are Houston, Tex., where a regional office is to be acquired at a cost of \$1,000,000; Salt Lake City, Utah, where two former fire-proof barracks buildings can be reconverted to office use at a cost of approximately \$50,000; Columbia, S. C., where \$1,850,000 is provided for administrative facilities, and Fargo, N. Dak., where \$1,250,000 is also provided for administrative facilities. The hearings on the bill will disclose a willingness on the part of the Veterans' Administration to agree to the recommendations of the committee in this connection.

Printing and binding.—The bill includes \$7,000,000 for this purpose, which is a decrease of \$1,500,000 in the budget estimate, and the same amount as appropriated for the current fiscal year. Examination by committee investigators in connection with this item indicated that the supply of materials available among the larger items including form blanks, publications, etc., was excessive, and indicated that there could be a substantial deferment in connection with the acquisition of new and additional stocks. For instance, it was reported that 3,674,511,600 miscellaneous blank forms were on hand at the time of the investigation. Other items were available on a comparable basis. In view of this situation, the committee believes that the amount recommended will provide sufficient funds on a reduced basis to meet all demands during the next fiscal year.

Army and Navy pensions.—The bill includes \$2,171,915,000 for the payment of compensation and pensions, which is an increase of \$25,250,000 over the current fiscal year, and \$50,000,000 less than the budget estimate. As originally submitted, the budget estimate for this purpose was \$2,491,740,000. Subsequently, and after the committee investigators had stated to the committee that an overestimate had been made, and had recommended a reduction amounting to approximately \$362,000,000, the Bureau of the Budget submitted a supplemental estimate reducing the original estimate \$269,825,000. During hearings on the bill, General Bradley was questioned carefully as to this item, and his reply was to the effect that he would not seriously dispute the figures submitted to the committee by its investigators. In other words, he agreed that the figure was an estimate and that that of the committee investigators might be as good as that of the Veterans' Administration. In order to be conservative the committee has made a reduction of \$50,000,000 in the budget estimate rather than a reduction of \$93,000,000 as would be justified by the report submitted to the committee by its investigative staff.

Readjustment benefits.—The bill includes the budget estimate of \$3,719,860,000 for the payment of benefits to or on behalf of veterans as authorized by titles II, III, and V of the Servicemen's Readjustment Act of 1944, as amended. The amount appropriated for 1947 was \$4,365,223,000. This appropriation provides funds for the payment of subsistence allowance and tuition, supplies, and equipment for veterans receiving education and training; interest and guaranty losses on loans; and readjustment allowances to unemployed veterans. All administrative costs incident to the carrying out of the provisions of this act are included in the "Salaries and expenses" appropriation. It is estimated that the number of veterans in training under this act will increase from an average of 282,345 during the fiscal year 1946 to an average of 2,325,000 in the fiscal year 1948; that the number of loans guaranteed or insured will increase from approximately 184,000 during 1946 to approximately 720,000; and that readjustment allowances which were paid to an average of 974,000 in 1946 will decrease to an average of 925,000 in 1948. Out of the amount appropriated for the fiscal year 1947 approximately \$624,900,000 was obligated in 1946 and it is estimated that \$180,000,000 will be available for use in 1948.

Military and naval insurance.—The committee has approved the budget estimate of \$11,150,000, which is an increase of \$5,552,500 over the amount granted for the current fiscal year. The 1947 appropriation was augmented by \$7,113,232, the balance carried forward from 1946. This appropriation covers payments arising from contracts with World War I veterans for what was known as war-risk insurance. Payments are now being made (1) to veterans who suffered a permanent and total disability as the result of war service or during the postwar period in which they carried this type of insurance; (2) to beneficiaries of members of the armed forces who died in service or during the postwar period in which this type of insurance was in force; and (3) to the Government life-insurance trust fund to meet obligations sustained by that fund incident to the extra hazards of military or naval service in the case of persons so engaged while protected by Government life policies. As the expected expenditure from this appropriation in 1947 is \$12,710,732, the estimated requirements for 1948 represent a reduction of approximately a million and a half dollars.

Hospital and domiciliary facilities.—The committee has approved the proposals as set forth in the budget estimate for the construction of 15 new veterans' hospitals in various areas throughout the United States. A list of the hospitals recommended, together with the type and number of beds, and so forth, will be found on page 525, part II, of the printed hearings. Provision is made for such hospitals at Los Angeles, San Diego, and San Francisco in California; Denver, Colo.; Chicago, Ill.; Topeka, Kans. (site only); Boston, Mass.; Ann Arbor, Mich.; New York City, N. Y. (which the committee understands is to be located in the Borough of Queens); North Carolina area, North Carolina; Cleveland, Ohio (two hospitals); Oklahoma City, Okla.; Memphis, Tenn.; and Marlin, Tex. Also, the bill provides for a 250-bed addition to the hospital at Albuquerque, N. Mex.

In eliminating \$30,300,000 requested in the estimates as an additional appropriation to carry forward the hospital program, the committee is able to report definitely that the program has not been

retarded or delayed in any respect. The committee has been assured by representatives of the Veterans' Administration that sufficient cash is now on hand and available to meet all possible needs until at least the latter part of the fiscal year 1948, at which time additional funds can be provided if there is a demand and need for them. Also, the committee was assured that approximately \$80,000,000 in cash was presently on hand which will not be required until the latter part of the next fiscal year, if at all. In view of this situation the committee has inserted in the bill a provision rescinding \$50,000,000 of this sum with the understanding that funds will be made available if and when required. In order that the full program may go forward without delay, the committee has increased the contract authorization from \$257,950,000 to \$338,250,000. This will enable the Veterans' Administration to enter all contracts and to do other things which may be necessary to advance the program as rapidly as possible.

The 76-hospital program will provide approximately 40,000 additional beds, the new 14-hospital program will provide 11,650 additional beds, and it is estimated that with the existing 126 hospitals and 99,000 beds there will be an over-all total of 152,000 beds available when both programs are completed. The Veterans' Administration appears to regard this as the maximum number that can be efficiently operated.

Figures presented to the committee in connection with the cost of hospital construction indicate an astounding increase in the cost of such facilities and a very much greater cost than for private hospitals. In some instances it was disclosed that construction costs would run as high as \$23,000 per bed. The committee trusts that while providing all facilities essential to the care and welfare of veterans in hospitals, consideration will also be given to the possible deferment of such installations as administrative and other facilities which may not be essential immediately to the welfare and rehabilitation of the veterans, with a view to more favorable construction costs.

Operation of canteens.—The bill includes \$965,000 to augment the \$4,000,000 made available in the fiscal year 1947 for the purpose of establishing a Veterans' Canteen Service in the Veterans' Administration as authorized by Public Law 636, Seventy-ninth Congress. The reduction of \$500,000 in the budget estimate of \$1,465,000 has been made on the strength of an investigation into this activity which discloses that the forecasted loss for the fiscal year 1947 in the operation of existing canteens will be converted into a small net profit and a substantial cash profit, and to other favorable conditions which existed at the time of the investigation and which apparently was not known at the time the budget estimate was submitted.

National service life insurance appropriated fund.—The bill includes the Budget estimate of \$62,217,000 for this purpose which covers payments to the national service life insurance trust fund to meet obligations sustained by that fund incident to mortality cost on account of deaths traceable to the extra hazard of military or naval service; the cost of waiver of premiums on account of total disability traceable to such extra hazard; the cost of waiver of recovery of payments under the provisions of section 609 (a) on national service life insurance policies in accordance with the provisions of part I, title VI, Public Law 801, Seventy-sixth Congress; the payment of benefits directly from and the payment of premiums directly to the appropria-

tion under the authority of the act as amended August 1, 1946, Public Law 589, Seventy-ninth Congress. In the 1947 fiscal year, \$705,245,000 was appropriated under this title. The termination of the war greatly reduced payments to the national service life insurance trust fund to meet obligations sustained incident to the extra hazards of military and naval service, and future years' appropriations will probably continue to graduate downward.

Soldiers' and sailors' civil relief.—The committee has approved the budget estimate of \$833,000 for this item. The Soldiers' and Sailors' Civil Relief Act of 1940, as amended, provides protection for commercial private life-insurance policies carried by servicemen before entry into military service. This act provides that premiums on such policies coming due while the person is in service and for 2 years after discharge can be charged as a loan against the policy. The function of the Government is to guarantee to the insurance company the repayment of any indebtedness not liquidated by the insured himself. Any payment made by the Government for this purpose is a debt owed to the United States by such insured. As of June 30, 1946, there was a total of 89,027 applications approved for protection of policies under this act.

Veterans' miscellaneous benefits.—The bill includes the budget estimate of \$85,449,800 for the fiscal year 1948, which covers the cost of payment of burial expenses authorized by Veterans' Administration Regulation 9 (a), as amended, and for supplies, equipment, and tuition for veterans in training under Public Law 16. The estimated cost of statutory burial allowances is \$10,849,800. The cost of tuition, supplies, and equipment for Public 16 trainees is \$74,600,000. It is expected that an average of 257,000 will receive vocational rehabilitation during 1948, with an average of 134,500 receiving institutional training and 122,500 receiving on-the-job training.

UNITED STATES MARITIME COMMISSION

The estimates considered by the committee in connection with this agency consisted of a request for obligation authority to continue operations during the fiscal year 1948 in carrying out the provisions of the basic Merchant Marine Act of 1936, as amended, and the so-called Merchant Ship Sales Act of 1946. No provision is made in the bill for the activities of the former War Shipping Administration which were merged with the Maritime Commission and which under present conditions will expire on June 30, 1947. It is understood that an estimate winding up the affairs of the War Shipping Administration has been submitted and that the liquidation program will go forward in the event legislation continuing the function is not enacted in the near future.

Before referring to the items recommended in the bill the committee wishes to point out that it worked under a decided handicap in consideration of the request for this agency. The justifications of the estimates were submitted in great volume but with no regard for convenience or clarity and with errors which were pointed out by the committee in its examination and referred to in the report of the committee investigators. Repeated requests by the committee for justifications of brevity and clarity have resulted in no cooperation from the Commission staff who apparently operate on the theory that

the best results can be had through a policy of confusion and an oversupply of nonessential information that will place an undue burden on the committee. Hearings on the bill further disclosed the lack of unity and agreement on the part of members of the Commission and its staff as to the operations of the Commission.

The committee had employed expert accountants to go into the Commission's records and reconstruct the whole budget, supplying it with information necessary to an intelligent analysis of the requirements of the Commission.

The work of these accountants has developed a number of important facts, notable among them being an item of \$37,000,000 anticipated receipts to the construction fund (from subsidy recaptures, including subsidies for 1947 and 1948) which had not been included in the budget presentation. There is no justification for any agency of the Government submitting such involved and confused statements that the committee should be required to expend funds for the services of expert accountants actually to go into the records and develop basic data in presenting its material for consideration by the Congress. Every agency should consider it to be a first responsibility that its data be clear, concise, and accurate. The reverse process appears to have been the policy of the Maritime Commission. The committee has adopted the only recourse it has under such circumstances, i. e., the rescission of all outstanding balances in the fund and transfer of receipts to the Treasury in order that the Commission will be required to submit a direct estimate for the actual amount required in 1949 and subsequent fiscal years.

The Commission's budget presentation, bad as it is, appears from information available to the committee to be only typical of the fiscal management within the Commission.

The Commission has administered the revolving fund over a long period of time and the committee regrets the necessity of withdrawing from it the power to deposit receipts to its own account and expend such funds for purposes set forth in the act, but, in the judgment of the committee, reinforced by findings of the Comptroller General, the stewardship of the Commission has been of such a nature that the only way the committee can be sure that it is properly safeguarding funds of the American taxpayer is to place the Commission on a restricted annual budget basis.

Coupled with the lack of knowledge of facts as to the operations of the agency was the astounding record as to the upgrading of personnel in the Maritime Commission proper. The committee called on the Commission to submit a list showing all employees who had been promoted or reallocated two or more grades during the period from July 1, 1940, to March 31, 1947. Much difficulty ensued in securing information on this subject but after several requests and much discussion with Maritime Commission officials the committee was advised that approximately 1,400 persons were in the group receiving two or more increases in grades. Three thousand, five hundred and twenty-nine employees were on the roll as of March 1, 1947. The figures above set forth speak for themselves. Numerous instances are cited in the data submitted by the Commission where excessive up-gradings have occurred and where employees who were receiving from \$2,000 to \$3,200 in 1940 or subsequent thereto are now receiving \$8,000, \$9,000, and more per annum. The committee

is of the opinion that a revision downward of salaries is one of the first steps the Commission should take to put its house in order.

In the Maritime Appropriation Act for 1947 limitations were placed on "expenditures" under certain categories. For 1948 the budget proposed, and the committee has agreed, that the limitations in the individual categories should be on "obligations" instead of "expenditures." The limitation on obligations will authorize the Commission to enter into contracts, place orders, etc., to the amounts set out in the act regardless of whether or not payments actually are made in 1948. As a matter of fact in a number of instances the amount of obligational authority granted is in excess of the amount actually expected to be expended during the year for such activity, but is necessary in order to permit the Commission to carry on an orderly program. For 1948 the committee has placed a single limitation on the over-all "expenditures" by the Commission which includes the amount necessary to pay obligations incurred in 1947 and prior years, but which will become due and payable in 1948, and the amount necessary to pay that portion of obligations incurred in 1948 which must be paid in 1948.

The new obligations authorized in the bill for 1948, \$129,517,281, are as follows:

Personal services	\$7, 393, 226
Administrative expenses other than personal services	795, 000
New ship construction and betterment, fiscal years 1947 and 1948	99, 000, 000
Reconversion of vessels	100, 000
Maintenance of shipyard facilities	800, 000
Operation of warehouses	849, 180
Operating-differential subsidies	10, 000, 000
Reserve fleet expense	10, 000, 000
Miscellaneous expenses	500, 000
Penalty mail costs	60, 000
Entertainment of officials of other countries	1, 125
Services authorized by sec. 15 of act of Aug. 2, 1946	18, 750
Total	129, 517, 281

The total amount allowed for expenditure in 1948, \$207,100,000, is set forth in the following table:

Construction of vessels (old program):	<i>Amount</i>
Ships completed or in process of construction at June 30, 1946 ..	\$78, 140, 000
Reserve for insurance premiums	1, 560, 000
Construction of vessels (new program):	
Construction, new vessels	21, 240, 000
Betterment to old vessels:	
1947 allotment	3, 760, 000
1948 allotment	10, 000, 000
Shipbuilding facilities:	
Construction	1, 000, 000
Postwar restoration	1, 000, 000
Administrative expense	8, 300, 000
Reconversion of vessels (balance of 1947 allotment and 1948 \$100,000 allotment)	40, 000, 000

	<i>Amount</i>
Maintenance of commission owned shipyards.....	\$800,000
Operation of warehouses.....	800,000
Subsidies for operating differentials.....	8,000,000
Reserve fleet expense.....	9,000,000
Adjustment of sales price of vessels sold.....	3,000,000
Miscellaneous.....	500,000
Contingent reserve ¹	20,000,000
 Total.....	 <hr/> 207,100,000

¹ The reserve for contingencies is intended to permit the Commission to meet obligations in any of the categories where the amounts necessary to be paid exceed the present estimates indicated in the foregoing table.

Administrative expense, personal services.—The committee has reduced the amount requested for this item, \$10,140,000, to \$7,393,226, a reduction of \$2,746,774. This reduction consists of certain specific reductions or eliminations and also an over-all reduction applicable to the remaining activities of the Commission.

The items eliminated altogether—Office of the Historian, \$30,651, and Public Information Division, \$37,628 (a total of \$68,279)—represent activities which the committee believes can well be dispensed with in the effort to retrench from the exceedingly high expenditures of the past.

Specific curtailments were made in the case of the Research Division, \$125,000; district directors, \$59,948; and Reserve Fleet Division, \$118,429; in the case of the latter two such amounts represent a 50 percent reduction. In the case of the Finance Department the specific reduction made was \$1,500,000. The amount requested for the Legal Department, \$352,542, has been reduced by one-third thereof, viz, \$117,514. Such specific reductions (in addition to the items above eliminated) aggregate \$1,920,891. The reduction made in the case of the Finance Department reflects a saving that it is anticipated can well be made by reason of the present functioning of the joint committee of which staff members of both the Maritime Commission and the General Accounting Office are members. The reduction in the case of the Reserve Fleet Division represents a recognition of the expectantly reduced work of that Division by reason of the lesser number of vessels expected to enter the reserve fleets.

The further over-all reduction, amounting to \$757,604, represents a 25 percent reduction on the various activities other than those where the decline in volume of work to be done appeared to have been sufficiently dealt with. It is the committee's thought that in the effectuation of this reduction it may be desirable to accord latitude in its application to the Commission.

Administrative expense—Other.—Three of the four items comprised in this group have also been subjected to 25 percent reduction, viz: Expenses not specified, from \$1,060,000 to \$795,000; entertainment, from \$1,500 to \$1,125; and contract services, from \$25,000 to \$18,750 (leaving the item of penalty mail, \$60,000, unchanged). The entire amount of administrative expense—personal services and other expenses—has thus been reduced from \$11,286,500 to \$8,268,101, or a reduction of \$3,018,399.

New ship construction and betterments.—Aside from the amounts previously approved for the fiscal year 1947, namely, \$84,000,000 for vessel construction and \$5,000,000 for betterments to vessels, there has been included in the bill \$10,000,000 for further betterments..

Reconversion of vessels.—The amount requested by the Maritime Commission, \$50,000,000, has not been granted by the committee except to the extent that an amount of \$100,000 has been permitted to remain for incidental costs in this connection. It is the expectation of the committee that the reduction thus effected, \$49,900,000, can be dealt with by way of granting specific allowances to purchasers of vessels for the purpose of the "putting in class" of such vessels and any other proper reconversion expenses. In order that there may be no question of the Commission's authority in the establishment of sales prices to correspond with this policy in the negotiation for sales of vessels, the language of the Appropriation Act has carried a proviso in connection with the amount of \$100,000, reading as follows:

Provided, That the Commission may make allowances to purchasers for cost of putting vessels in class, such allowances to be determined on the basis of competitive bids, without regard to the provisions of the last paragraph of section 3 (d) of the Merchant Ship Sales Act of 1946.

The committee believes not only that alterations of this nature can be better made under the supervision of those who will thereafter operate the vessels but also that in thus relieving the Commission of the detail administration of such work, the matter of bringing the accounting status of the Finance Department to a more efficient one will also be expedited. The committee is very much concerned with the extraordinarily unsatisfactory state of affairs in that department as revealed by the audits of the General Accounting Office. It is mindful of the fact that by reason of this status the Commission cannot but be greatly handicapped through the lack of a really effective accounting control over its various operations.

Operating differential subsidies.—It is the understanding of the committee that ship operators have earned in 1946 and are now earning very satisfactory profits. In view of this fact the committee strongly urges upon the Commission that it promptly reopen the subsidy contracts, as authorized by statute and the contracts themselves, with a view to determining whether or not any subsidy is properly payable to operators earning substantial profits. The committee believes that it is exceedingly doubtful whether any payment will prove to be justified. It is the hope of the committee that it will be found unnecessary to pay any operating subsidies at all in 1948. However, in the event that it should be "necessary to meet competition of foreign-flag ships" (sec. 603, Merchant Marine Act of 1936, as amended) the committee has allowed \$10,000,000 for that purpose.

Reserve fleet expense.—The committee has reduced the requested amount for laying-up expense of the reserve fleets from \$15,000,000 to \$10,000,000. It has given very careful attention to this matter and come to the conclusion that since the Division's estimate of vessels to be serviced (on which the \$15,000,000 requested was predicated) has been decidedly reduced by reason of the unexpectedly heavy sales demand for such vessels, some proportionate reduction in the amount was certainly in order. As a matter of fact, the one-third reduction made is less proportionately than the reduction in the esti-

mate of vessels to be attended to, which reduction, it is our information, is fully 40 percent.

Adjustment of sales price of vessels sold.—The committee has taken no action with regard to the item of adjustment of the sales price of vessels sold prior to the Ship Sales Act of 1946, whose sales price was made subject to a rebate by that act. The amount of \$20,000,000 originally provided by the Commission out of its revolving fund appears, from its present representations, to be deemed inadequate, although no request for an increase in obligation limitation was made by it in its 1948 budgetary proposal.

The committee has not, at this time, approved any additional provision, pending the Commission's more definite determination of the amounts actually needed. Among other things, the committee suggests that the matter of rebates due to the mere accident of vessel classification in certain cost categories requires some further determination by the Commission; if such rebates should appear to be at all substantial in amount, the views of the pertinent legislative committee may well be ascertained before claims therefor are finally settled.

In order that no such rebates be hereafter paid in cash, when the recipient of such rebate is indebted to the United States on account of any ship-purchase transaction, there has been set forth in the bill a provision prohibiting such payments.

Miscellaneous.—The requested amount for miscellaneous expense, \$1,000,000, has been reduced by the committee to \$500,000, an amount which it considers most ample in view of the fact that the various activities of the Commission are, in its judgment, well provided for in the specific amounts approved. Indeed, with careful regard to the need of avoidance of unnecessary expenses in these days when retrenchment is so desirable, the remainder amount would, if anything, seem to be too generous.

Maritime training fund.—The bill includes \$8,320,000 for the operation of certain schools in connection with the training of personnel to serve in the United States. Authority for a permanent and continuous program for training licensed and unlicensed personnel for service in the United States merchant marine is contained in the declaration of policy, section 101, of the Merchant Marine Act, 1936.

The committee has approved funds requested in the Budget amounting to \$5,470,000 and has added thereto \$2,850,000 to provide for the continuation of the schools at Alameda, Calif.; Pass Christian, Miss.; and St. Petersburg, Fla.; which are presently being operated. The school at Alameda is the upgrade and retraining school where seamen are trained in special lines. At Pass Christian a cadet school with a capacity of 200 is operated. The St. Petersburg school trains unlicensed personnel, it being estimated that 1,000 can be trained in the ensuing year with the \$1,500,000 provided herein for this school. Of the remainder of the increase, \$600,000 is provided for the school at Pass Christian, Miss., and \$750,000 for the school at Alameda, Calif.

The bill contains \$450,000 for State marine schools, as provided in the Budget, including \$200,000 for maintenance and repair of vessels. The schools are located in the States of California, Maine, Massachusetts, New York, and Pennsylvania.

LIMITATIONS AND LEGISLATIVE PROVISIONS

The following limitations and legislative provisions not heretofore carried in connection with any appropriation bill are recommended.

On pages 5 and 6, in connection with the Philippine Alien Property Custodian appropriation:

*employment outside the United States of persons without regard to the civil service and classification laws * * * Provided further, That on or before November 1, 1947, the Philippine Alien Property Administrator shall make a report to the Appropriations Committees of the Senate and the House of Representatives giving detailed information on all administrative and nonadministrative expenses incurred during the fiscal year 1947, in connection with the activities of the Philippine Alien Property Administration.*

On page 11, in connection with the appropriation for the Atomic Energy Commission:

, and in addition to the amount herein provided, the Commission is authorized to contract for the purposes of this appropriation during the fiscal year in an amount not exceeding \$250,000,000: Provided, That no part of this appropriation shall be used after November 30, 1947, to pay the salary of any officer or employee (except such officers and employees whose compensation is fixed by law, and scientific and technical personnel) whose position would be subject to the Classification Act of 1923, as amended, if such Act were applicable to such position, at a rate in excess of the rate payable under such Act for positions of equivalent difficulty or responsibility.

On page 13, in connection with appropriations for the Civil Service Commission:

No part of appropriations herein shall be used to pay the compensation of officers and employees of the Civil Service Commission who allocate or reallocate supervisory positions in the classified civil service solely on the size of the group, section, bureau, or other organization unit, or on the number of subordinates supervised. References to size of the group, section, bureau, or other organization unit or the number of subordinates supervised may be given effect only to the extent warranted by the work load of such organization unit and then only in combination with other factors, such as the kind, difficulty, and complexity of work supervised, the degree and scope of responsibility delegated to the supervisor, and the kind, degree, and value of the supervision actually exercised.

On page 24, in connection with hospital center in the District of Columbia:

** * * That if the site selected by the Federal Works Administrator is under Government ownership, said site shall be transferred to the said Administrator, without exchange of funds.*

On page 35 in connection with the appropriation for the National Advisory Committee for Aeronautics:

** * * Provided, That statutory provisions prohibiting the payment of compensation to aliens shall not apply to any person whose employment by the Committee shall be determined by the Chairman thereof to be necessary: Provided further, That aircraft and parts, equipment, and supplies may be transferred to the Committee by the Army and Navy without reimbursement.*

On page 35:

** * * Provided, That in addition to said appropriation the Committee may, prior to July 1, 1948, enter into contracts for the same purpose to an amount not in excess of \$2,143,000.*

On page 37, in connection with the appropriation for the National Archives:

** * * Provided, That no part of this appropriation shall be used to pay the salary of any employee of grade 4 or above in the professional service or of grade 11 or above in the clerical, administrative, and fiscal service who was originally appointed in the National Archives to a war-service appointment.*

On page 44, in connection with reconversion of vessels:

* * * *Provided, That the Commission may make allowances to purchasers of vessels for cost of putting such vessels in class, such allowances to be determined on the basis of competitive bids, without regard to the provisions of the last paragraph of section 3 (d) of the Merchant Ship Sales Act of 1946;*

On page 45:

Except as hereinbefore provided no obligation shall be incurred against such construction fund during the fiscal year 1948 and the expenditures from such fund during the fiscal year 1948 shall not exceed \$207,100,000.

The balance of such fund in addition to such amount of \$207,100,000, as of June 30, 1947, shall be carried to the surplus fund and covered into the Treasury. All receipts which otherwise would be deposited to the credit of such construction fund during the fiscal year 1948 shall be covered into the Treasury as miscellaneous receipts.

Whenever, in connection with any transaction involving the sale, purchase, or requisition of any vessel, the United States shall be or become obligated to pay any sum to the other party to the transaction and said other party shall be or is indebted to the United States on account of any transaction involving the sale, purchase, or requisition of any vessel the amount so owing to the United States shall be deducted from the amount due the other party, and no officer or employee of the Government shall pay to such other party a sum greater than the net amount owing the other party.

On pages 50 and 51:

*For hospital and domiciliary facilities, in addition to the unobligated balances of other appropriations for this purpose, and to the unobligated balance of the contract authority of \$441,250,000 in the Third Urgent Deficiency Appropriation Act, 1946 (which authority is hereby extended to July 1, 1949), the Administrator is authorized to incur obligations prior to July 1, 1949, in an amount not exceeding \$338,250,000, which shall be available for use, with the approval of the President, for extending any of the facilities under the jurisdiction of the Veterans' Administration or for any of the purposes set forth in sections 1 and 2 of the Act approved March 4, 1931 (38 U. S. C. 438j-k) or in section 101 of the Servicemen's Readjustment Act of 1944: *Provided, That not to exceed 6.7 per centum of the foregoing appropriation and contract authorizations shall be available for the employment in the District of Columbia and in the field of all necessary technical and clerical personnel for the preparation of plans and specifications for the projects as approved hereunder and in the supervision of the execution thereof, and for all travel expenses, field office equipment, and supplies in connection therewith, except that whenever the Veterans' Administration finds it necessary in the construction of any project to employ other Government agencies or persons outside the Federal service to perform such services not to exceed 10 per centum of the cost of such projects may be expended for such services.**

On page 56:

SEC. 109. No part of any appropriation for the fiscal year 1948 contained in this Act shall be available for installing or maintaining systems for administrative appropriation and fund accounting except such systems as are prescribed or approved by the Comptroller General.

COMPARATIVE STATEMENT OF THE AMOUNTS APPROPRIATED FOR THE FISCAL YEAR 1947, THE BUDGET ESTIMATES FOR THE FISCAL YEAR 1948, AND THE AMOUNTS RECOMMENDED IN THE ACCOMPANYING BILL FOR 1948

[NOTE.—Appropriations for 1947 include supplemental and deficiency appropriations including \$58,540,300 for 1947 Pay Act increases]

Object	Appropriations, 1947	Budget estimates, 1948	Recommended in bill for 1948	Increase (+) or decrease (-), bill compared with 1947 appropriations	Increase (+) or decrease (-), bill compared with 1948 budget estimates
EXECUTIVE OFFICE OF THE PRESIDENT					
President, salary of	\$75,000	\$75,000	\$75,000		
The White House Office, salaries and expenses	883,660	952,500	952,500	+\$68,840	
Emergency fund for the President		500,000	500,000	+500,000	
Executive Mansion and grounds	202,250	202,250	202,250		
Bureau of the Budget:					
Salaries and expenses	3,623,483	3,342,000	3,254,608	-368,875	-\$87,392
Printing and binding	¹ 139,000	128,000	122,000	-17,000	-6,000
Total, Bureau of the Budget	3,762,483	3,470,000	3,376,608	-385,875	-93,392
Council of Economic Advisers, salaries and expenses					
	275,000	² 400,000	350,000	+75,000	-50,000
Office for Emergency Management:					
Philippine Alien Property Administration, administrative expenses	³ (269,500)	³ (440,000)	³ (440,000)	(+170,500)	

War Assets Administration-----	510,000,000	⁴ 306,750,000	257,149,270	-252,850,730	-49,600,730
Office of Government Reports, salaries and expenses-----	49,500	600,000		-49,500	-600,000
Total, Executive Office of the President-----	515,247,893	312,949,750	262,605,628	-252,642,265	-50,344,122
American Battle Monuments Commission-----	233,440	322,000	300,000	+66,560	-22,000
Atomic Energy Commission-----	(^b)	⁶ 250,000,000	⁶ 175,000,000	+175,000,000	-75,000,000
CIVIL SERVICE COMMISSION					
Salaries and expenses-----	13,080,500	12,759,000	12,000,000	-1,080,500	-759,000
Panama Canal construction fund-----	⁸ 2,222,743	1,910,000	1,910,000	-312,743	
Civil-service retirement and disability fund-----	220,100,000	244,000,000	244,000,000	+23,900,000	
Canal Zone retirement and disability fund-----	1,177,000	1,177,000	1,177,000		
Alaska Railroad retirement and disability fund-----	217,000	217,000	217,000		
Total, Civil Service Commission-----	236,797,243	260,063,000	259,304,000	+22,506,757	-759,000
FEDERAL COMMUNICATIONS COMMISSION					
Salaries and expenses-----	6,211,900	6,875,000	6,000,000	-211,900	-875,000
Printing and binding-----	25,000	50,000	40,000	+15,000	-10,000

¹ Includes \$38,000 in First Deficiency Appropriation Act, 1947.

² Estimate of \$433,000 reduced to \$400,000 by H. Doc. 202.

³ Administrative expenses paid from funds available from operations.

⁴ Original estimate reduced \$20,750,000 by H. Doc. 236.

⁵ Operated with funds transferred from War Department.

⁶ And contract authorization of \$250,000,000.

⁸ Includes \$408,743 in First Deficiency Appropriation Act, 1947.

Comparative statement of the amounts appropriated for the fiscal year 1947, the budget estimates for the fiscal year 1948, and the amounts recommended in the accompanying bill for 1948—Continued

Object	Appropriations, 1947	Budget estimates, 1948	Recommended in bill for 1948	Increase (+) or decrease (-), bill compared with 1947 appropriations	Increase (+) or decrease (-), bill compared with 1948 budget estimates
FEDERAL COMMUNICATIONS COMMISSION— continued					
Special telegraph investigation-----		\$375, 000			-\$375, 000
Total, Federal Communications Commission-----	\$6, 236, 900	7, 300, 000	\$6, 040, 000	-\$196, 900	-1, 260, 000
FEDERAL POWER COMMISSION					
Salaries and expenses-----	3, 390, 000	3, 905, 000	3, 390, 000		-515, 000
Flood-control surveys-----	259, 000	266, 500	266, 500	+7, 500	
Printing and binding-----	50, 000	54, 000	54, 000	+4, 000	
Penalty mail costs-----	6, 000	8, 500	7, 500	+1, 500	-1, 000
Total, Federal Power Commission-----	3, 705, 000	4, 234, 000	3, 718, 000	+13, 000	-516, 000
FEDERAL TRADE COMMISSION					
Salaries and expenses-----	2, 800, 120	3, 920, 700	2, 800, 120		-1, 120, 580
Printing and binding-----	9 50, 000	57, 300	55, 000	+5, 000	-2, 300
Total, Federal Trade Commission-----	2, 850, 120	3, 978, 000	2, 855, 120	+5, 000	-1, 122, 880
FEDERAL WORKS AGENCY					
Office of the Administrator-----	10 300, 000	380, 000	344, 540	+44, 540	-35, 460

	(11)	(12)	(12)	
Public Works Administration liquidation-----				
Penalty mail costs-----	25,000	33,000	30,000	+5,000
Damage claims-----		20,000	10,000	+10,000
Total, Office of the Administrator-----	325,000	433,000	384,540	+59,540
Public Buildings Administration:				
General administrative expenses-----	¹³ 2,160,500	2,209,000	2,160,500	
Repair, preservation, and equipment, buildings outside District of Columbia-----	8,300,000	10,000,000	10,000,000	+1,700,000
Salaries and expenses, public buildings and grounds in District of Columbia-----	¹⁴ 33,159,000	¹⁵ 33,015,000	29,715,000	-3,444,000
Salaries and expenses, public buildings and grounds outside District of Columbia-----	¹⁶ 18,196,885	¹⁷ 22,908,000	20,608,000	+2,411,115
Equipment, National Archives Building-----	¹⁸ 80,000			-80,000
Return of departmental functions to seat of government-----		900,000		

⁹ Includes \$5,000 in Third Deficiency Appropriation Act, 1946.
¹⁰ And \$33,800 for Pay Act increases transferred from "Public Works Administration liquidation, 1947."
¹¹ Funds heretofore provided continued available until June 30, 1947.
¹² Funds heretofore provided continued available until June 30, 1948.
¹³ Includes \$282,000 in Third Deficiency Appropriation Act, 1946.
¹⁴ Includes \$2,700,000 in First Deficiency Appropriation Act, 1947.
¹⁵ Includes \$1,236,000 in H. Doc. 201.
¹⁶ Includes \$1,448,000 in Third Deficiency Appropriation Act, 1946.
¹⁷ Decrease of \$672,000 in H. Doc. 201.
¹⁸ In First Deficiency Appropriation Act, 1947.
¹⁹ Funds provided in fiscal year 1946 available in fiscal year 1947.

Comparative statement of the amounts appropriated for the fiscal year 1947, the budget estimates for the fiscal year 1948, and the amounts recommended in the accompanying bill for 1948—Continued

Object	Appropriations, 1947	Budget estimates, 1948	Recommended in bill for 1948	Increase (+) or decrease (-), bill compared with 1947 appropriations	Increase (+) or decrease (-), bill compared with 1948 budget estimates
FEDERAL WORKS AGENCY—continued					
Public Buildings Administration—Con.					
Veterans' decentralization allowances--	²⁰ \$57, 000			-\$57, 000	
Site and building, west central heating plant, Washington, D. C.-----	2, 600, 000	\$1, 250, 000	\$1, 250, 000	-1, 350, 000	
Hospital center, District of Columbia--		2, 750, 000	1, 700, 000	+1, 700, 000	-\$1, 050, 000
National Institute of Mental Health--		850, 000	850, 000	+850, 000	
Geophysical institute, Alaska-----		²¹ 100, 000			-100, 000
Total, Public Buildings Administra- tion-----	64, 553, 385	73, 982, 000	66, 283, 500	+1, 730, 115	-7, 698, 500
Public Roads Administration:					
Federal-aid highway system-----	50, 000, 000	10, 288, 854	10, 288, 854	-39, 711, 146	
Secondary or feeder roads-----	20, 000, 000	3, 000, 000	3, 000, 000	-17, 000, 000	
Elimination of grade crossings-----	25, 000, 000	5, 000, 000		-25, 000, 000	-5, 000, 000
Federal aid, postwar highways-----	150, 000, 000	279, 000, 000	247, 711, 146	+97, 711, 146	-31, 288, 854
Public-lands highways-----		3, 000, 000	3, 000, 000	+3, 000, 000	
Strategic highway network-----	10, 515, 637			-10, 515, 637	

Access roads-----	7, 323, 155				-7, 323, 155
Inter-American Highway-----	5, 000, 000				-5, 000, 000
War and emergency damage, Hawaii-----	22 8, 000, 000	(23)			-8, 000, 000
Total, Public Roads Administration-----	275, 838, 792	300, 288, 854	264, 000, 000		-11, 838, 792
Bureau of Community Facilities:					
Public works advance planning-----	(24)	(25)	(25a)		
Virgin Islands public works-----	993, 795	3, 006, 205	1, 707, 687		+713, 892
Maintenance and operation of schools-----	(26)				
War public works (community facilities) liquidation-----	(27)	550, 000	(27a)		-550, 000
Veterans' educational facilities-----	28 78, 000, 000				
Emergency relief, Territory of Hawaii-----	29 1, 300, 000				
Total, Bureau of Community Facilities-----	80, 293, 795	3, 556, 205	1, 707, 687		-78, 586, 108
Total, Federal Works Agency-----	421, 010, 972	378, 260, 059	332, 375, 727		-45, 884, 332

²⁰ Contained in Third Deficiency Appropriation Act, 1946.

²¹ And contract authorization of \$875,000.

²² Contained in First Supplemental Appropriation Act, 1947.

²³ Public Roads Administration authorized to enter into contracts not exceeding \$2,000,000.

²⁴ 1946 appropriation continued available during fiscal year 1947.

²⁵ Not to exceed \$1,000,000 continued available in H. Doc. 201.

^{25a} Not to exceed \$895,000 continued available until June 30, 1948.

²⁶ Unobligated balances continued available during fiscal year 1947.

²⁷ Not to exceed \$1,000,000 of unobligated balances made available.

^{27a} Not exceeding \$500,000 of unobligated balance continued available until June 30, 1948.

²⁸ Includes \$75,000,000 in Third Deficiency Appropriation Act, 1946, and \$3,000,000 in Second Deficiency Appropriation Act, 1947.

²⁹ Contained in First Supplemental Appropriation Act, 1947.

Comparative statement of the amounts appropriated for the fiscal year 1947, the budget estimates for the fiscal year 1948, and the amounts recommended in the accompanying bill for 1948—Continued

Object	Appropriations, 1947	Budget estimates, 1948	Recommended in bill for 1948	Increase (+) or decrease (-), bill compared with 1947 appropriations	Increase (+) or decrease (-), bill compared with 1948 budget estimates
GENERAL ACCOUNTING OFFICE					
Salaries-----	\$38, 000, 000	\$34, 500, 000	\$34, 500, 000	-\$3, 500, 000	-----
Miscellaneous expenses-----	2, 000, 000	1, 817, 000	1, 717, 000	-283, 000	-\$100, 000
Printing and binding-----	300, 000	300, 000	300, 000	-----	-----
Agency expenditure analyses-----	-----	³⁰ 1, 000, 000	-----	-----	-----
Total, General Accounting Office-----	40, 300, 000	37, 617, 000	36, 517, 000	-3, 783, 000	-1, 100, 000
INTERSTATE COMMERCE COMMISSION					
General expenses-----	8, 868, 100	10, 136, 000	8, 868, 100	-----	-1, 267, 900
Railroad safety-----	868, 500	883, 000	908, 000	+39, 500	+25, 000
Locomotive inspection-----	587, 100	595, 000	605, 000	+17, 900	+10, 000
Printing and binding-----	175, 000	250, 000	200, 000	+25, 000	-50, 000
Penalty-mail costs-----	24, 000	34, 000	30, 000	+6, 000	-4, 000
Total, Interstate Commerce Com- mission-----	10, 522, 700	11, 898, 000	10, 611, 100	+88, 400	-1, 286, 900

NATIONAL ADVISORY COMMITTEE FOR AERONAUTICS					
Salaries and expenses	27,540,000	33,880,000	33,490,000	+5,950,000	-390,000
Printing and binding	75,000	80,000	80,000	+5,000	
Construction and equipment at laboratories		³¹ 2,400,000	³¹ 2,400,000	+2,400,000	
Construction and equipment, Langley Field, Va.	2,990,000	³² 5,805,000	³² 5,805,000	+2,815,000	
Construction, aircraft-engine laboratory, Cleveland, Ohio	108,000	³² 1,674,000	³² 1,674,000	+1,566,000	
Total, National Advisory Committee for Aeronautics	30,713,000	43,839,000	43,449,000	+12,736,000	-390,000
NATIONAL ARCHIVES					
Salaries and expenses	³³ 1,226,335	1,666,000	1,236,335	+10,000	-429,665
Printing and binding	15,000	25,000	20,000	+5,000	-5,000
Total, National Archives	1,241,335	1,691,000	1,256,335	+15,000	-434,665
NATIONAL CAPITAL HOUSING AUTHORITY					
Maintenance and operation	18,550	21,300	21,300	+2,750	
Penalty-mail costs	500	750	750	+250	
Total, National Capital Housing Authority	19,050	22,050	22,050	+3,000	

³⁰ Contained in H. Doc. 260.

³¹ And contract authorization of \$2,143,000.

³² Submitted in H. Doc. 95, as 1947 estimate, to continue available until June 30, 1948.

³³ Includes \$29,800 in Second Deficiency Act, 1947.

Comparative statement of the amounts appropriated for the fiscal year 1947, the budget estimates for the fiscal year 1948, and the amounts recommended in the accompanying bill for 1948—Continued.

Object	Appropriations, 1947	Budget estimates, 1948	Recommended in bill for 1948	Increase (+) or decrease (-), bill compared with 1947 appropriations	Increase (+) or decrease (-), bill compared with 1948 budget estimates
NATIONAL CAPITAL PARK AND PLANNING COMMISSION					
Land acquisition-----	\$867, 750	\$3, 273, 000	\$279, 000	-\$588, 750	-\$2, 994, 000
District of Columbia redevelopment-----	-----	95, 000	-----	-----	-95, 000
Total, National Capital Park and Planning Commission-----	867, 750	3, 368, 000	279, 000	-588, 750	-3, 089, 000
Philippine War Damage Commission-----	10, 000, 000	90, 000, 000	70, 000, 000	+60, 000, 000	-20, 000, 000
SECURITIES AND EXCHANGE COMMISSION					
Salaries and expenses-----	5, 488, 700	6, 438, 700	5, 688, 700	+200, 000	-750, 000
Printing and binding-----	45, 000	61, 300	50, 000	+5, 000	-11, 300
Total, Securities and Exchange Commission-----	5, 533, 700	6, 500, 000	5, 738, 700	+205, 000	-761, 300
SMITHSONIAN INSTITUTION					
Salaries and expenses-----	1, 632, 912	³⁵ 2, 054, 400	1, 700, 312	+67, 400	-354, 088
National Gallery of Art, salaries and ex- penses-----	³⁶ 883, 920	960, 000	949, 426	+65, 506	-10, 574
Total, Smithsonian Institution-----	2, 516, 832	3, 014, 400	2, 649, 738	+132, 906	-364, 662

TARIFF COMMISSION						
Salaries and expenses-----	1, 099, 000	1, 300, 000	1, 128, 349	+ 29, 349		- 171, 651
Printing and binding-----	10, 000	20, 000	20, 000	+ 10, 000		
Total, Tariff Commission-----	1, 109, 000	1, 320, 000	1, 148, 349	+ 39, 349		- 171, 651
THE TAX COURT OF THE UNITED STATES						
Salaries and expenses-----	37 696, 800	754, 700	754, 700	+ 57, 900		
Printing and binding-----	15, 000	17, 500	17, 500	+ 2, 500		
Total, The Tax Court of the United States-----	711, 800	772, 200	772, 200	+ 60, 400		
UNITED STATES MARITIME COMMISSION						
Administrative expenses and expenses of operation-----	(³⁸)	(³⁸)	(³⁸)			
Maritime training-----		5, 470, 000	8, 320, 000	+ 8, 320, 000		+ 2, 850, 000
State marine schools-----		450, 000	450, 000	+ 450, 000		
Total United States Maritime Commission-----		5, 920, 000	8, 770, 000	+ 8, 770, 000		+ 2, 850, 000

³⁵ Includes \$50,000 in H. Doc. 181, and \$17,400 in H. Doc. 209.

³⁶ Includes \$10,430 in First Deficiency Appropriation Act, 1947.

³⁷ Includes \$4,500 in Second Deficiency Appropriation Act, 1947.

³⁸ Unexpended balance in construction fund made available for this purpose.

Comparative statement of the amounts appropriated for the fiscal year 1947, the budget estimates for the fiscal year 1948, and the amounts recommended in the accompanying bill for 1948—Continued

Object	Appropriations, 1947	Budget estimates, 1948	Recommended in bill for 1948	Increase (+) or decrease (-), bill compared with 1947 appropriations	Increase (+) or decrease (-), bill compared with 1948 budget estimates
VETERANS' ADMINISTRATION					
Administration, medical, hospital, and domiciliary services	³⁹ \$909,336,415	⁴⁰ \$917,000,000	\$878,040,780	-\$31,295,635	-\$38,959,220
Printing and binding	⁴¹ 7,000,000	⁴² 8,500,000	7,000,000	-----	-1,500,000
Penalty-mail costs	3,500,000	3,900,000	3,900,000	+400,000	-----
Damage claims	-----	26,500	26,500	+26,500	-----
Administrative facilities	-----	12,725,000	3,100,000	+3,100,000	-9,625,000
Pensions and compensations	⁴³ 2,146,665,000	⁴⁴ 2,221,915,000	2,171,915,000	+25,250,000	-50,000,000
Readjustment benefits	⁴⁵ 4,365,223,000	⁴⁶ 3,719,860,000	3,719,860,000	-645,363,000	-----
Military and naval insurance	⁴⁷ 5,597,500	11,150,000	11,150,000	+5,552,500	-----
Hospital and domiciliary facilities	147,442,500	⁴⁸ 30,300,000	(^{48a})	-147,442,500	-30,300,000
Operation of canteens	⁴⁹ 4,000,000	1,465,000	965,000	-3,035,000	-500,000
National service life insurance	⁵⁰ 705,245,000	62,217,000	62,217,000	-643,028,000	-----
Vocational Rehabilitation Revolving fund	⁵¹ 500,000	-----	-----	-500,000	-----
Soldiers' and sailors' civil relief	-----	833,000	833,000	+833,000	-----

Automobiles for disabled veterans-----	52 30, 000, 000			-30, 000, 000
Veterans' miscellaneous benefits-----		53 85, 449, 800	85, 449, 800	+85, 449, 800
Total Veterans' Administration-----	8, 324, 509, 415	7, 075, 341, 300	6, 944, 457, 080	-1, 380, 052, 335
Grand total, Executive Office and independent establishments-----	9, 614, 126, 150	8, 498, 409, 759	8, 167, 869, 027	-1, 446, 257, 123

Total Savings Due to Reductions in Original Budget Estimates, Revised Estimates, Rescissions, Reductions in Expenditures and Increase in Revenue

Reductions in revised Budget estimates-----		Total savings	
Expenditure reductions:			\$330, 540, 732
U. S. Maritime Commission:			
Reductions in specific Budget items-----			73, 200, 000
Allocation from UNRRA, not required in 1948-----			47, 700, 000
Rescission of appropriations:			
Federal Works Agency, Bureau of Community Facilities, rescission of Lanham Act funds-----			5, 100, 000
U. S. Maritime Commission, receipts and other funds to be covered into the Treasury-----			108, 000, 000
Veterans' Administration, hospital and domiciliary facilities, rescission of funds not required-----			50, 000, 000
Revised estimates:			
Veterans' Administration:			
Printing and binding, reduction in original budget estimate-----			1, 500, 000
Pensions and compensation, reduction in original budget estimate-----			269, 825, 000
War Assets Administration, reduction in original budget estimate-----			20, 750, 000
Total-----			906, 615, 732
Additional revenue available from sale and charter of vessels not included in Budget estimates of receipts (includes \$404,300,000 for 1947 and \$100,775,000 for 1948 not shown in the Budget estimates of receipts)-----			505, 075, 000
Total over-all savings from all sources, including additional receipts not shown in the Budget-----			1, 411, 690, 732

See footnotes on following page.

Comparative statement of the amounts appropriated for the fiscal year 1947, the budget estimates for the fiscal year 1948, and the amounts recommended in the accompanying bill for 1948—Continued

FOOTNOTES

³⁹ Includes \$165,000,000 in "Urgent Deficiency Appropriation Act, 1947;" and \$142,258,000 in "First Deficiency Appropriation Act, 1947."

⁴⁰ Includes \$40,403,000 in H. Doc. 252.

⁴¹ Includes \$5,000,000 in "First Deficiency Appropriation Act, 1947".

⁴² Decrease of \$1,500,000 provided in H. Doc. 252.

⁴³ Includes \$241,665,000 in "First Deficiency Appropriation Act, 1947."

⁴⁴ Decrease of \$269,825,000 provided in H. Doc. 252.

⁴⁵ Includes \$1,843,000,000 in "Third Deficiency Appropriation Act, 1946," and includes \$873,836,000 in "First Deficiency Appropriation Act, 1947."

⁴⁶ Increase of \$295,280,000 in H. Doc. 252.

⁴⁷ Includes \$3,125,500 in "First Deficiency Appropriation Act, 1947," and includes \$1,000,000 in "Urgent Deficiency Appropriation Act, 1947."

⁴⁸ Increase of \$500,000 in H. Doc. 252, and, also, increase in contract authorization from \$219,550,000, to \$257,950,000.

^{48a} Contract authorization of \$338,250,000 recommended.

⁴⁹ Included in "Third Deficiency Appropriation Act, 1946."

⁵⁰ Includes \$535,710,000 in "First Deficiency Appropriation Act, 1947."

⁵¹ Includes \$300,000 from "First Deficiency Appropriation Act, 1947," and \$200,000 in "Urgent Deficiency Appropriation Act, 1947."

⁵² Included in "First Supplemental Appropriation Act, 1947."

⁵³ Includes \$27,249,800 in H. Doc. 252.

COMPARATIVE STATEMENT SHOWING CONTRACT AUTHORIZATIONS, 1947, ESTIMATED FOR 1948, AND THE AMOUNT RECOMMENDED IN THE BILL FOR 1948

Agency	Authorization, 1947	Budget estimates, 1948	Recommended in bill for 1948	Increase (+) or decrease (-), bill compared with 1947 authorization	Increase (+) or decrease (-), bill compared with 1948 budget estimates
Atomic Energy Commission		\$250,000,000	\$250,000,000	+\$250,000,000	
Public Buildings Administration		875,000			-\$875,000
Public Roads Administration		2,000,000	2,000,000	+2,000,000	
National Advisory Committee for Aeronautics		2,143,000	2,143,000	+2,143,000	
Veterans' Administration	\$441,250,000	1 257,950,000	338,250,000	-103,000,000	+80,300,000
Total, contract authorizations	441,250,000	512,968,000	592,393,000	+151,143,000	+79,425,000

¹ Increased from \$219,550,000 to \$257,950,000 in H. Doc. 252.

PERMANENT AND INDEFINITE ANNUAL AND TRUST ACCOUNT APPROPRIATIONS

Object	Appropriations, 1947	Estimates, 1948	Increase (+) or decrease (-)
GENERAL AND SPECIAL FUNDS			
Federal Power Act, payments to States under	\$24,600	\$25,700	+\$1,100
Smithsonian Institution, interest account	60,000	60,000	
Expenses of National Gallery of Art interest account	200,000	200,000	
Total, permanent appropriations, general and special funds	284,600	285,700	+1,100

PERMANENT AND INDEFINITE ANNUAL AND TRUST ACCOUNT APPROPRIATIONS—Continued

Object	Appropriations, 1947	Estimates, 1948	Increase (+) or decrease (-)
TRUST FUNDS			
Civil Service retirement and disability fund-----	\$540,078,512	\$531,485,370	-\$8,593,142
Canal Zone retirement and disability fund-----	2,679,264	2,546,933	-132,331
Alaska retirement and disability fund-----	593,720	603,048	+9,328
Federal communications: International telecommunication settlements-----	30,000	30,000	-----
Federal Works Agency:			
Unclaimed moneys due creditors of contractors-----	5,000	5,000	-----
Cooperative work, strategic network of highways-----	8,000	-----	-8,000
General Accounting Office, amounts due laborers and withheld from contractors under act of Aug. 30, 1935-----	3,000	3,000	-----
National Archives: F. D. Roosevelt Library-----	35,000	40,000	+5,000
Securities and Exchange Commission, unearned fees-----	-----	12,000	+12,000
National Capital Housing Authority:			
Operation and maintenance completed projects-----	1,015,000	1,020,000	+5,000
Langston management fund-----	115,000	116,500	+1,500
National Capital Park and Planning Commission:			
Contributions for purchase of land-----	10,000	-----	-10,000

Smithsonian Institution:

Canal Zone biological area-----

Veterans' Administration:

U. S. Government life insurance fund-----

Personal funds of patients-----

General post fund-----

Adjusted service certificate fund-----

National service life insurance fund-----

Funds due incompetent beneficiaries-----

Unclaimed moneys of individuals whose whereabouts are unknown-----

Total, permanent appropriation trust funds-----

Total permanent appropriations-----

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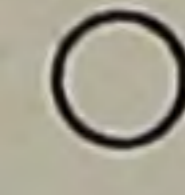
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¹ Includes \$45,230,000 from premiums and \$39,731,000 from interest on investments.

² Includes \$42,620,000 from premiums and \$40,400,000 from interest on investments.

³ Includes \$382,700,000 from premiums, \$162,030,000 from interest on investments, and \$973,563,267 transferred from "National service life insurance appropriated fund."

⁴ Includes \$362,500,000 from premiums, \$194,000,000 from interest on investments, and \$53,302,000 transferred from "National service life insurance appropriated fund."



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SMITHSONIAN LIBRARIES



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