

UNITED STATES
MARITIME COMMISSION

REPORT
TO CONGRESS

FOR THE FISCAL YEAR ENDED
JUNE 30
1949



Geo. A. Viehmann

UNITED STATES
GOVERNMENT PRINTING OFFICE
WASHINGTON : 1950

UNITED STATES MARITIME COMMISSION

OFFICE: COMMERCE BUILDING
WASHINGTON, D. C.

COMMISSIONERS

PHILIP B. FLEMING, *Chairman*
GRENVILLE MELLEN, *Vice Chairman*
RAYMOND S. MCKEOUGH
JOSEPH K. CARSON, Jr.
DAVID J. CODDAIRE

A. J. WILLIAMS, *Secretary*
CHARLES D. MARSHALL, *General Manager*

LETTER OF TRANSMITTAL

UNITED STATES MARITIME COMMISSION,
Washington, November 14, 1949.

To the Congress:

I have the honor to present the annual report of the United States Maritime Commission for the fiscal year July 1, 1948, to June 30, 1949.

PHILIP B. FLEMING, *Chairman.*

INTRODUCTION

The current maritime position of the United States reflects the retrenchment from war and postwar expansion and the joint efforts of the Government and the industry, during the 1949 fiscal year and since, to build a modern American Merchant Marine closely integrated into the economy of the Nation as a private enterprise and designed as part of the national defense system. To the extent that Government regulation and assistance are required to achieve this purpose, the Maritime Commission has used every means at its disposal to effectuate the national maritime policy expressed in the Merchant Marine Act of 1936 to foster the development and encourage the maintenance of a Merchant Marine adequate for both trade and defense.

As the result of a determined policy followed by the Commission since the close of World War II to get the Government out of the shipping business, the Merchant Marine stands very close today to full realization of the ideal of private ownership and operation. Maritime Commission operation has been discontinued. As of June 30, 1949, there was a total of 1,386 vessels in the active American flag fleet, of which 1,025 were privately owned, 3 were operated by the Panama Line, and 358 were on charter from the Maritime Commission. In addition to the 358 chartered vessels active in offshore, coastwise, and intercoastal trades under the American flag, there were under charter as of June 30, 1949, 9 vessels under the Philippine flag, 7 vessels chartered for Great Lakes operations, and 8 inactive vessels. Thus, while the over-all total of Maritime Commission chartered tonnage was 382 vessels at the close of the fiscal year, by September 30, 1949, the total number of Commission vessels under charter had dropped to 225, and it will probably be possible to withdraw substantially all Government-owned war-built vessels from charter operation by June 30, 1950. The Commission believes there will be no need for any general extension of charter authority after that date, although statutory authority may be needed for some exceptional shipping requirements, particularly to supplement privately owned passenger tonnage.

Faced with increasing foreign competition, the privately owned and operated fleet has received assistance from the Government not only through subsidies for part of that fleet, but also through the guaranty of carriage of at least 50 percent of cargoes under the Mutual Defense

Assistance Act and 50 percent of cargoes originating in the United States procured through the Economic Cooperation Administration. Despite this aid, however, the shipping situation has tightened, as indicated by the depressed charter market in recent months.

Government assistance to the shipping industry has been accompanied by return revenue to the Government. During the fiscal year 1949 the Commission paid into the United States Treasury a total of \$330,920,330.21, including payments of recapture of operating-differential subsidies, proceeds from charter hire, and sales of vessels.

Important steps to remedy the deficiency in passenger vessels under the American flag have been taken with the placing of contracts for the construction of six passenger and combination passenger-cargo vessels for service in the North Atlantic, the Mediterranean, and around the world. These ships, which will make important additions to the presently inadequate troop-carrying potential of the Merchant Marine, are being built under subsidy and defense feature allowances as well as mortgage aid granted to steamship companies under title V of the Merchant Marine Act of 1936, as amended.

While important as marking the beginning of a postwar passenger vessel construction program, the building of these six vessels, and other vessel construction under private contract, will be of only limited help to the American shipbuilding industry. As pointed out recently by the American Bureau of Shipping, the work currently in progress in the yards which have contracts is expected, with few exceptions, to be completed by the end of 1950. Unless, therefore, additional contracts are placed, the yards will again face the threat of idleness, which will result in the dispersal of skilled and experienced personnel and destroy the stability of the shipbuilding industry.

In this connection, with the concurrence of the Joint Chiefs of Staff, the Commission considers it necessary that a certain minimum number of vessels in the National Defense Reserve Fleet be placed in ready condition against a possible emergency, to augment the national defense force of the Merchant Marine. This will also help the shipbuilding industry maintain its yards and a nucleus of its trained and experienced personnel. The Commission is hopeful, therefore, that an appropriation of \$25,000,000 for the repair of 134 vessels in this category will be granted to initiate this program.

In their efforts to cooperate in building more ships for sale to private operators with the aid of construction-differential subsidy allowances and mortgage aid authorized under title V of the Merchant Marine Act of 1936, the industry and the Government have been faced with the problem of foreign currency exchange. In attempting to find the true disparity between American and foreign shipbuilding costs as

the basis on which to award construction-differential subsidies, the Commission took into consideration the exchange situations as they existed. The President has requested the Chairman of the Commission to prepare legislation which he will recommend to Congress to amend the Merchant Marine Act of 1936 so as to permit the Commission to allow such subsidies on an actual parity basis, without the present statutory limitation of 50 percent. The Commission stands ready to cooperate with the Congress in providing for the long-range needs of the Merchant Marine.

From the administrative standpoint, the most important development during the fiscal year, and in recent months, concerns reorganization of the Maritime Commission. An active program for promotion of the American Merchant Marine in accordance with the directive contained in the 1936 act has been proposed.

Shipping

The number of United States vessels in operation has continued to decline throughout the year. The active Merchant Marine on June 30, 1949, totaled 1,386 oceangoing vessels of 1,000 gross tons and over aggregating 16,049,000 dead-weight tons (appendix A), compared with 1,723 of 19,552,000 tons on June 30, 1948, and 1,060 of 9,019,000 tons on June 30, 1938. While the total fleet of 3,379 active and inactive vessels of 36,234,000 dead-weight tons was still the world's greatest, the active United States fleet was little more than half the size of the United Kingdom fleet (appendix B).

Government-owned ships under charter (active and inactive, under all authorities of law), decreased from 667 on July 1, 1948, to 382 on July 1, 1949, and to 225 on September 30, 1949. There were no Government-owned vessels active under general agency agreement, and all Government-owned tankers have been sold except for those turned over to the Department of the Navy and a few small coastal type and Liberty tankers in the reserve fleets.

Privately owned vessels in active service numbered 1,025, compared with 1,068 at the beginning of the fiscal year and 1,018 before the war. Including temporarily inactive vessels, the privately owned fleet at the end of the 1949 fiscal year had increased by 32 vessels over the fleet at the beginning of the year. The Maritime Commission has made it a policy to encourage the use of privately owned vessels before Government-owned vessels, and has even refused to permit use of ships chartered from the Government when privately owned vessels were available at equal rates.

As Government-owned ships have been withdrawn from charter, they have been added to the National Defense Reserve Fleet, which increased by over 200 vessels during the year.

Shipbuilding

The fiscal year 1949 marked the start of a long-awaited United States passenger-ship building program. All who have studied the problem since World War II have agreed that the most urgent need of the postwar Merchant Marine was a program for building of new passenger ships. As a culmination of months of planning and negotiation, in August 1948 the Maritime Commission placed contracts for 5 passenger-cargo vessels, 2 of 29,703 displacement tons each for Mediterranean service and 3 of 19,600 displacement tons each for round-the-world service. Keels have been laid for all of these vessels and completion of all of them is expected by the end of 1950. In April 1949 a contract was awarded for a 48,000-gross-ton liner for trans-Atlantic service, designed to be the largest and fastest merchant vessel ever built in an American yard.

Soon after the close of the fiscal year, in September 1949, bids were received for construction of 3 other passenger-cargo vessels, 1 of 22,000 displacement tons for South American service, and 2 passenger-trailer ships of 14,500 displacement tons each for Pacific coastwise service. In all, these vessels will add about 5,600-passenger capacity to the American Merchant Marine. In addition several war-built vessels have been converted or reconverted for passenger-cargo service. The Commission and ship operators are continuing to study the prospects for building other passenger vessels.

All these vessels are to be built for private operators, with the Government bearing the cost of national defense features in excess of commercial requirements, paying the difference between foreign and American costs, and granting low-interest, long-term mortgage aid in the case of vessels to be operated in foreign service, or providing for mortgage aid on vessels to be operated in the domestic service, in accordance with provisions of the Merchant Marine Act of 1936, as amended.

In addition, under title VII of the 1936 act and with approval of the President, the Commission has awarded a contract for its own account for a prototype cargo vessel. To be built by the Ingalls Shipbuilding Corp., this is an experimental type, C3-S-DX1, designed to be built by mass-production methods in case of emergency, but also to be an efficient and economical cargo carrier for peacetime service, to provide replacements for vessels which become obsolete. Another experimental vessel is also being designed for ready adaptability as a naval auxiliary.

A definite start has thus been made on strengthening the inadequate American passenger fleet with modern ships, and on the long-range replacement program for cargo ships, giving consideration to their dual purpose as carriers both in peace and war.

On October 14, 1949, the Commission took action with respect to the former passenger liners *Mariposa* and *Monterey* owned by the Oceanic Steamship Co., which had been referred to in the 1948 annual report. Subject to amendment of the redelivery lump sum agreement between the Government and Oceanic, and subject to findings and determinations that must be made by the Commission and the conditions which must be satisfied by Oceanic, the Commission proposes that the company complete to the satisfaction of the Commission the restoration work on the vessel *Mariposa*; that the Commission pay the outstanding balance of the Government's redelivery obligation on the two vessels in a lump sum to Oceanic; that the operating-differential subsidy agreement between the company and the Commission be extended for 10 years from January 1, 1947, and modified to provide for operation of the *Mariposa* by Oceanic in the Australasian service, except for a minimum number of sailings in the Matson Steam Navigation Co.'s Hawaiian service; and that the *Monterey* be withdrawn from the operating subsidy agreement. Under this plan the Commission will not acquire either of the two vessels.

In addition to the vessels in which the Government has a direct interest, about 40 oceangoing merchant ships of 1,000 gross tons and over were under construction on September 1, 1949, in United States yards for the private account of United States operators, although some of these may be operated under foreign flags.

Despite this recent construction activity for both Government and private account, from the point of view of the shipyards the problem of getting shipbuilding contracts remains a pressing one. The ships now in the active merchant fleet are for the most part comparatively new, and with some exceptions, such as passenger ships, are sufficient in number for anticipated future needs. Of 377 oceangoing merchant vessels of 3,186,425 dead-weight tons built throughout the world during the fiscal year, only 18 of 389,957 dead-weight tons, or less than 5 percent of the total in number and about 12 percent of the tonnage, were built in the United States, and of these vessels only 4 of 82,467 dead-weight tons were for American flag operation (appendix C). As shipyards are reactivated in Japan and Germany and as shipbuilding competition becomes keener in other countries whose costs are far lower than those of the United States, there will be few if any foreign orders for American yards.

The west coast yards are in a particularly unfortunate position, due to their difficulty in competing on a cost basis with eastern yards. It has been suggested in some quarters that contracts be allocated on a regional basis, but there are serious draw-backs to this proposal, aside from the present legal requirement that contracts be let on a competitive bid basis.

Proposed legislation now under consideration would provide construction subsidies for all vessels intended for service in United States foreign trade, without regard for the essentiality of the service in which they are operated. Such legislation might help to encourage building and betterment of vessels in United States yards, and if supplemented by a long-range program for replacement of aging ships and for repair of reserve fleet vessels, to keep both the active and laid-up fleets in top-notch condition, would seem to offer the best hope for providing sufficient business to keep an adequate shipbuilding industry in operation.

Subsidies

Under title VI of the Merchant Marine Act of 1936, as amended, the Government assists in the maintenance of essential shipping services through operating-differential subsidies. It is noteworthy that at the conclusion of the first recapture periods for 10 subsidized operators on or before September 30, 1948, approximately two-thirds of the total subsidy accrued to these operators is estimated due to be returned to the Government, under subsidy recapture provisions of the act. Of the amount due, approximately \$27,000,000 has already been paid to the Government.

There has been no evidence, however, of any decline in the need for subsidization of ships on essential trade routes. The good showing made by most lines during the first recapture periods was due to a substantial degree to war-heightened demand for shipping. Similarly low costs to the Government should not necessarily be anticipated in the future. Besides the more difficult competitive conditions of peacetime, there will be an estimated increase of over 100 subsidized voyages in fiscal 1950 over the estimated 1,242 subsidized in the fiscal year 1949, plus higher operating costs and subsidization of the liner *America*. Revisions have been made in part II of the Standard Operating Subsidy Contract which are designed to modernize its provisions, and consideration is being given to a more precise definition of "capital necessarily employed," on which a profit of 10 percent may be earned by the subsidized operator before the Government begins to share in the excess profits:

The importance of tramp shipping as a supplement to liner operation was well demonstrated during and after the war, but the difficulty of maintaining American tramp services against lower cost foreign competition has always precluded the operation of any large number of American tramp ships in normal times. The sharp decline in the number of ships chartered from the Government during the past year, most of which were in tramp trades, is evidence of the difficulty of maintaining this type of service under the United States

flag. Extension of Government subsidies to such ships would necessarily involve a certain degree of control usually considered incompatible with the freedom of operation which is the chief feature of tramp shipping. The extent of Government regulation would have to be determined by the difficulties which might arise. The Commission's staff has completed a study of tramp shipping problems which has been discussed with representatives of the shipping industry in open hearings.

Domestic shipping has made some progress in the past year. The domestic dry cargo fleet, totaling 175 ships on June 30, 1949, was still less than half its prewar size, but has made some progress in its fight to obtain a more realistic rate structure applicable to competing land and water carriers. A number of increases granted to rail carriers has permitted water carriers to raise their rates to a corresponding degree, so that there has been some improvement in the financial position of those carriers who have managed to stay in service. The situation of Alaska shipping, which has dropped from 29 to 17 vessels during the year, is especially serious.

Ship transfers

Another difficult problem, requiring the consideration of the Congress, the Commission, and the industry, is the question of transferring United States vessels to foreign flags. Under provisions of the Merchant Ship Sales Act of 1946 as amended, sales of Government-owned war-built vessels to foreign nations ceased on March 1, 1948. It has been possible, however, for United States operators to sell or transfer their own ships to foreign flags with permission of the Government. Undoubtedly one of the chief reasons for such transfers has been to obtain advantages of lower foreign costs, especially labor costs. This, however, is considered to be unfair to American seamen, who are thus deprived of jobs, and to the American Merchant Marine, which is deprived of ships and subjected to further foreign competition.

The Commission has in fact disapproved a number of requests for transfers of war-built vessels, and transfers it has approved have been for the most part old ships. Nevertheless, the fact remains that there is nothing to prevent companies from building new vessels here or in other countries and documenting them under foreign flags. Such projects and transactions are wholly outside the jurisdiction of the United States. On the other hand, when a vessel is sold or transferred from United States flag to foreign flag, the Commission may include a provision requiring that the vessel can be requisitioned for United States service in time of war. There is also the possibility that a company given permission to sell or transfer its old vessels to foreign flags

will be willing to build and operate new vessels under the United States flag, giving the United States the advantage of better and newer ships. The difficulties of this problem are therefore seen to be manifold, and to require continued diligent study and consideration.

Reorganization

In addition to the changes in the Maritime Commission organization as described in the body of this report, the President's Reorganization Plan No. 6, approved on August 20, 1949, has made the Chairman the chief executive and administrative officer of the Commission. In transmitting his Reorganization Plan to Congress the President said in part: "Such a plan of organization has many advantages. It leaves in the Commission as a body the performance of regulatory functions, the determination of subsidies, and the determination of major policies. Thus, it utilizes the Commission for the type of work for which such a body is best adapted. At the same time the plan places under a single official the day-to-day direction of the work of the staff within the policies and determinations adopted by the Commission in the exercise of its functions. This will provide more business-like administration and help to overcome the delays, backlogs, and operating difficulties which have hampered the agency. At the same time by freeing the members of the Commission of much detail, the plan will enable them to concentrate on major questions of policy and program and thereby will obtain earlier and better considered resolution of the basic problems of the agency."

Promotion of the American Merchant Marine

The Merchant Marine Act of 1936, as amended, directs the Maritime Commission to "foster the development and encourage the maintenance" of an adequate American Merchant Marine. An integral part of this task is to encourage the use of American ships by our own citizens, shippers, and travelers, both to give employment to the fleet which the Government is helping to maintain, and to lessen the cost to the Government by providing profitable operation from private sources. Unfortunately, due to limitation of funds, the Commission has been unable to take part in such promotional activities for the Merchant Marine and to fulfill its obligation as a Government agency to give an account to the American people of the purposes and policies being pursued in maintaining the American Merchant Marine. In order to remedy this deficiency, the Commission approved in July 1949 a tentative program of maritime promotion and information.

The program has been endorsed by the maritime industry and labor, veterans' organizations, and others interested in the importance of the Merchant Marine to the Nation. President Truman in a letter to the Chairman of the Commission on August 20, 1949, wrote: "An adequate

appreciation of the importance of the Merchant Marine to the Nation is lacking and is much needed today. Not enough of our people seem to realize that the United States is a maritime nation. I hope the Commission will take the lead in a program to correct this situation."

Following is the detailed report of activities carried on by the Commission during the period July 1, 1948, to June 30, 1949.

MANAGEMENT

Personnel

The vacancy on the Commission resulting from the expiration of the term of W. W. Smith, Chairman, on April 16, 1949, was filled by the appointment of Maj. Gen. Philip B. Fleming, United States Army, formerly Administrator of the Federal Works Agency, who was sworn in on June 6, 1949. David J. Coddair was sworn in as commissioner on July 12, 1948, replacing Richard Parkhurst, whose term expired April 16, 1948.

Further reductions in personnel were made during the year as indicated by the following tabulation:

Fiscal years ending—	Adminis- trative	Maritime service		Warehouses and ship- yards	Reserve fleet and terminals	Total
		Non- uniformed	Uniformed			
June 30, 1948.....	2,546	141	822	712	2,994	7,215
June 30, 1949.....	2,061	118	859	298	2,696	6,032
Increase.....			37			37
Decrease.....	485	23		414	298	1,220

¹ Net decrease of 1,183 employees or 16.4 percent.

Reorganization

On August 5, 1948, the Commission adopted a new form of organization. Prior to its adoption some 23 organizational units reported directly to the Commission. After the reorganization only six organizational units so reported. Of these six, two—the Office of Regulation and the Office of Trial Examiners—were regulatory in character. The four others were the Vessel Trial and Guarantee Survey Board, the Claims Review Board,¹ Office of Interdepartmental Liaison, and Price Adjustment Board. The operating functions of the Commission consisted of seven bureaus, which reported to the Commission through a general manager, to whom was delegated authority to act within the policy limits prescribed by the Commission.

Into these seven bureaus were fitted related matters, with clear lines of demarcation of authority and responsibility. The Bureau of Maritime Services combined training, maritime labor relations, and

¹ The Claims Review Board was abolished after the end of the fiscal year.

seamen services; the Bureau of Management combined organizational planning, budget, personnel, and office services; the Bureau of Finance combined claims, audits, accounts, and insurance; the Bureau of Law combined contracts, litigation, and legislation; the Bureau of Marine Operations combined terminals and real estate, supply, warehouses, vessel operations, and reserve fleet; the Bureau of Government Aids combined subsidy, vessel disposal, vessel utilization and planning, cost analysis (both operating- and construction-differential subsidy), and traffic; the Bureau of Engineering combined technical development, inspection, estimates, maintenance and repair, and preliminary design.

While this reorganization brought considerable improvement, it did not extricate the Commission from administration to the degree which was desirable, and therefore continuing study was being made of the Commission's organization and its functions to further improve its work.

SHIPBUILDING

New construction

At the beginning of the fiscal year only one subsidized vessel (a refrigerated vessel—design R1-S-DH1) was under construction by the United Fruit Co. in the Bethlehem Sparrows Point yard, and this was delivered on July 9, 1948. Appendix D shows the number and type of vessels delivered by United States shipyards during the year, and appendix E shows the progress made on construction of vessels under contract.

Invitations to bid were issued and contracts awarded on two classes of ships. On August 18, 1948, contracts for three combination passenger-cargo vessels of design P2-S1-DN1 for the American President Lines round-the-world service were awarded to New York Shipbuilding Corp. On August 11, 1948, contracts for two passenger vessels of design P3-S2-DI.2 for the American Export Lines New York-Mediterranean service were awarded to Bethlehem Steel Co., Quincy yard. The first keel under the American Export Lines' contract was laid on March 29, 1949, and the first under the American President Lines' contract on June 1, 1949.

On April 7, 1949, a contract was awarded to the Newport News Shipbuilding & Dry Dock Co. for one 2,000-passenger vessel of 48,000 gross tons for the United States Lines. Designated design P6-S4-DS1, it will be the largest vessel built in this country, and will be operated in the North Atlantic service.

The following scientific equipment used for communication and navigation was determined by the Commission to be not subject to the limitations of section 505 (b) of the Merchant Marine Act of 1936 as amended:

Type and number of equipment	Customer	Subcontractor	MC hulls	Purchase order and date	Contract price
3 compass pilots....	New York Shipbuilding Corp.	Sperry Gyroscope Co.	2914-2916	485-15, 185-16, Dec. 7, 1948.	\$47, 683. 50

During the fiscal year the Commission did not enter into any contracts or other arrangements under section 505 (b) by the terms of which the United States undertook to pay only for national defense features.

Conversion and reconversion

The S. S. *General W. P. Richardson*, which had been undergoing conversion from an Army transport, was delivered to the Commission on May 6, 1949, as a passenger vessel, renamed the S. S. *LaGuardia*, and delivered at once to the American Export Lines under charter agreement for operation in the New York-Mediterranean service.

The Commission approved the award of contracts on 27 vessels for reconversion from war to peacetime use. Of these, all sold to private operators, 24 were completed during the fiscal year.

Technical assistance was provided the Reconstruction Finance Corporation in connection with reconversion contracts on six vessels in the Turkish aid program.

Building proposals

In the previous fiscal year, application for financial aid had been received from the Pacific Coast Steamship Co. for the construction of two passenger-trailer ships, design Q8-S2-DW1, to operate between Los Angeles and San Francisco. On June 30, 1949, an invitation to bid was issued, with bids to be opened September 26, 1949.

Application for financial aid was also received for the construction of a single vessel for the Mississippi Shipping Co., to run as flagship with the *Del Sud* class. An invitation to bid was issued June 22, 1949, with bids scheduled to be opened September 21, 1949.

Under the provisions of title VII of the Merchant Marine Act of 1936, as amended, which give the Commission authority, with approval of the President, to build vessels for its own account and to sell or charter such vessels to private operators if they are determined to be necessary to carry out the policies of the act, a design was prepared for one prototype cargo vessel and initiated for one prototype attack cargo vessel. These vessels were designed by the staff of the Commission in frequent consultation with the Department of the Navy, for future mass production. The invitation to bid on the cargo ship, design C3-S-DX1, was issued May 9, 1949. A second prototype vessel, designated S-X-DY, was still in the design stage. One vessel of each type is to be built, but on mass-production principles, in

order that working plans may be available instantly for multiple production should an emergency arise.

Technical developments

Development of the gas turbine was still further delayed by technical difficulties. Installation of the turbine in a ship must necessarily await consideration until the technical difficulties are overcome.

The side-port gear developed in fiscal 1948 has been successful and was installed in the S. S. *LaGuardia*, in addition to previous installations on the S. S. *President Cleveland* and S. S. *President Wilson*.

An improvement of the conventional ship's cargo-handling gear was devised by the staff and will be proved by working models and installation on the cargo prototype vessel.

Investigation of marine materials was resumed in a very limited way, after a lapse of 2 years because of restrictions on personnel.

One hundred and twenty-six plants and four warehouses were inspected in connection with paints and other materials for the S. S. *LaGuardia* and the reserve fleet vessels. Six paint plants were inspected for approval of facilities under Maritime Commission specifications, and 235 tests were conducted at the National Bureau of Standards.

The causes of the fracture and breaking of ships were still under investigation by the Ships Structure Committee, composed of representatives from the Commission, the Army, Navy, Coast Guard, and American Bureau of Shipping.

Budget limitations restricted the research, investigation of new developments, and follow-up and analysis of results of new features of an experimental nature, authorized in the past and now in operation.

Shipyard facilities

Current records were maintained of shipyard facilities in the United States, showing capacities for construction of oceangoing merchant vessels. Research, compilation of data, and reports were made for the Munitions Board and other Government agencies.

An inquiry was conducted into steam-turbine production for Commission-built vessels during the last war and potential capacity as of the present.

Maintenance and repair

Complete condition surveys were made, specifications prepared, bids obtained, contracts awarded, and performance of repairs directed on approximately 129 vessels delivered into private operation by the Commission under the Shipsalesdemise charter during the fiscal year. Complete condition surveys were conducted on approximately 416 Commission-owned vessels redelivered to the Commission upon termination of operation under the Shipsalesdemise charter.

Complete condition surveys were conducted on 34 vessels sold on mortgage terms under the ship-sales program. A survey to determine the existence of "desirable features" only was conducted on one additional vessel sold for cash. After survey, specifications prepared by the buyers were screened, bids taken, evaluated, and award recommended. The cost of work necessary to deliver the 35 vessels "in class," for which allowances were granted buyers against sales price, amounted to approximately \$964,000 (unaudited and unadjusted).

Six hundred and thirty subsidy condition surveys and 1,178 repair inspections were made on 244 vessels operating under the Commission's subsidy agreements.

Seven vessels of the C4-S-A3 class were converted to comply with the International Convention for Safety of Life at Sea requirements and to provide certain improvements in passenger accommodations and facilities. Passenger capacity was reduced from 900 to 550 as a consequence. The total cost was \$2,613,727, and although committed against available funds for fiscal 1948, conversions were actually effected during fiscal 1949.

Specifications were screened, bids obtained, contracts awarded, and performance of repairs directed on approximately 106 general agency repair jobs (C-4 operation) during the period from July 1, 1948, to March 31, 1949, at an approximate total cost of \$1,062,691.

Complete condition surveys were conducted and reports prepared on 75 mortgaged vessels, and surveys were participated in and reports prepared on 197 damaged vessels owned by the Commission or in which the Commission had a financial interest by mortgage or subsidy agreements.

Repair specifications were prepared, bids obtained, contracts awarded, and repairs directed on approximately 105 vessels for lay-up in the Commission's reserve fleet. This work consisted of minor preservative repairs which it was necessary to make in shipyards, such as removal of plastic armor, installation of anchor chain and links, and removal of permanent rock, gravel, and sand ballast.

Inspection and performance

During the fiscal year inspections during construction were made on 5 new vessels and 16 vessels undergoing reconversion and betterment. Observations were made during construction to protect Government interests in allowances, subsidies, or mortgages on 3 new vessels, 29 reconversions, and 7 vessels undergoing betterment. There were certified as completely scrapped or dismantled 345 vessels. There were 86 recommendations made concerning claims for extension of contract time on 96 vessels, including new construction, reconversion, reconditioning, and condition survey contracts.

Completion reports were prepared on reconversions and betterments affecting 30 vessels.

Contractors guarantee liability was established on 310 vessels, including new construction, reversion, and reconditioning contracts. Financial settlements were completed on 43 newly constructed vessels and 284 reconverted and reconditioned vessels, representing \$328,000 recovered.

Fourteen investigations of performance and casualties were continued or completed, among which were casualties to turbine-electric propulsion on T2 tankers, comparative studies of Diesel versus steam, and economizer performance on S. S. *President Cleveland* and S. S. *President Wilson*.

Vessel trial and guarantee surveys

During the fiscal year guarantee surveys were made on 23 vessels, of which 2 were newly built vessels, 16 military reconverted vessels, and 5 vessels converted to refrigerated service.

Acceptance trials and surveys were made on 15 vessels, of which 5 were extensive military reconversions. One vessel, the S. S. *La-Guardia*, was an extensive military conversion to a passenger vessel.

Kindred activities included judgment of the responsibilities of the owners and contractors participating in the above acceptance and final guarantee surveys, and studies made of specifications, plans, and contracts for the construction of new vessels.

FINANCE

Analysis of financial statements

Under the provisions of the Merchant Ship Sales Act of 1946 a number of financial and operating statements received with applications to purchase and charter war-built vessels required analyses and recommendations. These applications required prompt processing in order to expedite delivery of vessels to purchasers or charterers who were able to meet the financial requirements of the Commission. Considerable time was also given to the analysis of financial statements required to be submitted periodically by purchasers receiving credit and charterers of war-built vessels to determine that financial limitations of the charter or sales contracts had been observed. During the fiscal year there were also received operating and financial statements embodied in applications under the Merchant Marine Act, 1936, as amended, which likewise required review and analysis in the preparation of reports.

Reserve funds of subsidized operators

At the beginning of the fiscal year the amount on deposit in the capital reserve and special reserve funds aggregated \$117,873,630.70,

comprised of \$47,777,132.07 in the capital reserve fund and \$70,096,498.63 in the special reserve fund. Reductions in the balances in the reserve funds are noted in appendix F. The total amount on deposit in both funds on June 30, 1949, was \$86,508,720.48, comprised of \$46,377,647.99 in the capital reserve fund and \$40,131,072.49 in the special reserve fund. Withdrawals from the capital reserve funds exceeded deposits therein during the fiscal year by approximately \$1,400,000. In addition to those to cover payments on the purchase of vessels, on mortgage indebtedness, and on reconversion costs, such withdrawals included one amounting to approximately \$577,000 as the result of a so-called closing agreement covering a Federal income-tax settlement between a subsidized operator and the Treasury Department. Withdrawals from the special reserve funds exceeded deposits during the fiscal year by approximately \$30,000,000. In addition to those covering transfers to the capital reserve funds (with the approval of the Commission), such withdrawals included approximately \$26,100,000 for preliminary payments to the Commission on account of excess profits subject to recapture under the operating-differential subsidy agreements; \$1,600,000 into the general funds of an operator, representing the balance in its special reserve fund in excess of 5 percent of "capital necessarily employed in the business" after reimbursement to the Commission of the amount due it on account of recapture; and approximately \$140,000 as the result of a so-called closing agreement covering a Federal income-tax settlement between a subsidized operator and the Treasury Department.

Additional charter hire

Audits are required to be made of accounts of contractors chartering war-built vessels to determine finally the amount of additional charter hire due the Commission. There were 62 contractors under the Warshipdemiseout 203 form and 87 contractors under the Shipsalesdemise 303 form. Audits under these contracts were to be performed concurrently. Of the total of 87 contracts under Shipsalesdemise 303 form, 71 were in effect during 1946, 82 during 1947, and 73 during 1948. There were also 10 contractors under special types of charter, of which 2 were in effect during 1946, 3 during 1947, and 9 during 1948. Thus, the annual audits due under these forms of charter through December 31, 1948, totaled 240. As of June 30, 1949, 19 audits had been completed in the field, and 21 were in process.

Termination of wartime program

As of June 30, 1949, the following audits had been made in connection with the termination of wartime Government operations:

Forty-seven audits had been completed of the remaining 57 required audits of overhead expenses incurred by agents or general agents for

the purpose of adjusting compensation under the provisions of various forms of service agreements, regulations, and orders.

Five of the remaining seven required audits of accounts of repair contractors under the various master repair contracts were completed.

In addition to the audits under master repair contracts, 132 audits of subcontractors' accounts and accounts of contractors awarded repairs under lump-sum contracts were pending at the beginning of the fiscal year. Seventy-eight were completed.

Three hundred and ten of the remaining 381 required audits of the accounts of stevedores under Warshipsteve form of contract were completed.

Appendix G shows the status of the wartime, interim, and long-range construction audit program.

Accounting

As reported in the prior fiscal year, the Maritime Commission installed a new accounting system, based on the General Accounting Office General Regulation No. 100. Under this system all the functions of the Commission are recorded on one general ledger with subsidiary records, including a system for appropriation and fund control, whereas, under the prior system, the Commission maintained separate general ledgers and accounting records for various functions.

During the past fiscal year, in cooperation with the General Accounting Office, the Division of Accounts was reorganized into several branches. These branches were charged with specific duties and responsibilities in order to maintain the accounting on a current basis and to follow up for collection all receivable amounts due the Commission, and also to record accurately and currently all property under the custody of the Commission. Under the reorganization, a new system of recording accounts receivable and notes receivable was installed, together with a follow-up system of collection and a method of reporting delinquencies in the collection of accounts receivable and mortgage notes receivable.

A special form was provided on which other divisions of the Commission were to advise the Division of Accounts of items to be billed. By the institution of this method, the Division of Accounts was relieved of the burden of first analyzing contracts, Commission actions, etc., in order to obtain the specific amount billable.

Other changes and revisions in the system of accounting were in process and would be functioning early in the fiscal year 1950, such as a revision in the system of recording accountings with Commission agents; a system of accounting for Commission property covering materials, supplies, and fixed property such as vessels, real estate, land, buildings, etc.; a revision in the recording of cash receipts and disbursements; and a revision in the depositing of receipts.

During the past fiscal year, considerable progress was made in refunding the excess deposits made by purchasers of vessels, in connection with inventories, moving expenses, and repairs. Progress was also made in the settlement of delivery and redelivery inventories in connection with vessels of the Commission chartered to private operators.

At the end of the fiscal year 1948, a financial report was prepared, consisting of a statement of assets and liabilities and supporting schedules. This is the first financial report that has been published since the fiscal year ending 1945. A similar report for the fiscal year 1949 was in preparation. Appendix Q lists appropriations, transfers, collections, and disbursements for the fiscal year.

A special effort has been made in regard to the backlog that existed as of July 1, 1947. Fifty employees have been detailed since March 1949 for the special purpose of analyzing the accounting records and documents prior to July 1, 1947, in order to prepare billings for collectible amounts. As of June 30, 1949, 303,202 backlog accounting documents had been screened, resulting in the following billings and collections:

	Number of documents, including invoices and credit memoranda	Government agencies	Other than Government agencies	Total
Billed.....	642	\$7,076,340.14	\$583,791.65	\$7,660,131.79
Amounts collected.....		1,153,202.89	48,734.64	1,201,937.53

In addition to the above receivables, special efforts were being made to obtain from these records amounts due for the carriage of foreign mail, amounts due the Commission for American Bureau of Shipping inspection fees wherever duplicated, amounts covering the costs of repairs in the case of the sale of vessels where the sales contract involved repairs prior to July 1, 1947; to analyze the backlog repair accounts for amounts collectible from owners, builders, vendors, stevedores for damages, etc.; and to review lend-lease vouchers involving owners' repairs.

A special report concerning the activities of the backlog accounting in ascertaining receivable amounts due the Commission is made monthly to the House Merchant Marine and Fisheries Committee.

The Commission is collaborating with the General Accounting Office in revising and refining the present accounting system.

Claims

The early part of the fiscal year 1949 was devoted to carrying on the activities begun in the latter part of the fiscal year 1948 with

establishment of a Bureau of Liquidation. Current inventories were maintained, uniform procedures were adopted for examination and adjudication of claims, and personnel and workloads were transferred from other groups within the Commission.

During the fiscal year several thousands of claims were eliminated, and approximately 4,000 claims with a claim value of about \$70,000,000 were processed. The percentage of recovery on claims in favor of the United States averaged slightly over 80 percent, and claims against the United States were settled for approximately 77 percent of the claim value.

The Comptroller General, in a letter dated June 7, 1949, authorized the Maritime Commission to enter into mutual waiver agreements with other Government agencies, in order to avoid the billing and collection of amounts due from other agencies and, vice versa, amounts payable by the Commission to other Government agencies prior to June 30, 1947, whereby the net result to the Government was nil, as all funds so collected are usually deposited in the general funds of the Treasury, without increasing the collecting agency's appropriations. Such waivers were negotiated with the Department of Agriculture, Army, Navy, and Coast Guard, and discussions were under way with the State Department.

The total number of vessels for which applications had been filed for adjustment of prior sales to citizens under section 9 of the Merchant Ship Sales Act of 1946 was 204, of which applications covering 11 vessels were subsequently withdrawn, leaving for consideration applications covering a total of 193 vessels.

The number of vessels for which adjustments had been approved by the Commission stood at 128 as of June 30, 1949. Adjustment agreements had been executed for 82 as of the end of the period, leaving 46 to be executed. Of the 65 vessels for which the Commission had not approved adjustments, applications covering 30 vessels were being processed and approaching completion.

It was anticipated that there would be received for clearance open items in excess of 95,000 appearing on general agents' books. These agency accounts include overpayments to merchant seamen by the agents, slop-chest losses, demurrage and quay dues, and other miscellaneous items appearing on the books of some 200 general agents of the Maritime Commission who managed the operation of Commissioned-owned and chartered vessels during and subsequent to the late war.

Appendix H indicates numbers and amounts of claims estimated to be on hand as of June 30, 1949.

Claims Review Board

The Claims Review Board was activated on August 25, 1948, to adjudicate claims for and against the Government arising from the activities of the Maritime Commission and the War Shipping Administration when the settlement value thereof did not exceed \$100,000 and to make recommendations to the Commission relative to the settlement of claims having a settlement value in excess of that figure or which, regardless of amount, required, in the Board's opinion, action by the Commission.

For the purpose of adjudication, oral hearings were granted when requested by claimants. Such hearings were held in approximately 25 percent of the cases adjudicated. In others, adjudication was based on documentary evidence.

The activities of the Claims Review Board from August 25, 1948, until June 30, 1949, are summarized as follows:

Total number of cases disposed of.....	144
Number of cases partially processed.....	32
Number of cases to be processed.....	33

Total number of cases received by Claims Review Board ... 209

These 209 cases handled involved 924 claims.

The Claims Review Board was abolished effective August 31, 1949. The Commission delegated authority to the Chairman to settle finally all claims in favor of or against the United States as represented by the Commission, provided the settlement value of each claim is determined to be not in excess of \$100,000, such authority to be redelegated at the discretion of the Chairman. Claims in excess of \$100,000 are referred to the Commission for final settlement.

Insurance

All marine and war risk insurance required by the terms of contracts, including mortgages, charters, sales agreements, vessel reconversion, vessel construction, and operating- and construction-differential subsidies, was either tentatively or finally approved by the Commission during the fiscal year. The Commission has endeavored to have placed in the American market as much of the insurance arranged by mortgagors and charterers as was practicable, taking into consideration the fact that, in many instances, insurance could be obtained in the British market at a considerable saving in cost.

The following table shows the kind and approximate amounts of insurance approved by the Commission and the proportions of these insurances placed in the American and foreign markets by the private operators during the year.

Kind	Total amount	Percentage American	Percentage foreign
Marine hull.....	\$1,607,062,154	40	60
Marine protection and indemnity.....	2,113,109,737	64	36
War risk hull ¹	3,732,794,266	9	91
War risk protection and indemnity.....	2,858,500,215	10	90
Miscellaneous.....	94,677,017	20	80

¹ The Commission requires war risk insurance on all vessels mortgaged to or chartered from the Government because of continued danger from floating mines and unsettled conditions in certain localities.

Mortgagors and charterers making application in the event of loss or damage to their vessels for permission to collect the amount of the claim from their underwriters were granted such permission when a check showed that there were no arrears under the terms of the contracts.

In view of the small number of vessels in operation for account of the Commission after June 30, 1948, protection and indemnity insurance was arranged on a commercial basis with the four American protection and indemnity underwriters, rather than continuing the cumbersome Wartimepandi insurance agreement with these same underwriters.

Supervision of the Wartimehull and Wartimepandi agreements was continued. Under the Hull agreement the Commission recaptured the sum of \$10,000,000, in addition to return premiums of slightly over \$11,000,000 paid to the Commission through its general agents. In connection with the Wartimepandi agreement, the Commission has recaptured \$30,500,000, in addition to return premiums of slightly more than \$11,500,000 which were also paid to the Commission through the general agents. It is expected that as the unpaid claims for which the underwriters carry reserves under both agreements are settled, further amounts will be recaptured by the Commission. Final settlement will probably not be made under these agreements for approximately 4 years.

At the beginning of the year the Commission was giving consideration to the requirements of American shipowners, cargo owners, and seamen for insurance against the risks of war should an emergency arise. In March 1949 the two principal marine insurance markets announced that in the event of war they would immediately discontinue the issuance of policies protecting against these hazards, and this caused the Commission to renew its efforts to provide a means for the supplying of such insurance by the Government as was done during World War II. With the assistance of the Bureau of the Budget and other agencies, the Commission has submitted to the Congress a draft of new legislation, which would give the Commission insurance authority similar to that granted to it and the War Shipping Administration during World War II, with some modifications or extensions.

CONTRACT RENEGOTIATION

Renegotiation was concluded during the fiscal year in 320 cases⁷ of which 76, having aggregate renegotiable sales of approximately \$450,000,000, were found to have realized excessive profits to the extent of \$18,564,943. The remainder of the cases completed were found either to have realized no excessive profits or were not subject to the provisions of the law.

This brought to \$489,594,796 the total of excess profits recapture and price reductions effected by the Maritime Commission Price Adjustment Board and the former War Shipping Price Adjustment Board from inception of the program to June 30, 1949.

GOVERNMENT AIDS

Construction-differential subsidy aid

During the fiscal year the Commission made contract commitments for the construction, with the aid of construction-differential subsidy and mortgage aid, of two 25-knot passenger vessels intended for the Mediterranean service of American Export Lines, Inc., three 19-knot combination passenger-cargo vessels for American President Lines' round-the-world service, and one large liner for United States Lines Co.'s North Atlantic service. In addition, tentative approval was given and bids invited for a combination passenger-cargo type vessel for Mississippi Shipping Co.'s Gulf-East Coast of South America service. National defense features, the cost of which is borne by the Commission, and among which are reserve speed and other features beyond the commercial requirements, will be incorporated in all of these vessels.

The available appropriation for construction was used during the fiscal year to pay construction-differentials applicable to certain betterments installed on cargo vessels operated on essential trade routes by New York and Cuba Mail Steamship Co., Mississippi Shipping Co., and American President Lines.

Construction aid without subsidy

An application filed during the fiscal year 1948 by Pacific Coast Steamship Co. for the construction, without subsidy aid, of two combination passenger-trailerships for operation in the Pacific coast-wise service between Los Angeles and San Francisco was processed during the fiscal year 1949 for tentative approval by the Commission. The Commission has obtained bids for the construction of these vessels, which are to be sold to the applicant on a deferred payment basis, secured by a mortgage.

Available as of June 30, 1949, for new vessel construction or acquisition were balances aggregating \$23,235,363.80 in construction reserve

funds established on behalf of 15 separate nonsubsidized ship operators. Appendixes I and J show the status of the ship construction, reconditioning, and betterment program at the end of the fiscal year.

Operating-differential subsidy aid

Of the 12 operating-differential subsidy contractors whose subsidized operations were subjected to wartime suspension, agreements with 10 have been reached as to the principal terms and conditions of resumption. Execution of the formal amendments to the contracts, however, must await the working out of detailed provisions peculiar to each case. All 12 operators received tentative authority for resumption of subsidized operations effective with sailings on and after January 1, 1947, on prewar established berth services, but 2 of the 12 elected to delay the applicability of subsidy until the calendar year 1948. Special problems faced by 2 other prewar contractors have delayed agreement as to essential terms of contract amendments.

In the absence of the formalized contract addenda no operating-differential subsidy payments were actually made during the fiscal year applicable to postwar sailings.

There were no vessels over 20 years of age for which operating-differential subsidies were paid during the year on voyages made prior to requisitioning by the Government.

Recapture of profits by the Government

During the fiscal year the Commission collected \$27,202,076.80 from 10 holders of operating subsidy contracts, and turned it over to the United States Treasury as miscellaneous receipts. This amount represented over 90 percent of the recapture accruing to the Government with respect to subsidy payments applicable to the period prior to January 1, 1943, and in connection with the long-term operating-subsidy contracts with 10 companies whose first recapture periods ended on or prior to September 30, 1948.

Applications for operating subsidy contracts

The application of the Pacific Argentine Brazil Line, Inc., of San Francisco, dated April 19, 1948, for an operating subsidy for operation of its vessels on Trade Route No. 24, between United States Pacific ports and ports on the east coast of South America, was approved by the Commission on December 3, 1948, and an operating subsidy contract, effective January 26, 1949, was executed between the applicant and the Commission.

Lykes Bros. Steamship Co., Inc., applied for an operating subsidy on Trade Route 15B, United States Gulf ports to the south and east coast of Africa, on September 8, 1948. On May 5, 1949, the Commission approved the application and authorized the modification of

the operator's operating subsidy contract to include the payment of a subsidy on Trade Route 15B.

The application of the Shepard Steamship Co., dated April 19, 1948, for an operating subsidy on Trade Route No. 1 between North Atlantic ports and certain ports on the east coast of South America was still pending at the close of the fiscal year. It has since been disapproved by the Commission.

The application of Arnold Bernstein Line, Inc., for an operating subsidy for a combination passenger and freight service on Trade Route No. 8, between United States North Atlantic ports and Antwerp and Rotterdam, was still pending at the close of the fiscal year. Following the issuance of the examiner's report after a hearing, the Commission indicated its desire to have a subsidized passenger and freight service on Trade Route No. 8, and referred the matter back to the staff for a recommendation on all other phases of the application. In the meantime, various phases of the subsidy application and their relation to other pending applications have been under consideration. The application for an operating subsidy is contingent upon favorable action on applications by Bernstein for the purchase of two P-2 vessels and for a construction subsidy on betterments to these ships. It was expected that a recommendation would be submitted to the Commission on the three pending applications of Bernstein during the early part of the fiscal year 1950.

Black Diamond Steamship Corp. submitted an application dated August 18, 1948, for an operating subsidy for a freight service on Trade Route No. 8. This application was largely a duplication of the original application denied by the Commission's order dated February 18, 1948. After filing the application, however, the company requested that it not be processed until further notice. Hence, at the end of the fiscal year, no action had been taken by the Commission.

The joint application of Grace Line, Inc., and Lykes Bros. Co., Inc., filed on April 23, 1947, in behalf of the Gulf & South American Steamship Co. of New Orleans, was superseded by an application dated November 18, 1948, for an operating subsidy filed by the newly formed company, Gulf & South American Steamship Co., Inc., owned on a 50-50 basis by Lykes and Grace. The application had not been processed at the close of the fiscal year, due to delay in the receipt of the necessary information with respect to foreign-flag competition. It was expected, however, that the application would be processed for consideration during the early part of the fiscal year 1950.

The Pacific Transport Lines, Inc., of San Francisco filed an application for an operating subsidy dated June 27, 1949, for operation on Trade Route No. 29 between California ports and the Far East. As

there are other United States flag companies operating on this route, the awarding of a subsidy contract cannot be considered until after a public hearing, which will probably be held during the latter part of 1949.

The application of the South Atlantic Steamship Co. for an operating subsidy for operation on Trade Route No. 11, United States South Atlantic-Hampton Roads to United Kingdom and continental Europe, was still pending at the close of the fiscal year.

Federal ship mortgage insurance aid

During the fiscal year the Maritime Commission issued a commitment to insure a proposed first preferred mortgage in the amount of \$1,650,000 to be given in aid of the reconstruction of the partially completed S. S. *Carib Queen*, originally designed as an LSD for the Navy, concerning which an application had been previously filed with the Commission for operation of the vessel, in a passenger-automobile ferry service between Key West, Fla., and Havana, Cuba. This project remained in an incomplete state as of June 30, 1949.

Also during the fiscal year the Commission issued three commitments to insure first preferred mortgages, each in the amount of \$250,000, in aid of the construction of 121-foot tuna clippers designed for operation out of southern California in the fishing trade. Construction of these three motor vessels of about 436 gross tons was in a satisfactory state of partial completion at the end of the fiscal year.

No formal contracts of insurance were outstanding at the fiscal year end, but the Commission's contingent liability on outstanding commitments to insure amounted to \$2,400,000.

The Federal Ship Mortgage Insurance Fund was credited during the fiscal year with \$1,550 in fees for application filing and investigation and appraisal of applications resulting in commitments to insure. The unexpended balance in the fund at the end of the fiscal year totaled \$588,407.73, as indicated in appendix Q. The Eighty-first Congress by Public Law 266 authorized \$586,648 of the unobligated balance in the fund to be made available for administrative expenses of the Commission during the fiscal year 1950.

Traffic activities

The bulk cargo freight market in the foreign trades continued to decline during the period, with the greater part of such movements consisting of coal and grain shipments financed by the Economic Cooperation Administration.

At the beginning of the fiscal year the Maritime Commission had virtually ended the direct operation of tanker vessels, having disposed of practically all war-built vessels of this type to private American

and foreign purchasers, with the exception only of 57 ships of this type turned over to the Department of the Navy for their own direct operation and a few coastal and Liberty tankers remaining in the reserve fleet. An exceedingly serious decline in the employment of American registered tankers occurred during the year, with the result that at the end of this period a very substantial part of the entire American privately owned fleet was idle for lack of employment, and open market voyage charter rates had declined to unprecedented levels.

The Commission had for several years prior to the commencement of this fiscal period operated a number of passenger-carrying vessels, mainly of the troop transport type, in various trades for the purpose of providing ocean transportation facilities for many types of persons traveling in the national interest who would otherwise have been unable to secure such accommodations. However, on February 24, 1949, a Presidential directive was issued which called upon the Commission to discontinue its operations of this nature. As a result of this directive, the Commission ceased operating the 10 passenger-carrying vessels which had prior to that time been engaged in service between New York, the United Kingdom, and north Europe and the Mediterranean, and is no longer conducting any direct operations of this nature. Three of the C4-S-A3 type transports which the Commission formerly operated in these services were chartered to the United States Lines for operation during the summer of 1949 between New York and Europe, for the particular purpose of providing low-cost transportation for students, teachers, and others traveling in the national interest.

In connection with the coordination of the foreign freight forwarding industry, the Commission issued during the fiscal year General Order No. 70, requiring the use only of forwarders registered with the Commission in connection with the handling of export shipments financed by the Economic Cooperation Administration from the United States to ERP nations. This order also excluded from participation in such business freight forwarders owned and controlled by noncitizens and who were not established in business in the United States prior to September 3, 1939. Approximately 410 freight forwarding firms throughout the United States, of which approximately 235 are located in New York City, are carried on the Commission's registration list.

The nature and extent of United States flag operations and foreign flag competition on each of the foreign trade routes of the United States were developed during the year in summary reports showing the amount of dry cargo traffic by 6-month periods. A companion

project consisting of the first revision of a postwar report describing the essential United States foreign trade routes and services recommended for United States flag operation, with maps of each of the individual services, was completed in May 1949. Such basic information is essential to the Commission's work dealing with specific applications for construction- and operating-differential subsidies. Similar information in more detail with respect to foreign flag competition was developed for use in determinations of operating subsidy differentials under the several existing contracts.

Studies covering tankship traffic in United States domestic and foreign trade for calendar year 1947 were completed during the year and summary reports were issued showing the extent and flow of traffic of major commodities between United States coastal districts and between United States ports and foreign areas.

Extensive traffic analyses were made, and the results were presented in hearings on operating-differential subsidy applications involving trade routes 1 and 24. Similar presentations were made before the Interstate Commerce Commission in rail-water rate proceedings with respect to Atlantic-Gulf and Pacific coast water-carrier operations.

During the early part of the fiscal year, operations between Pacific Northwest ports and Alaska were conducted by a total of six steamship lines, handling both privately owned and bareboat-chartered vessels. However, suspension of operation in such services occurred during the longshoremen's strike which took place between early September and early December 1948. When work on the docks was resumed, only two of the regular lines resumed operations, these being the Coastwise Line to the port of Seward only and the Alaska Steamship Co., with service to and from southeastern and southern Alaska ports. The Northland Transportation Co. was taken over by the Alaska Steamship Co., and the other lines which formerly operated in the trade—Alaska Transportation Co., Alaska Freight Express, and the Santa Ana Steamship Co.—decided to cease operations and liquidate their holdings. In May 1949 the Olson Steamship Co. placed one of its vessels in the Alaska trade for summer voyages to Kuskowin Bay ports in western Alaska, an area formerly served by the Santa Ana Steamship Co.

Operations in the intercoastal and coastwise trades remained somewhat depressed, with a total of 112 vessels in these services, of which 47 vessels were bareboat-chartered from the Commission.

A break-down of dry cargo freighters and combination passenger and cargo vessels of 1,000 gross tons and over in domestic trades as of June 30, 1949, follows:

Trade	Number	Dead-weight tons
Continental:		
Atlantic and Atlantic-Gulf.....	43	366,000
Pacific.....	10	49,000
Interoceanic.....	59	657,000
Total.....	112	1,072,000
Noncontiguous:		
Alaska.....	17	113,000
Hawaii (as of Mar. 31, 1949).....	22	261,000
Puerto Rico.....	24	216,000
Total.....	63	590,000
Grand total.....	175	1,662,000

Charters to aliens

During the fiscal year the Maritime Commission approved 335 voyage charters and 17 "period" charters of privately owned vessels to aliens.

With respect to the voyage charters of vessels to aliens, the Maritime Commission in May 1949 rescinded amendments to its General Order 59 which required the submission of applications for the charter of United States flag tankers to aliens for a single voyage or for several voyages. By the rescission of these amendments, General Order 59, dated December 6, 1945, is now the only regulation in full force and effect with respect to charters to aliens. Under that regulation, any privately owned United States flag vessel may be chartered to a non-citizen for a voyage or voyages, the duration of which shall not exceed 1 year, except where such vessels are bareboat-chartered for use in the domestic trade.

Transfer to foreign ownership and registry

Appendix K lists the approvals granted by the Commission, pursuant to section 9 of the Shipping Act, 1916, as amended, for the transfer of United States flag vessels to foreign ownership and/or registry. It should be noted that this statement records only the approvals granted by the statute, and does not represent such sales or transfers as being consummated.

It will be noted that appendix K includes a category designated "Government-owned vessels." These represent Commission-owned vessels sold to aliens, under various legal authorizations, either for operation, for scrapping, or for abandonment to the underwriters of ships which were constructive total losses.

During the year the Commission denied approval of the transfer to foreign ownership and registry of 10 privately owned United States flag vessels.

Surrender of marine documents

During the fiscal year the Commission approved the surrender of the marine documents of 372 vessels covered by preferred mortgages for various purposes, such as change of name, home port, ownership, rig, and tonnage.

Large vessel sales

During the year the Commission approved applications for the purchase of a net total of 16 vessels under the Merchant Ship Sales Act of 1946, as amended. All 16 were for American flag operation. This made a total of 1,806 vessels, 693 for American flag operation and 1,113 for foreign flag operation, approved by the Commission since the beginning of the program. As of the end of the fiscal year, the Commission had approximately 2,215 vessels available (subject to changing requirements of the Army and the Navy) for sale under the terms of the act.

At the end of the fiscal year there were pending before the Commission applications from United States citizens for the purchase of 364 vessels. It was anticipated that only a small portion of these applications would receive approval, since a large number were for vessel types which are no longer available.

Appendix L indicates in detail the status of the sales program under the Merchant Ship Sales Act of 1946, as of June 30, 1949. The sale of vessels to foreign nationals under the act was discontinued by Public Law 423, after March 1, 1948.

Under authority of the Merchant Marine Act of 1936, as amended, the Shipping Act of 1920, and the Surplus Property Act of 1944, a total of 44 vessels were sold during the year, 16 for self-propelled operation, 2 for non-self-propelled operation, and 26 for scrapping. A summary of these transactions is shown in appendix M. In addition the Commission transferred one vessel to another Government agency and approved abandonment to the underwriters of three vessels which were constructive total losses. The monetary return of these sales totaled about \$2,633,370.45. The Commission amended contracts requiring scrapping of 14 vessels to permit the use of 10 for self-propelled operation and 4 for non-self-propelled operation. These amendments resulted in an additional monetary return of \$880,713, over and above the original sales price.

This brought to a total of 1,044 the number of vessels sold under the authority of the Merchant Marine Act of 1936, as amended, the Shipping Act of 1920, and the Surplus Property Act of 1944. As of June 30, 1949, 252 vessels had been sold for operation, 14 for non-operation, 39 for non-self-propelled operation and 739 for scrapping. The total monetary return of these sales amounted to \$52,386,588.34.

In addition the Commission had received \$123,092.10 for custody charges, \$253,442 for forfeitures, and \$24,283 for sale of 7 vessels to other Government agencies, had transferred without reimbursement 14 vessels to other Government agencies, and had approved abandonment of 12 vessels. Four vessels previously reported as transferred had been returned to the Commission by the agency concerned.

Small vessel sales

During the fiscal year 89 small vessels (up to 1,500 gross tons) were disposed of for \$1,219,483.15. At the end of the year the inventory of vessels remaining to be disposed of totaled 24.

The following types of vessels were disposed of: Barges, scows, lighters, landing craft, air-sea rescue boats, launches and runabouts, cabin cruisers, yachts, Coast Guard cutters, picket boats, tugs, work boats, tankers, mine-sweepers, subchasers, plane rearming boats, and patrol boats.

Vessel and cargo statistics, analyses, and reports

Current data were maintained on all United States and foreign flag vessels as well as on all phases of the Maritime Commission's shipping operations during the fiscal year.

The following reports were prepared on a continuing basis and distributed to the several divisions of the Commission, as well as to Government agencies interested in shipping matters, and in some cases to the general public:

A detailed biweekly report showing vessels bareboat-chartered to private operators by the Maritime Commission by company, type of vessel, vessels allocated and withdrawn from charter, as well as number of vessels owned by each company chartering vessels.

A monthly report showing disposition of the United States Merchant Fleet since VJ-day.

A monthly report showing disposition and present status of Maritime Commission war-built vessels.

A monthly alphabetical name listing of every merchant vessel under the United States flag by name of owner and/or operator, by type of vessel and how acquired. Two reports were prepared: one for dry cargo vessels 1,000 gross tons and over; the other for tankers 1,600 gross tons and over.

A monthly report showing changes in status of Maritime Commission-owned vessels in operation, lay-up, transferred, or sold foreign, etc.

A monthly listing of names of vessels placed in or withdrawn from the reserve fleet.

Deliveries of new merchant vessels during the calendar year 1948.

Deliveries of new merchant vessels during the calendar year 1947.

Merchant fleets of the world as of December 31, 1948.

Merchant fleets of the world as of June 30, 1948.

Employment of United States flag merchant fleet as of March 31, 1949.

Employment of United States flag merchant fleet as of December 31, 1948.

Employment of United States flag merchant fleet as of September 30, 1948.

Comparison of merchant tanker fleets of the world prewar and postwar.

United States flag vessel participation in liner traffic on essential United States foreign trade routes.

Tankship traffic in United States foreign and domestic trades.

The above reports were implemented by a new report showing the position of bareboat-chartered vessels by company, by name of vessel, whether in-bound or out-bound, destination, type cargo carried, etc. In addition, a supplementary report was prepared which showed the activities of vessels bareboat-chartered by the Maritime Commission to United States flag operators, which in turn were bareboat-chartered to the Army on a per diem basis. Thus the Maritime Commission was able at all times to know currently the activities of its bareboat-chartered vessels.

Special studies

In addition there were prepared numerous special studies such as economic reports detailing future requirements for the Commission's bareboat-chartered vessels, the preparation of economic briefs in connection with various labor disturbances affecting shipping, the preparation of special data for use at congressional hearings and budget hearings. Several major economic studies were prepared, including a report relative to movement of ECA cargoes by foreign flag as compared to United States flag vessels. Others were:

A report concerning authorization to exempt United States coastwise vessels from Panama Canal tolls.

A report on the advisability of converting certain vessels to types suitable for use on the Great Lakes.

A report to the chairman of the Subcommittee on Maritime Affairs, House Committee on Merchant Marine and Fisheries, regarding the cost to the Government of various subsidies, particularly a comparison of assistance to shipping with other subsidy payments.

A report delineating provisions to benefit the Italian shipbuilding and ship-owning industries.

A study of tramp shipping under the American flag (completed early in fiscal year 1950).

Cargo data

In an effort to prevent duplication and insure comparability, there was evolved a plan whereby the United States Maritime Commission, Department of the Army Corps of Engineers, Bureau of the Census, and the Interstate Commerce Commission, under direction of the Division of Statistical Standards of the Bureau of the Budget, coordinated the collection and compilation of transportation statistics. Under this plan vessel operators reported a particular type of information to one agency, which in turn serviced other interested agencies.

In foreign trade, vessel operators report vessel utilization and performance to the Commission but no longer are required to report commodity data. All information regarding the movement of commodities in foreign trade is obtained from the Bureau of the Census for summarization and analysis to meet the particular requirements of the Commission.

During the fiscal year approximately 50,000 individual voyage reports submitted by operators of United States and foreign flag vessels in foreign trades were reviewed and analyzed. These reports were summarized and resulted in a series of reports released to the public covering liner operations during 1948 on essential foreign-trade routes. Likewise, material was prepared covering "irregular" operations on these routes. Additional reports were in process.

In collaboration with the Munitions Board Petroleum Committee, reports were prepared covering tankship traffic in both the foreign and domestic trades of the United States.

A special study was completed of vessel operations in the trade between Alaska and Puget Sound ports under Public Law 12, Eightieth Congress.

Port development

In cooperation with the Department of the Army, Board of Engineers, the following port series reports were completed and released for public distribution: Philadelphia, Pa., and Camden, N. J. (Port Series No. 7); Wilmington, Del. (No. 8); ports on the Delaware River above and below Philadelphia (No. 9); Galveston and Texas City, Tex. (No. 23); Houston, Tex. (No. 24); and Corpus Christi, Tex. (No. 26).

Port series reports on New Orleans, La. (No. 20); Lake Charles, La. (No. 21); Jacksonville, Fla. (No. 15); Miami and Port Everglades, Fla. (No. 16); and Tampa, Fla. (No. 17), which were completed during the previous fiscal year (1948), were also released to the public.

At the close of the fiscal year the following reports were in various stages of completion: Hampton Roads ports (No. 11); Mobile, Ala., and Pensacola, Fla. (No. 18); Gulfport and Pascagoula, Miss. (No.

19); San Francisco, Calif. (No. 30); and Oakland, Alameda, Richmond, and Upper San Francisco Bay, Calif. (No. 31).

Contact was maintained with the National Advisory Committee on Materials Handling, which was organized to advise the Commission of ways and means of increasing efficiency of handling cargoes at United States ports and thus lower costs and port time for vessels.

LEGAL ACTIVITIES

Legislation

The authority of the Maritime Commission to operate vessels and to charter and sell war-built vessels was continued under Public Laws 12 and 147 first from March 1 to June 30, 1949, and again to June 30, 1950. Except in limitations on the length of charters, no change was made in the basic authority to charter, operate, or sell. Chartering of vessels other than passenger vessels was made subject to a charter period of not less than 6 months for liner services (except coastwise, intercoastal, and Alaska), and 4 months for bulk services and coastwise, intercoastal, and Alaska services. The minimum American flag participation provisions of the Economic Cooperation Act, as amended by the Extension Act of April 19, 1949, involved the availability of Government-owned ships for chartering to supplement privately owned tonnage, although on a reduced basis as compared to previous postwar years.

A large amount of material was furnished for the hearings on extensions of authority. The Commission also furnished much data for the concurrent hearings on legislation to clarify and further carry out the policy for United States flag shipping participation in Government-financed cargoes. Upon the passage of the Extension Act, action on this legislation was not pressed but was suspended subject to supervision by a special "watch-dog" committee on the carriage of cargo under the ECA program.

Hearings on the general subject of the Merchant Marine, shipbuilding, and shipping problems of the postwar Merchant Marine held in the Eightieth Congress were followed in the Eighty-first Congress by extensive hearings on the various long-range omnibus measures later consolidated for the most part in one bill, H. R. 5346.

Under the Federal Property and Administrative Services Act of 1949 the Maritime Commission was continued as the agency for the disposing of surplus merchant vessels of 1,500 gross tons or more. The act expressly delineated the authority of the Maritime Commission concerning construction, acquisition, disposition, and other functions with regard to merchant vessels, shipyards, terminal facilities, and other property of the Commission, subject, however, to the principle that the Commission will as far as practicable comply with the general requirements of the act.

The time within which to commit construction reserve funds for ship construction (sec. 511 of the Merchant Marine Act of 1936, as amended) in order to take advantage of tax deferment benefits was extended from April 20, 1949, to March 31, 1951, by Public Law 50, Eighty-first Congress.

The Commission furnished information and data to congressional committees in connection with legislation covering the so-called overtime-on-overtime problem in the stevedoring industry.

Reconversion unemployment benefits for seamen on general agency vessels were extended to June 30, 1950, for service prior to July 1, 1949.

Legislative reports continued in large volume. They included such subjects as: Long-range amendments to various maritime laws, including the geographical allocation of construction, conversion of war-built vessels for sale for use on the Great Lakes or other special uses, minimum scales and working conditions on subsidized vessels, the transfer of foreign vessels; bills relating to the Panama Canal and the St. Lawrence seaway; bills to amend the Interstate Commerce Act, Civil Aeronautics Act, the Federal Communications Act, regulation of interstate commerce; legislation in respect to Government reorganization, representation before Government departments, litigation and procedure; aviation and overseas air transport; seamen and labor legislation, seamen's claims, hospital and medical benefits for seamen, nautical and maritime education; special legislation on the disposition of vessels and other property and the admission of foreign flag ships to domestic trade; amendments to the civil-service laws; and amendments to laws relating to maritime safety and navigation.

Operating subsidy, agency agreements, and charters

A complete revision of the operating-differential subsidy agreements to meet postwar conditions was undertaken and processed in connection with the resumption of operations under subsidy. Shortly after the end of the fiscal year, on July 13, 1949, the Commission approved and adopted the standard form of part II, containing the standard provisions which are of general application to all subsidized operators. The necessary revision of part I, which outlines the special provisions applicable to the specific operator, continued in process, and was expected shortly to reach completion. The revision of part II was designed to modernize the contract by eliminating obsolete provisions and modifying others to meet postwar changes in legislation, establishment of new routes and sailing requirements, new equipment in use, and changes with reference to taxes.

Resumption of subsidized operations resulted in a great increase in the volume and variety of problems requiring legal comment or clearance, such as new applications for subsidy, applications for

waivers, exemptions, permissions, consents, or approvals under the Merchant Marine Act of 1936, as amended, and the subsidy agreements.

During the fiscal year approximately 45 General Agency Service agreements were extended for the purpose of furnishing adequate husbanding services in connection with the placing of vessels in lay-up, the preparation and delivery of vessels to buyers or charterers, and the husbanding and operation of the nine C-4 passenger vessels remaining in the Army and Navy service during the period prior to their delivery to the Navy.

A proposed husbanding agency agreement distinct from the agency agreements covering the operation of vessels was drafted for consideration by the Commission. Legal clearance was given and opinions were rendered on a number of legal problems involving these agency agreements and the termination and liquidation of various other agency agreements entered into by the War Shipping Administration. A number of documents relating to all agency agreements were prepared, including the disposition of a considerable number of claims involving demurrage, dispatch, passenger tickets, bills of lading, and other claims of a similar nature arising out of operations for Government account.

Consideration was given also to many questions relating to the bonds posted on the agency agreements and the bareboat charter agreements. Procedures were established for reducing the amounts of the blanket surety bonds posted by charterers under the bareboat charter agreements to reflect the redelivery of vessels to the Commission under these charters. There was also developed a new form of surety bond for individual vessels, to be used for future deliveries in place of the blanket bond on a fleet basis.

Standard bareboat charters for dry cargo vessels (Shipsalesdemise Form 303), entered into pursuant to the Merchant Ship Sales Act of 1946, were extended in accordance with Public Law 12, Eighty-first Congress, and special lay-up provisions were included for ships operating in the Alaska trade. Special passenger ship charters were prepared to cover the operation of the S. S. *LaGuardia* (ex-*General W. P. Richardson*) and also three C-4 type vessels converted for passenger service. The administration of the charters involved many legal problems arising chiefly in connection with the delivery and redelivery of the vessels and auditing and accounting procedures.

Legal questions arose involving charters of privately owned vessels to aliens; in all 362 charter propositions were passed upon as to legality, 17 of them for periods of time, 335 for voyages, and 10 of them involving demise charters. There were legal questions also involved in Commission approval of surrender of documents of vessels

covered by preferred mortgages; 366 of such cases were passed upon during the year. A number of violations of section 9 of the Shipping Act, 1916, as amended, arose during the year. In one of these the defendant violating the law was indicted and prior to trial pleaded *nolo contendere*. He was sentenced to serve 4 to 16 months, but sentence was suspended and he was placed on probation.

Sale and reconversion of vessels

During the year title transfers were completed on 52 vessels sold under mortgage and the vessels were delivered, 46 of them to United States citizens and 6 to aliens (the sales alien were made under sales agreements executed on or before March 1, 1948).

Titles on 23 vessels sold for cash to United States citizens were transferred and the vessels were delivered.

As mortgagee of many vessels, the Maritime Commission has in a number of cases approved the sale and transfer of such vessels to other parties, who assumed the liability under the mortgage and notes. Such Commission approval was given in many cases in which the mortgages were recorded under United States laws and in a number of cases in which the mortgages were given to the United States on vessels under alien ownership, registry, and flag. In the case of foreign vessels, the assistance of State Department representatives in different parts of the world was obtained. A number of such cases were handled for the Commission by United States embassies at Oslo and The Hague, and by the American Consul General at Genoa.

Many legal questions, including those on preparation of invitations to bid, contracts, bonds, and other legal documents were handled in connection with construction and sale of 6 combination passenger-cargo vessels and in connection with aid in the reconstruction and reconditioning of 15 vessels under the provisions of title V of the Merchant Marine Act, 1936, as amended.

Labor law

The Commission participated more actively in matters of labor-management relations than in previous years. Necessary assistance was afforded the Attorney General by the Commission during several strikes on the east and west coasts involving the National Maritime Union (CIO), International Longshoremen's and Warehousemen's Union (CIO), and International Longshoremen's Association (AFL), in accordance with the requirements of the Taft-Hartley Act concerning strikes affecting the public safety, health, and welfare. The Commission was represented on the United States delegation to the ILO Conference in Geneva during the past year, and is now engaged in conjunction with the Department of Labor, Coast Guard, and Public Health Service in drafting legislation to implement certain Con-

ventions on Food and Catering for Ships' Crews (No. 68); Certification of Ships' Cooks (No. 69); Medical Examination of Seamen (No. 73); and Certification of Able Seamen (No. 74), which are to be submitted to the Senate for ratification.

Claims for seamen's wages, bonuses, personal injuries, maintenance and cure, and insurance claims under the Seamen's War Risk and P. and I. policies and the indemnity provisions of the WSA General Agency Agreement continued in high volume. In this field the Commission received several favorable decisions from the Supreme Court during its October 1948 term in *Cosmopolitan Shipping Co., Inc. v. McAllister*, *Fink v. Shepard Steamship Co.*, *Gaynor v. Agwilines, Inc.*, and *Weade v. Dichmann, Wright & Pugh, Inc.* on the question of the employee status of seamen on GAA vessels, which further limited the liability of general agents against third persons, reversing the Supreme Court's position in *Hust v. Moore-McCormack Lines, Inc.*, 328 U. S. 707.

Portal-to-portal claims against Commission shipyard contractors were practically disposed of either by settlement, judgment in favor of defendants, or dismissal of the complaints pursuant to applicable provisions of the Portal-to-Portal Act. There were some 50 suits still pending in Federal or circuit courts in various stages of litigation on the issue as to what constitutes "work time" under the Fair Labor Standards Act. The majority of these pending suits involved the claims of guards and firemen for reporting or drilling time worked prior or subsequent to the regular workday, to which section 2 of the Portal-to-Portal Act has proved an effective defense.

There were still more than 300 suits pending in State and Federal courts in New York, New Jersey, Rhode Island, Maryland, Pennsylvania, California, Washington, Oregon, Puerto Rico, and Hawaii involving so-called overtime-on-overtime claims. Practically all of these suits had been held in abeyance pending trial of the portal-to-portal defenses in the test cases, i. e., *Bay Ridge Operating Co. v. Aaron* and *Huron Stevedoring Co. v. Addison*, recently completed before Judge Leibell in New York. The decision in these cases was withheld by the court to await the outcome of pending legislation (H. R. 858), which was enacted into law and approved by the President on July 20, 1949 (Public Law 177, 81st Cong.). This law relieves an employer of liability for overtime if he paid a premium at the rate of one and one-half times the regular rate of pay established in good faith by an employment contract or collective bargaining agreement for hours worked outside the regular workday and workweek or for Saturdays, Sundays, and holidays. The law also contained a retroactive provision directed toward the pending overtime-on-overtime litigation. The disposition

a more active role before other regulatory agencies, especially in connection with the relationships between land and water carriers.

The case of *Isbrandtsen Co., Inc. v. United States of America et al.*, pending before a statutory three-judge court in New York, is one in which Commission counsel have taken an active part in view of the great importance of the issue.

The case of *Seatrains Lines, Inc. v. West India Fruit Steamship Co.*, argued by Commission counsel and won before the district court in the Circuit Court of Appeals for the Second Circuit (writ of certiorari filed but withdrawn), is expected to be of great assistance in making regulatory jurisdiction of the Commission fully effective.

Legal assistance was also given in connection with hearings on conference agreements and on the Commission's coordinating functions with respect to freight forwarders.

Real property

In connection with real estate and collateral matters arising from the ownership and use of land by the Maritime Commission, numerous leases, permits, easements, releases, contracts, and other legal documents were prepared.

Only one condemnation proceeding was instituted (on behalf of the reserve fleet) during the year. However, prior thereto a number of such proceedings were instituted in connection with the establishment and maintenance of the various reserve fleets, and many of the condemnation proceedings instituted in connection with the Commission's World War II shipbuilding program are partially open cases. Considerable progress was made throughout the year in obtaining satisfactory judgments and settlements in such cases. An appeal from a judgment in the case of *United States v. 5 Parcels of Land in Houston County, Texas, et al.*, was taken and was pending in the Circuit Court of Appeals, Fifth Circuit.

Cession of jurisdiction over the lands comprising the Merchant Marine Academy at Kings Point was obtained from the State of New York.

Tort Claims Act

Numerous claims were made under part 2 of the Federal Tort Claims Act. Of those made, four necessitated payment, totaling \$2,643.45, out of appropriated funds. These claims are as follows:

(1) Payment for damage to 1948 Nash automobile, Washington, D. C., license No. 5-1601, resulting from negligent operation of Government vehicle on April 2, 1948, in Washington, D. C. Amount claimed and paid \$29.30.

(2) Central Wharf & Wet Dock Co.—Damage to land structure on November 29, 1945, as result of negligent operation of Government vessel S. S. *Calvert*. Claimed \$1,455; paid \$1,000.

of pending litigation under provisions of the law will require considerable time and effort during the 1950 fiscal year.

Just compensation

All determinations of just compensation were made in accordance with the Comptroller General's decisions. Claims totaling approximately \$5,500,000 involving 53 vessels, both large and small, were pending at the year's end for determination of just compensation for the title to or use of such vessels. In addition, 25 cases were pending involving claims for financial loss due to delay in payment. There were pending in the courts 198 cases in which the owners of vessels requisitioned for title or use were suing for just compensation. The claims in these cases totaled over \$96,000,000. Of these cases 56 were begun during the fiscal year. The Commission's legal staff was required to furnish data to the Department of Justice to be used in the preparation of the cases for trial, and also to assist in prosecuting the defense of these cases. It was believed that the decision in *United States v. Richard S. Cors* by the Supreme Court of the United States on June 13, 1949, in the Government's favor, would be of assistance in settling claims for just compensation.

Litigation and administrative hearing

At the beginning of the fiscal year the Commission had a work load of 10,340 litigated and unlitigated cases involving \$528,641,000. At the end of the year the work load was 10,137 litigated and unlitigated cases involving \$658,260,047.

Pending were approximately 125 litigated cases concerning all types of Federal, State, and foreign-country tax questions involving the Maritime Commission and estimated to amount to \$20,300,000. Among the more important of these was the Waterman Steamship Co. case involving alleged negligence of Waterman, resulting in burning down a Government-owned pier in Hoboken, N. J. The amount involved in this suit was approximately \$2,800,000. Other important cases were the Sword Line, Inc., proceeding under the bankruptcy laws, where the Government had claims of approximately \$3,500,000, and *Ernest Kreher et al. v. United States*, based upon the United States' alleged illegal seizure of the Tampa Shipyards, Inc., involving \$2,078,000.

There has been filed by the Department of Justice against the Far East Trade Conference and the Maritime Commission an antitrust suit, which will require considerable activity by Commission counsel. Moreover, the Commission is continuing regulatory investigations initiated on its own motion, thereby supplementing the scope of its protection of the shipping public. The Commission has also assumed

a more active role before other regulatory agencies, especially in connection with the relationships between land and water carriers.

The case of *Isbrandtsen Co., Inc. v. United States of America et al.*, pending before a statutory three-judge court in New York, is one in which Commission counsel have taken an active part in view of the great importance of the issue.

The case of *Seatrains Lines, Inc. v. West India Fruit Steamship Co.*, argued by Commission counsel and won before the district court in the Circuit Court of Appeals for the Second Circuit (writ of certiorari filed but withdrawn), is expected to be of great assistance in making regulatory jurisdiction of the Commission fully effective.

Legal assistance was also given in connection with hearings on conference agreements and on the Commission's coordinating functions with respect to freight forwarders.

Real property

In connection with real estate and collateral matters arising from the ownership and use of land by the Maritime Commission, numerous leases, permits, easements, releases, contracts, and other legal documents were prepared.

Only one condemnation proceeding was instituted (on behalf of the reserve fleet) during the year. However, prior thereto a number of such proceedings were instituted in connection with the establishment and maintenance of the various reserve fleets, and many of the condemnation proceedings instituted in connection with the Commission's World War II shipbuilding program are partially open cases. Considerable progress was made throughout the year in obtaining satisfactory judgments and settlements in such cases. An appeal from a judgment in the case of *United States v. 5 Parcels of Land in Houston County, Texas, et al.*, was taken and was pending in the Circuit Court of Appeals, Fifth Circuit.

Cession of jurisdiction over the lands comprising the Merchant Marine Academy at Kings Point was obtained from the State of New York.

Tort Claims Act

Numerous claims were made under part 2 of the Federal Tort Claims Act. Of those made, four necessitated payment, totaling \$2,643.45, out of appropriated funds. These claims are as follows:

(1) Payment for damage to 1948 Nash automobile, Washington, D. C., license No. 5-1601, resulting from negligent operation of Government vehicle on April 2, 1948, in Washington, D. C. Amount claimed and paid \$29.30.

(2) Central Wharf & Wet Dock Co.—Damage to land structure on November 29, 1945, as result of negligent operation of Government vessel *S. S. Calvert*. Claimed \$1,455; paid \$1,000.

(3) \$1,500 compromise settlement of \$20,000 death action, resulting from negligent operation of Government vehicle on June 25, 1946, in Stratford, Conn.

(4) \$114.15 compromise settlement of \$171.40 property damage claim, resulting from negligent operation of Government vehicle on October 31, 1947, at Washington, D. C.

MARINE OPERATIONS

Charters

At the close of the fiscal year the number of vessels under charter or allocated for charter pursuant to the provisions of the Merchant Ship Sales Act of 1946, as amended, was 364, a decrease of 256 from the corresponding total at the end of the preceding fiscal year. Four prewar-built passenger vessels, 7 war-built cargo ships, 6 Great Lakes vessels, and 1 ferry, were also under charter as of June 30, 1949, under other authorities of law, for an over-all total of 382 vessels, a decrease of 285 from the over-all total of 667 vessels (amended) under charter as of June 30, 1948.

The annual over-all totals, by types of service, were as follows:

	June 30, 1949	June 30, 1948
Offshore trades (including Alaska service).....	321	593
Coastwise/intercoastal.....	47	57
Philippine interisland service (Philippine Rehabilitation Act).....	7	10
Great Lakes and other service (chartered under Public Law 101, 77th Cong.).....	7	7
Totals.....	382	667

Following enactment of Public Law 147, approved June 29, 1949, extending until June 30, 1950, the authority of the Maritime Commission to sell, charter, and operate vessels, all bareboat charterers of war-built vessels were advised that the Commission would consider applications for extension of their existing charter party agreements, subject to acceptance of and compliance with certain restrictions on the Commission's authority to charter. Under Public Law 147 the Commission is required to terminate any existing charter, except for a passenger vessel, unless the charterer agrees that each vessel delivered or retained thereunder shall not be redelivered to the Commission, at the charterer's option, within less than 6 months if employed in liner services (except United States continental, coastwise and intercoastal services, and services between continental United States ports and Alaska) or within 4 months if employed in bulk service or United States continental, coastwise and intercoastal service, and service between continental United States ports and Alaska. The right of termination by the Commission on 15 days' notice is retained. It has been the Commission's policy not to allocate additional vessels for bareboat charter if privately owned vessels are unfixed and awaiting business, and it is believed that the

afore-mentioned restrictions will insure the continuance of a minimum of competition from Government-owned chartered vessels. On June 24, 1949, the Commission advised holders of bareboat charter contracts of proposed restrictions included in H. R. 5300 providing for changes in the charter party with regard to consumable stores.

In view of the wishes of the Congress, as expressed in reports accompanying Public Law 147 (Senate Report No. 483 and House of Representatives Report No. 564), the Commission notified all charterers that it did not contemplate any other substantial changes in policy or procedures of the chartering program under the Merchant Ship Sales Act of 1946. Accordingly the resolutions adopted by the Commission on September 22 and September 24, 1948, relating to charter policy, which were referred to in those reports, did not become effective.

The Commission authorized the removal of existing propellers from 17 Liberty ships in active operation and their replacement by a new type of Liberty ship propeller in order to reduce revolutions, stop vibrations, increase speed, and generally improve the operation of the Liberty ship. In accordance with Coast Guard requirements, installation of Clayton boilers was approved on 17 C1-M-AV1 type vessels in the Alaska service, 16 of which were actually installed.

Appendices N and O show the number of vessels under charter by months and the charter hire receipts.

Vessel operations

The Maritime Commission through its agents was responsible for the crewing, storing, and equipping of vessels under general agency operation. Studies were made of navigational problems and matters of a technical nature in connection with claims for grounding, loss of vessel, etc., responsibility for the casualty, recommendation of procedure or installation of special equipment to prevent casualties and disasters, proposed sailings of Maritime Commission vessels to foreign areas which might still be mined or otherwise hazardous to safe navigation.

The Commission provided for bunker fuel requirements and storage to assure an ample supply of bunker fuel to the general agency vessels while they were in operation. This necessitated close liaison with oil supplying companies, American as well as foreign, the Departments of the Army and Navy, and other Government agencies interested in petroleum. No vessel under the control of the Maritime Commission and operated under general agency was delayed in sailing during the fiscal year 1949 as a result of being unable to obtain bunker fuel. In order to retain for further use on general agency vessels still in operation the excessive bunkers made available by the return

of a large number of vessels from bareboat charter and other operation, the Commission stored 115,081 barrels of excess bunker fuel in leased storage facilities in ports along the Atlantic seaboard.

The Commission supervised the operation, under general agency, of 10 C-4 type passenger vessels. These ships made 44 round voyages in the North European service and 17 round voyages in the Mediterranean, until the operation of the C-4 type vessels was discontinued pursuant to a directive from the President dated February 24, 1949.

Reserve fleets

On July 1, 1948, there were 1,675 vessels in 9 reserve fleets, of which 1,599 were war-built and 76 were of greater age. During the 1949 fiscal year, 411 additional vessels entered the fleets, mostly those redelivered from charter. During the year 152 vessels were removed from the fleets, all but 9 for sale or charter. Of the other 9, 5 were withdrawn by the Navy for removal of machine tools, 1 for completion of repairs by the charterer, and 3 for transfer to Italy under Public Law 370. Vessels remaining in the reserve fleets as of June 30, 1949, totaled 1,934, representing an original investment by the Government of approximately \$4,250,000,000.

There were fewer vessel movements in and out of the fleets in 1949 than in previous years, principally due to the postwar stabilization of the American Merchant Marine. The fluctuation in the number of vessels remaining in the fleets was due to a general softening in the freight market and to the availability of vessels for sale and charter under the Ship Sales Act of 1946, as amended. As the softening of the freight-rate market made it unnecessary to keep groups of vessels in "ready-status condition" available for immediate return to service, this practice was discontinued.

In appendix P there is shown the number of vessels in the various fleets by months during the fiscal year.

Development of fleet sites

There are a total of nine fleet sites. Seven are permanent sites, and the development of six of these has been substantially completed. It is estimated that the fleet at Astoria, Oreg., will be completed on or about September 1, 1950. The two temporary sites at Hudson River, N. Y., and Olympia, Wash., may possibly be designated as permanent sites at some future date, particularly in view of the high cost of towing vessels from temporary sites to the permanent sites. Should the cathodic method of bottom preservation be found to be successful, it would also tend to preclude the expense of moving the vessels from the temporary sites at Hudson River and Olympia to permanent sites.

The site at Baltimore, Md., was maintained for two large troop

transports, the S. S. *George Washington* and the S. S. *Edmund B. Alexander*, and any other large vessels which might be assigned to the reserve fleet. The establishment of this site was necessary because the extreme draft of these vessels precludes mooring them at any of the present permanent reserve fleet sites.

The Maritime Commission continued to utilize the services of the United States Corps of Engineers to administer and supervise the development of reserve fleet sites in the field, in accordance with plans and specifications approved by the Commission. This was accomplished by a transfer of funds by the Commission to the Corps of Engineers, obviating the expense to the Commission of a separate field engineering organization.

Preservation program

Vessels delivered at reserve fleet sites had the most vulnerable parts preserved first. Other items were then scheduled so that they could be handled in an orderly manner in accordance with available manpower.

Of the 1,934 vessels remaining in the fleets at the end of the fiscal year, 1,887 were of the permanent reserve type. On these vessels preservation had progressed to an average of 72.39 percent of completion.

If the authority to sell and charter vessels is not extended beyond June 30, 1950, and the reserve fleets are thereby stabilized, it is anticipated that substantially all initial preservation work will be completed on all vessels in the fleets by the end of the 1951 fiscal year, and that thereafter the major task will be limited to maintaining the vessels in that state of preservation.

The question of the preservation of ships' bottoms presented a problem. While the preservation of the interior of the vessel, its machinery, and appurtenances can be accomplished without drydocking, the preservation of the bottom has in the past required drydocking.

In view of the high cost of towing vessels from the fleet sites to repair yards, the Commission proposed to install drydocks at its permanent fleet sites for preserving the bottoms. The drydocks were to be acquired from Navy surplus. This met with considerable opposition from the ship-repair industry.

While hearings on this controversy were in progress before the House Merchant Marine and Fisheries Committee, another method of preserving vessel bottoms, known as cathodic protection, came to the attention of the Commission. This method obviates drydocking for preservation purposes. The Commission advised the committee that it would make a full and thorough investigation of the cathodic method, particularly as to effectiveness and cost.

Research and tests

In March 1949 the Maritime Commission began to explore the possibility and practicability of the cathodic method. Tests of this method, which involves the suspension of metallic anodes in the water around the vessels, were conducted at the James River Fleet, Va., and the Wilmington, N. C., Fleet. There were strong indications that this type of protection would be far more economical than dry-docking and painting, and equally effective.

Testing of many compounds for possible use in preservation work on board vessels, and laboratory tests to determine the salinity and corrosiveness of the waters at fleet sites were also continued. Laboratory experiments, started in the 1948 fiscal year, to develop a special fungicidal compound for use on electrical insulation were completed.

Fleet service activities

During the year 178 fleet service craft were maintained in operation, including 25 tugs and 23 patrol-fireboats.

Since approximately 75 percent of all reserve fleet employees are engaged in hazardous or semihazardous work, the Maritime Commission has intensified its safety program, through safety committees, group meetings, and thorough indoctrination of new employees, to assure safe working conditions and observance of safety rules and regulations in reserve fleets. A safety manual, revising and implementing the existing rules and regulations, was being prepared for distribution to all fleets.

Security of the laid-up vessels and other property in each reserve fleet was maintained by patrol boats fitted with fire-fighting equipment and intra-fleet radio. Nearby harbor facilities and military installations afforded added fire protection to several reserve fleets in case of need. As travel funds permitted, fleet employees were sent to the United States Navy Damage Control Training Centers at Philadelphia, Pa., and San Francisco, Calif., for courses in fire fighting.

A pharmacist mate of the United States Maritime Service was assigned to each reserve fleet on a full-time basis to administer emergency first aid and preventive medicine. These men were also charged with maintaining adequate first-aid supplies, fleet sanitation, and employee compensation reports and claims.

Fleet repairs

With the concurrence of the Joint Chiefs of Staff, the Commission formulated and approved a plan to repair and put into operating condition, to be available immediately in the event of national emergency, 439 vessels considered of top priority by the National Defense authorities. The Commission was of the opinion that 134 vessels laid up at the reserve fleets could be effectively handled during the fiscal

year 1950, and that the remainder of the vessels could be repaired in a progressive yearly program. It was estimated that the cost of the contemplated repairs to the 134 vessels would be \$25,000,000.

Terminals and real estate

The maintenance and security program was continued during the fiscal year at the four Government-owned shipyards at Wilmington, N. C., Richmond and Alameda, Calif., and Vancouver, Wash., which the Commission had previously decided to retain in a reserve status. All four shipyards were under direct Commission control and jurisdiction and were manned by civil-service maintenance and security personnel.

The lease of a portion of the Richmond shipyard for scrapping of vessels expired during the fiscal year and was not renewed. The portion of the yard covered by this lease received similar preservation treatment to that given the rest of the yard. The Department of the Army was authorized to berth Army transports at the Richmond yard, and a number were berthed there during the fiscal year, the Commission being reimbursed by the Army for the utilities (water and electricity) used by the vessels while at the yard.

At the request of the State of North Carolina, the Commission authorized a long-term lease to the North Carolina State Ports Authority of a portion of the North Carolina yard. The area leased comprised 50 acres of land, formerly utilized principally for open storage purposes, which was to be developed by the Ports Authority by the construction of modern port terminal facilities (docks, transit sheds, warehouses, etc.) for handling ocean cargo vessels, in accordance with a State determination that existing facilities in the Port of Wilmington were inadequate.

The Oceanic Steamship Co., under contract MCo-61359, berthed the uncompleted S. S. *Mariposa* and S. S. *Monterey* at the Alameda yard. Total revenue derived from this contract during fiscal year 1949 was \$25,944. In addition the Commission was reimbursed for the water and electricity used by the two vessels.

Repair of the damage to the Vancouver, Wash., yard caused by the floodwaters of the Columbia River in the spring of 1948 was continued. Late in fiscal year 1949 the General Stores Building at this yard was completely destroyed by fire.

The Government-owned facilities at the Pusey & Jones yard, Wilmington, Del., were disposed of for \$165,000 to the Pusey & Jones Co. A cash settlement of \$124,800 was made with the city of Wilmington in lieu of restoration of its property at this location.

The Commission exercised its option under the contract at the Ingalls Shipyard, Pascagoula, Miss., and Bethlehem-Sparrows Point

Shipyard at Sparrows Point, Md., to have the contractor maintain and insure the Commission-owned facilities at these two yards for the remainder of the contract period.

The demolition of the Consolidated Steel Shipyard, Wilmington, Calif., and restoration of the grounds was completed as required by contract.

The Departments of the Army and Navy were authorized to use portions of the North Carolina and Richmond yards for reserve training purposes.

During the fiscal year the Commission-owned terminal properties at Boston, Mass., Hoboken, N. J., Philadelphia, Pa., and Norfolk, Va., were fully devoted to the movement of civilian import and export goods. It was estimated that the Government would have received during the fiscal year a gross revenue of over \$1,729,000 from the commercial leasing of its terminals on competitive bids, resulting in an estimated net revenue of \$1,155,000.

The program of maintenance and improvement was continued at all terminal properties, in order to insure that these facilities would be ready in the event they were required for future emergencies. The program included the rehabilitation for commercial use of the Norfolk terminal, with funds provided by the Army, to pay for the deferred repairs and physical changes made by the Army during its wartime use of this property. At the Philadelphia terminal a contract was entered into for the erection of a gantry crane on the north apron of pier No. 98. A second crane was to be erected when funds were available.

Following public bidding piers 1 and 2, Hoboken terminal, were leased for periods of 5 years each for rentals considerably exceeding previous rentals for these piers.

During the fiscal year commercial leases for portions of the Pullman plant (warehouse 38), Baltimore, Md., were granted to three concerns. The portions so leased were in excess of Commission requirements for storage space.

Acquisition of real property was confined to the permanent reserve fleet sites.

Purchasing

Procurement of materials was continued for supplies, equipment, and services required in the repair, maintenance, and operation of the reserve fleets, reserve shipyards, terminals, and training stations; in the repair and operation of Government-owned vessels under general agency agreement and in the preparation of vessels for charter; and in the operation of the administrative offices of the Commission.

During the fiscal year 18,863 purchase orders were placed, totaling

\$5,333,472, and 20,910 requisitions were processed, of which 2,083 were placed on Commission warehouses for materials obtainable from stock.

Disposal of surplus property

Surplus personal property with a reported cost of \$917,609.89 was declared to the Bureau of Federal Supply. Of this amount, property valued at \$140,631.17 was transferred by the Bureau of Federal Supply to other Government agencies, \$384,874.10 was retained by the Bureau, and the remainder returned to the Commission for disposal.

Surplus property with an acquisition value of \$8,198,311.66 was sold by the Maritime Commission, with a recovery of \$1,433,729.47, or 17½ percent.

In addition to these declarations and sales, surplus property with an acquisition value of \$487,146.21 was disposed of by the Commission by transfer, donation, and abandonment.

Inventories

There were completed during the fiscal year 1,040 inventories of vessel stores and equipment. During that period, 701 certificates representing the total value of the inventories, amounting to \$9,599,-476.24, were processed, involving accounts receivable in connection with Government-owned vessels delivered under bareboat charter; 762 certificates amounting to \$8,221,548.21 in connection with the sale of Government-owned vessels, and 111 certificates amounting to \$1,399,222.50 in connection with the redelivery of privately owned vessels to their owners were also processed.

During the same period there were processed 778 inventory certificates amounting to \$9,878,668.23 involving accounts payable in connection with Government-owned vessels redelivered from charter, 38 amounting to \$391,306.67 in connection with privately owned vessels delivered to the Government under wartime charter, 8 of \$21,465.27 on vessels traded in to the Government or purchased by the Government, and 10 of \$27,692.35 on overage and shortage certifications.

There were also 229 inventory certificates amounting to \$1,653,630.69 in connection with lend-lease, general agency operations, Army and Navy loans, and other miscellaneous inventories necessary in the internal accounting of the Commission.

Domestic freight traffic

During the year approximately 3,800 transportation vouchers were processed in the approximate amount of \$700,000. During the same period over 3,700 Government bills of lading were issued; claims for loss and damage were processed under which a recovery of about \$72,000 was made; special rate agreements with various rail and motor

carriers for reductions in published rates for specific movements were entered into, thereby effecting savings in transportation costs of about \$50,000; and approximately 16,000 General Accounting Office letters of deduction notices to the carriers were processed to offset overpayments made by the Commission prior to a determination that the material shipped was of a military nature and subject to lower rates.

Material control

At the beginning of the year, it was estimated that there was a total of \$31,100,000 in Commission property remaining at off-site locations outside of the Commission's warehouses and largely in the custody of private firms. During the year the Commission located, identified, segregated, and processed for disposal, placed in warehouse stock, or utilized in its current programs approximately \$19,900,000 worth of such materials. At the close of the period, there remained about \$2,700,000 worth on which final determinations had not been made as to disposition, and another \$8,500,000 worth remained at off-sites on which action toward disposition had not yet been initiated.

Warehouses

During the year the Commission continued to operate 5 warehouses, with a total operating cost for the year of \$791,692. The Commission continued its policy of retaining for a possible national emergency materials required in the reactivation of the reserve fleet, and for the outfitting, reconversion, or repair of other vessels. At the beginning of the year there were in the warehouses materials having a book value of \$30,623,000. There were received during the year materials totaling \$13,465,000, and there were issued from the warehouses during that period \$6,909,000 in materials required for various Commission activities, as well as those disposed of as surplus to its needs. The year ended with materials valued at \$37,179,000 remaining in stock.

REGULATION OF CARRIERS

The fiscal year was marked by a steady growth in the competition of carriers of both United States flag and foreign flag in transportation by water. Some foreign countries undertook the further development of merchant marines which previously had been of little consequence as competitors. Many such steps were of a discriminatory nature. There was also an increase in government practices to restrict the movement of trade, forced by the shortage of dollar exchange which had the effect of curtailing commerce. This further sharpened the competition between carriers, thereby increasing the resort to competitive practices, and requiring much greater supervision on the part of the Commission in the administration of its regulatory function.

Conference and other agreements

During the fiscal year the Commission approved 59 agreements, 45 modifications, and 31 cancellations. At the end of the fiscal year 39 agreements, 23 modifications, and 10 requests for cancellation of existing agreements were pending Commission action. Many of these requests for cancellation awaited action upon new agreements which were designed to supersede those canceled. There were 346 changes in conference membership and 2,436 minutes of meetings of conferences received.

The following developments were of interest:

The exclusive-use contracts adopted by conferences were subjected to attack both before the Commission and before the courts. In Docket No. 648, involving the Pacific Coast European Conference Agreement, the Commission, near the close of the previous fiscal year, sustained the lawfulness of the practice in that conference, but found the retroactive penalty provisions contained in its contract to be unlawful. The provision was similar to one which was in general use by other conferences, and, therefore, steps were taken to require those other conferences to remove the objectionable provision and replace it with one which did not contain the unlawful features.

The exclusive use contract was later challenged by the Department of Justice in bringing an action in the Federal district court against the Far East Conference. At the year's end, this suit had not been heard by the court.

Another suit was brought by Isbrandtsen Co., Inc., in the United States District Court for the Southern District of New York seeking an injunction restraining two conferences from putting into effect an exclusive use contract system. The court granted a preliminary injunction on condition the carrier file a formal complaint before the Commission challenging the validity of the exclusive use contracts in question. That complaint was filed, hearings were held, and at the end of the fiscal year the case was awaiting the examiner's decision.

The enactment of antimonopoly and maritime laws in Japan may have an effect upon carriers serving the ports of the United States in the transportation with Japan, and the matter is one which is being watched.

Developments among the carriers engaged in the United States Gulf-Havana trade seriously threatened a rate war. The aid of the court was sought by some of the carriers to prevent drastic action pending the Commission's consideration of the matter. A temporary injunction was granted, and the Commission proceeded to consider the case, but before final determination the parties became reconciled and the rate war was averted.

The Commission continued its efforts to secure more adequate and

safer packaging of commodities in foreign commerce in order to preserve the original condition of the commodities on arrival at destination and to prevent pilferage. The conferences were trying to determine whether it was possible to adopt a rule for a standard package for any one commodity. At the end of the year they had not been able to arrive at a satisfactory solution of the problem. The Pacific West-bound Conference, serving the Pacific coast ports with transportation to the Far East, sponsored the establishment of a Bureau of Weights and Measurement, with inspectors to make spot checks to ascertain whether the shipments were properly described in the bills of lading and proper freight rates had been applied. This was for the purpose of protecting shippers from unjust discrimination or undue preference by reason of the allowance of lower freight rates through misdescriptions, and for the purpose of protecting the carriers in getting the proper rates. It was believed that this bureau would be made use of eventually by all of the other conferences serving Pacific coast ports, and it was hoped that similar developments would take place at Gulf and Atlantic coast ports. The data collected by this and similar bureaus will be of great value in devising rules for packaging.

Foreign freight rates

The postwar upward trend in foreign freight rates appeared to have reached its peak and was beginning to level off. Only 7 of the 108 freight rate-making conferences made general increases in their rate structures during the year. These increases ranged from 5 percent to 15 percent, and were confined to the South American, Netherlands East Indies, and Australian trades. Many rates on particular commodities were adjusted downward to meet competition and to assist exporters in maintaining and developing foreign markets.

The number of freight rate filings increased sharply, particularly during the last part of the fiscal year, when there was a considerable downward trend as to rates on particular commodities. The total of 16,636 freight rate filings constituted the largest number ever received in 1 year. This compared with a total of 14,914 during the previous fiscal year. Part of this increase was a result of the scrutiny and criticisms of the existing tariffs by the Commission for the purpose of securing clarifications and elimination of duplications.

As of June 30, 1949, there were on file 354 active tariffs of conference and non-conference carriers in the export and import trade.

Terminals

The activities of the Commission with respect to practices of terminal operators were largely concerned with uniformity of rates and better publicity of tariff charges and changes.

Further progress was made by the terminal operators on the Pacific

coast, who have been working for an extended period toward uniformity of charges for the different services throughout Pacific-coast ports. A total of 1,637 schedules were received during the fiscal year, against 2,223 the preceding year.

Freight rates—United States Territories and island possessions

There was a marked turn-over in the carriers serving United States Territories and possessions. The New York and Porto Rico Steamship Co., which had served Puerto Rico for years, withdrew from the service. Two new services were instituted to Hawaii and Guam from the Atlantic coast by the States Marine Corp. of Delaware and Isbrandtsen Co., Inc., and one to Guam from the Pacific coast by American President Lines.

The withdrawal of long established carriers from the Alaskan trade and the changes in the law relating to the Government's chartering of ships to the Alaskan carriers have created some very serious questions as to the character of the possible transportation by water and its costs to the people in Alaska to which final answers have not yet been found.

A total of 26 special permission applications were received requesting authority to make changes in rates on less than statutory notice; 19 were approved and 7 were passed to files without action because of changed conditions subsequent to the receipt of the applications.

Investigations

Although only seven formal investigations were initiated during the year, the Commission through informal means succeeded in bringing about adjustment of many matters which otherwise would have become the subject of formal complaints. Every effort was made to close as many of the pending investigations as possible.

HEARINGS BEFORE TRIAL EXAMINERS

At the beginning of the fiscal year 26 complaints and/or investigations were pending, including those on the subsidy docket. Ten new complaints and/or investigations, including subsidy cases, were filed during the year. Twelve cases were decided during the year, and 24 cases were pending as of June 30, 1949. The trial examiners conducted hearings in 10 cases and issued decisions in 13. Final orders were prepared in three cases in which no decisions were issued by examiners. Work was practically completed on a digest of volume 2 of the Commission's decisions, and considerable time was spent on reviewing and preparing changes to the Commission's Rules of Procedure to conform to the Administrative Procedure Act, making certain changes deemed necessary in the opinion of the examiners as a

result of approximately 2 years' experience under the present rules which were revised September 12, 1947, following enactment of the act.

Final reports of the Commission

Docket No. 639—*Status of Carloaders and Unloaders*. In its report on further hearing the Commission decided that the present car service rate structure of San Francisco water terminals and any basis of rates lower than direct labor costs were noncompensatory, burdensome upon other services, and detrimental to commerce. Proposed increases were found not justified, and the case was held open to enable parties to present evidence of costs over a substantial period.

Docket No. 640—*Terminal Rate Structure—California Ports, § U. S. M. C. 57*. Formula approved for segregating terminal costs among wharfinger services at California ports. Publicly owned and operated terminals entitled to a fair return on investment. Decision on other issues deferred until after submission of rates made pursuant to formula.

Docket No. 658—*Bills of Lading—Incorporation of Freight Charges, § U. S. M. C. 111*. The Commission does not have jurisdiction to order carriers in the export trade to incorporate freight and other charges in their bills of lading.

Docket No. 659—*Free Time and Demurrage Charges at New York, § U. S. M. C. 89*. Regulations and practices concerning free time and demurrage on import property found unjust and unreasonable in certain respects and not unjust or unreasonable in others.

Docket No. 660—*Matson Navigation Co. Rate Structure, § U. S. M. C. 82*. The rates, charges, regulations, and practices of Matson Navigation Co. and other respondents in connection with transportation between United States mainland ports and Hawaii not shown to be unlawful.

Docket No. 668—*P. A. Dana, Inc., v. Moore-McCormack Lines, Inc., et al., § U. S. M. C. 79*. Charges collected on shipments of quartz crystal from Rio de Janeiro, Brazil, to the port of New York found applicable. No violation of Shipping Act, 1916, found. Complaint dismissed.

Docket No. 672—*Fibreboard Products, Inc. v. W. R. Grace and Co.* Rates for loading woodpulp found to be unduly and unreasonably prejudicial and unduly discriminatory in violation of sections 16 and 17 of the Shipping Act, 1916, and unreasonable in contravention of the provisions of Agreement No. 7344. Reparation awarded.

Docket No. 673—*Seatrains Lines, Inc. v. Gulf and South Atlantic Havana Steamship Conference et al.* Respondent's equalization rules and regulations not shown to be unjustly discriminatory or unfair as between carriers or detrimental to the commerce of the United States

in contravention of section 15 of the Shipping Act, 1916, as amended. Complaint dismissed.

Application of Pacific Argentine Brazil Line, Inc., for Operating-Differential Subsidy. Commission ordered application of Pacific Argentine Brazil Line, Inc., for an operating-differential subsidy on Trade Route No. 24 approved subject to verifications by the Commission with respect to applicant's eligibility under section 601 of the Merchant Marine Act, 1936, to receive an operating-differential subsidy, and subject to terms and conditions to be prescribed by the Commission.

Application of Shepard Steamship Co. for Operating-Differential Subsidy. Applicant found to be operating an existing service on Service B, Trade Route No. 1, and therefore not required under section 605 (c) of the Merchant Marine Act, 1936, to establish the inadequacy of other existing service on the same route. The granting of the application under consideration would not give undue advantage, or be unduly prejudicial, as between citizens of the United States under section 605 (c). Pending consideration under other provisions of the act.

Application of Arnold Bernstein Line, Inc., for Operating-Differential Subsidy. The Commission determined that in the accomplishment of the purposes and policy of the Merchant Marine Act, 1936, as amended additional vessels should be operated on Trade Route No. 8, and that section 605 (c) interposed no bar to the further consideration of the application under other provisions of the act. Pending consideration under other provisions of the act.

Florida National Bank of Jacksonville—Application for Commitment to Insure a Preferred Ship Mortgage. Formal commitment to insure granted by the Commission, effective upon completion of vessel by the mortgagee.

Recommended decisions of trial examiners

Docket No. 651—*Carloading at Southern California Ports.* Present rate structure and any basis of rates lower than costs of service found noncompensatory, burdensome upon other services, and detrimental to commerce. Proposed increased rate structure as a whole found justified without prejudice to further findings as to maximum reasonableness of individual rates. Proposed rates on borax, boric acid, borates, linoleum, potash, salt cake, soda ash, and cement found not justified.

Docket No. 674—*Ken Royce, Inc., and Hyman Michaels Co. v. Pacific Transport Lines, Inc.* Charging of tariff unit weight rates instead of tariff charter per diem rates on surplus road building equipment from Okinawa and Guam to Los Angeles and San Francisco not

shown to be in violation of sections 14, 16, 17, or 18 of the Shipping Act, 1916, as amended. The Commission is without jurisdiction to consider and determine issues under Carriage of Goods by Sea Act and should dismiss the complaint.

Docket No. 680—*Himala International v. General Steam Navigation Co. Ltd. of Greece (Greek Line) et al.* Rate on lanolin or cocculus not shown to be in violation of North Atlantic Mediterranean Freight Conference Agreement or of section 16 or 17 of Shipping Act, 1916; recommended that complaint be dismissed.

Docket No. 681—*Himala International v. American Export Lines, Inc., et al.* System of contract and noncontract rates of North Atlantic Mediterranean Freight Conference not shown to violate the Shipping Act, 1916. Certain suggestions made, upon compliance with which it was recommended that the complaint should be dismissed.

Minimum Wage, Minimum Manning, and Reasonable Working Conditions on Subsidized Vessels. Increase recommended in minimum-wage scales for officers and crews on subsidized vessels to wage level authorized by War Labor Board, October 1, 1945, as revised by award to licensed officers effective January 4, 1946. Recommended that any changes in minimum manning scales and reasonable working conditions be made only after further investigation of demands therefor, followed by rule-making procedure under Administrative Procedure Act.

Decisions of the examiners in seven additional cases were the subject of final reports and are referred to under that section. They are Docket Nos. 639, 658, 672, and 673; also *Application of Shepard Steamship Co. for Operating-Differential Subsidy, Arnold Bernstein Line, Inc. for Operating-Differential Subsidy*, and two reports in the Pacific Argentine Brazil Line case.

Docket No. 682—*West India Fruit & Steamship Co. v. Seatrain Lines, Inc.* Complainant alleges that proposed rate reductions announced by respondent on traffic from New Orleans to Havana are for the purpose of driving complainant out of the Cuban trade, resulting in the operation of a "fighting ship," and other violations of the Shipping Act, 1916. Case was partially heard but settled by stipulations without further procedure.

Pending proceedings

Docket No. 675—*Port Commission City of Beaumont et al. v. Seatrain Lines, Inc.* Complaints allege that Seatrain's equalization and absorption practices on rice and other cargo originating in Louisiana and Texas and shipped to Cuba are unlawful.

Docket No. 684—*Isbrandtsen Co., Inc. v. North Atlantic Continental*

Freight Conference, and Continental North Atlantic Westbound Freight Conference. Complainant alleges that conference agreements which authorize a contract/noncontract rate system violate sections 14 and 15 of the Shipping Act, 1916, and requests that the system be declared null and void.

Docket No. 685—*In the matter of Application for Approval of Agreement No. 8040.* Protest against Commission's approval of a pending conference agreement on the ground that such agreement violates the Shipping Act, 1916.

Docket No. 686—*In the Matter of Application for Approval of Agreement No. 8050.* Protest against Commission's approval of a pending conference agreement on the ground that such agreement violates the Shipping Act, 1916.

Docket No. 687—*In the Matter of Application for Approval of Agreement No. 8060.* Protest against Commission's approval of a pending conference agreement on the ground that such agreement violates the Shipping Act, 1916.

Docket No. 688—*Service Charge—Alaska Steamship Co.* Commission suspended Supplement No. 6 to Alaska Steamship Co.'s Tariff U. S. M. C. F—No. 33, from July 1, 1949, to November 1, 1949, and ordered hearing to investigate lawfulness of rates and regulations therein.

Application of American President Lines, Ltd., to Continue Operation After December 31, 1949, of Atlantic-Straits Freight Service C-2, Trade Route No. 17, Without Operating-Differential Subsidy. Hearing ordered to determine effect on other operations, particularly those of subsidized and intercoastal lines.

Application of Pacific Transport Lines, Inc., for Operating-Differential Subsidy. Application of Pacific Transport Lines, Inc., for an operating-differential subsidy on Freight Service 2, Trade Route No. 29 (between California ports and the Far East).

Sixteen other pending proceedings are referred to elsewhere in this report or in the annual report for the fiscal year 1948.

MARITIME SERVICES

The program for training licensed officers and unlicensed personnel to equip the American Merchant Marine with "a trained and efficient citizen personnel" was continued, in accordance with section 216 of the Merchant Marine Act of 1936, on a reduced scale during the fiscal year. Upgrading and specialist training for men already in the industry was accented, in order that they might improve their skills and be advanced in their positions aboard ship. Only a small number of seamen were trained for unlicensed skilled positions in the deck, engine, and steward's departments. Electronics, including loran and radar, were stressed.

Cadet-midshipmen

During the fiscal year, an average of 1,411 cadet-midshipmen, including 69 Filipino cadets and 12 Latin-American cadets, were in training at the two Cadet Corps schools at Kings Point, Long Island, N. Y., and Pass Christian, Miss., and at sea, and 266 officers were graduated. The State Maritime Academies located at Vallejo, Calif., Castine, Maine, and Hyannis, Mass., continued a 3-year course of training which included annual training cruises on vessels supplied by the Maritime Commission. With the class that entered the fourth State school, the New York State Maritime Academy, on September 1, 1948, a 4-year course of training was followed. Effective April 11, 1949, the name of the New York State Maritime Academy was changed by action of the New York State Legislature to New York State Maritime College. This institution is now a part of the State University of New York. A training vessel, the *American Sailor*, was loaned to the Maine Maritime Academy in March. An average of 743 cadet-midshipmen were in training at the 4 academies during the year, and 79 officers were graduated.

The Sixth Congressional Board of Visitors made its annual inspection of the United States Merchant Marine Academy at Kings Point on May 6 and 7, 1949. On March 9, 10, and 11, 1949, the second meeting of the Academic Advisory Board was held at the academy. The board was composed of Vice Admiral Edward L. Cochrane, USN, Retired, Massachusetts Institute of Technology; President Frederick A. Middlebush, University of Missouri; President Homer L. Dodge, Norwich University; Dean Alva R. Davis, College of Letters and Science, University of California; Dean James K. Finch, School of Engineering, Columbia University; President Herman B. Wells, Indiana University; and Reverend Edmund A. Walsh, S. J., Regent, School of Foreign Service, Georgetown University. The board was favorably impressed with the operation of the academy, and made a number of recommendations for the further improvement of academic standards. These recommendations were being carried out.

Maritime Service

The United States Maritime Service continued to provide upgrading, refresher, and specialist courses at its training stations at Sheepshead Bay, N. Y., and Alameda, Calif. In cooperation with the seamen's organizations and shipping companies, the Maritime Service provided specialized training for personnel of the steward department for service aboard the passenger vessels S. S. *Puerto Rico* and S. S. *Exochorda*. Under this special program 157 men were trained. This form of training was to be continued for new vessels under construction or conversion.

The Maritime Service also conducted a 6 months' course of training for unlicensed seamen to fill skilled positions in the deck, engine, and steward departments at its training station at St. Petersburg, Fla., and on the training vessel *American Mariner*. A total of 6,452 officers and seamen were trained and upgraded by the Maritime Service during the fiscal year.

During the year there was a course enrollment of 9,391 in the United States Maritime Service Institute, Sheepshead Bay, N. Y., which conducted correspondence courses for men at sea in deck, engine, basic, and radio subjects. The United States Maritime Service also conducted extension courses at schools located in New York City, New Orleans, and Alameda, for training in radio aid to navigation and radar. The school at New Orleans was opened on August 15, 1948, by request of the shipping industry.

Medical program

The Maritime Commission's medical program was conducted in cooperation with the United States Public Health Service. Medical service was furnished to all trainees at training units, and to personnel of the reserve fleet and the Maritime Commission. Seamen's health records were also maintained, and medical information was supplied to seamen and interested Government agencies.

Seamen services

The Commission continued to participate in administering laws pertaining to awards of decorations and medals for merchant marine personnel, issuance of certificates of substantially continuous service, seamen's voting rights, and return and disposition of the remains of deceased merchant seamen to the United States. During the fiscal year a total of 24,871 medals, bars, buttons, emblems, and plaques were issued to seamen, in addition to 8,388 presidential testimonial letters. A number of mariner's medals were awarded through the Department of the Interior and the Department of State to foreign seamen who were injured while serving on American ships.

Maritime labor relations

The Maritime Commission was in frequent touch with maritime shipyard and longshore union officials in order that information might be made available to interested bureaus of the Commission, other Government agencies, and officials of steamship companies and ship-building and ship repairing yards, concerning labor-relations problems pertinent to these industries. All proposed legislation affecting maritime personnel was analyzed and discussed with appropriate Government and steamship industry and labor representatives. Personal liaison was maintained with other interested Government

agencies regarding domestic, territorial, and foreign maritime labor affairs involving questions concerning collective-bargaining agreements, the Walsh-Healy Act, the Davis-Bacon Act, the Fair Labor Standards Act, potential or active labor disputes, and the International Labor Office Conventions.

The Commission representatives inspected crew accommodations on United States flag vessels in connection with condition surveys and observed crew arrangements on a number of foreign vessels, and a Committee on Crews Quarters was maintained to insure adequate quarters and working conditions.

Recommendations of maritime union representatives were received and presented to the Crews Quarters Committee. A maritime labor union directory was compiled, and collective-bargaining agreements, wage and manning scales of maritime, longshore, and shipyard unions were assembled and kept current.

NATIONAL AND INTERNATIONAL COOPERATION

The Commission was represented at the Conference of the Joint Maritime Commission of the International Labor Organization (ILO), called by the Director of the Organization for November 29, 1948, at Geneva, to consider measures to expedite ratification of the Convention approved at the Seattle Conference in 1946. The Commission was also represented at the Thirty-second Session of the ILO Conference, Geneva, June 1949, by a member of the Commission staff designated as adviser on maritime labor to the United States delegation.

At the second meeting of the Preparatory Committee of the International Maritime Consultative Organization (IMCO), November 30-December 1, 1948, at Lake Success, a member of the Commission staff served as the United States delegate. This Committee, constituted by the United Nations Maritime Conference at Geneva in 1948, comprises representatives of 12 nations and was established to determine administrative and functional problems in preparation for the first assembly of IMCO, in anticipation of this organization coming into being.

Pending the ratification and establishment of IMCO, at which time problems of international shipping referred to the Economic and Security Council of the United Nations will automatically be referred to the subsidiary maritime organization, the Commission has followed closely with the Department of State the meetings of the Transport and Communications Commission of the United Nations. It has also participated in meetings arranged by the Division of International Conferences of the State Department to coordinate the work of the

United States representatives serving with the United Nations and specialized agencies in the field of transport and communications and the Federal agencies charged with responsibilities in these fields. Also pending the establishment of IMCO, the Commission is following with the Department of State the progress of ratification of the Safety of Life at Sea Convention, and international obligations assumed by the United States Government such as the maintenance of the North Atlantic Ice Patrol, Cape Spartel Light, the interim agreement for the upkeep of the lighthouses on the Red Sea islands of Jebel Keir and Abuil. These obligations, upon ratification of IMCO, will come under the cognizance of the Organization.

At the request of the Department of State the Commission designated a member of its staff to serve as technical adviser to the United States delegation at the Special Administrative Conference on Standard Loran held at Geneva, January 1949.

As a member of the Interdepartmental Subcommittee on Foreign Travel, the Commission prepared the necessary background material on maritime passenger transportation for the Third Inter-American Travel Congress, held in Buenos Aires December 1948.

Through the Interdepartmental Committee on Scientific and Cultural Cooperation, the Commission indicated its willingness to serve as a consultant agency on such technical projects proposed for the President's Point Four Program as affect international maritime transportation.

In conjunction with the Office of Foreign Service the Commission has followed the program of establishing maritime attaché posts at strategic points throughout the world. Posts were established at London, Rome, Shanghai, and Manila, and a new post was under consideration for Buenos Aires. Budgetary limitations curtailed the original program, and no posts had been set up in New Delhi, Singapore, or Havana. The Commission maintained its own representative in Japan to work with the armed forces of occupation.

Working in close conjunction with and through the Department of State, the Commission took action on behalf of United States flag operators looking to the prevention or correction of actions taken by foreign governments which discriminated against American flag steamship services. Some progress was made in the correction of situations considered discriminatory to American flag operation, and other cases were being handled. The reactivation of the Interdepartmental Shipping Coordinating Committee will provide an opportunity for the Commission to keep all interested Federal agencies informed of the need for concerted action to combat the rising trend toward discrimination in ocean shipping.

The Department of State has referred to the Commission requests from the Governments of Ceylon, Chile, Italy, and Egypt for information on maritime policies of the United States for use in surveys being undertaken by these Governments in connection with the organization and development of their merchant fleets. The Commission has furnished legislative material, reports, and other material in connection with such requests.

The Commission conferred on several occasions with representatives of the Department of State, the National Defense Establishment, and the Economic Cooperation Administration relative to steps which might be taken in the field of shipping and ship repair to alleviate economic conditions in the Free Territory of Trieste. As a result of such conferences, the Commission agreed to modify a contract previously entered into with an Italian ship-breaking firm, in order to allow the repair of two vessels in Trieste and their subsequent operation based upon the port of Trieste.

During the year the Commission completed the physical transfer of all Italian vessels as provided under Executive Order 9935 of March 1948. In addition, through the Department of State the Commission directed the abandonment to various foreign governments of certain United States Government-owned vessels situated in foreign waters which were determined by the Commission to be constructive total losses and of no further economic value.

The Commission had under review certain shipping claims remaining from the war period and was negotiating with representatives of the Norwegian, British, Greek, and Netherlands Governments for settlement of such claims. Negotiations still in process between the Department of State and the Soviet Government in respect to certain lend-lease vessels still held by that Government were being closely followed.

Procedures were also set up so that the Department of State might be promptly advised as to steps taken by the Commission in the event of default by any foreign government on mortgage or insurance payments on vessels purchased under the Merchant Ship Sales Act, 1946.

Working in conjunction with and through the Department of State, the Commission presented to the Congress the questions raised by the possible conflict of law between the Philippine Rehabilitation Act of April 30, 1946 (60 Stat. 37), and provisions covering the charter of war-built vessels to noncitizens, section 1 of Public Law 423. As a result of the representations of the Department of State, the Congress extended the authority of the Commission to charter certain war-built vessels to Philippine nationals for the life of the Philippine Rehabilitation Act.

During the period under review the Commission discussed at length

with the Department of the Navy and with the Bureau of the Budget problems attendant on the return to the Commission of some 57 commercial-type tankers being operated by the Navy for the transportation of military fuel requirements, and the substitution of privately owned tanker tonnage for this service.

The Maritime Commission-Military-Industry Liaison Committee was established in April 1948, pursuant to the President's request that the construction program of the Maritime Commission should be properly integrated with the over-all security program. The Maritime Commission, the Secretary of Defense, the Department of the Army, the Department of the Navy, the Department of the Air Force, and the American shipping industry were represented on the Committee. At a number of meetings during the year, the Committee considered budgetary and other problems arising out of an expanded merchant-ship construction program which were of particular importance and concern to the several groups represented on the membership of the Committee.

Throughout the year the Commission, through the Joint Army-Navy-Maritime Commission Plans Committee, the Maritime Commission-Military-Industry Liaison Committee, and by conferences with the Congress and the Bureau of the Budget, discussed problems of a budgetary and procedural nature in connection with the repair and maintenance of selected vessels deemed essential to the national defense which are maintained in the Commission's Reserve Fleet.

Through the Joint Army-Navy-Maritime Commission Plans Committee the Commission collaborated with the Departments of the Army and Navy in determining types, numbers, and maintenance status of vessels in the Commission's laid-up fleet as well as other matters of mutual concern.

The Commission was also represented on the Joint Military Transportation Committee of the Joint Chiefs of Staff and on various committees of the Munitions Board as reorganized under the National Defense Act, in order that there might be full understanding and cooperation between the Military Establishment and the Maritime Commission on plans for industrial mobilization and merchant shipping requirements for national defense and economic security.

The Commission has designated one of its staff as a representative on a committee of experts constituted by the Governments of the United States, United Kingdom, and France to report on matters dealing with limitations on features of design, construction, and machinery, and exceptional types of merchant vessels to be constructed in Germany in accordance with the provisions of the tripartite agreement of April 13, 1949, concerning prohibited and limited industries in the occupied areas of western Germany.

Throughout the year the Maritime Commission maintained close liaison with the National Labor Relations Board and with the Federal Conciliation Service as well as the Department of Labor with regard to labor relations as they affect the maritime industry, and with the United States Coast Guard in connection with the training of personnel for service in the Merchant Marine.

APPENDIX A

Employment of United States flag merchant vessels as of June 30, 1949—seagoing vessels of 1,000 gross tons and over (excludes vessels on the inland waterways, the Great Lakes, and those under the control of the U. S. Army and Navy and special types such as cable ships, tugs, etc.)

[Tonnage in thousands]

Status and area of employment	Total			Vessel type								
				Combination passenger and cargo			Freighters			Tankers		
	Number	Gross tons	Dead-weight tons	Number	Gross tons	Dead-weight tons	Number	Gross tons	Dead-weight tons	Number	Gross tons	Dead-weight tons
<i>Total—all vessels</i> 1.....	3,379	23,160	36,234	78	803	610	2,799	19,868	28,444	501	4,489	7,179
Active vessels.....	1,386	10,876	16,049	47	486	388	969	6,895	10,065	370	8,493	5,393
United States foreign trade.....	948	7,823	10,836	43	466	375	807	5,870	8,506	98	988	1,894
United States domestic trade.....	362	3,051	4,631	4	20	13	156	983	1,438	222	1,907	3,180
Foreign to foreign.....	56	530	881				6	41	60	50	508	821
Inactive vessels.....	1,993	14,284	20,184	32	316	221	1,830	12,962	18,379	131	1,005	1,584
Temporarily inactive.....	178	1,397	2,077	9	92	62	63	414	597	106	891	1,417
U. S. M. C. Reserve Fleet.....	1,815	12,886	18,107	23	224	138	1,767	12,548	17,781	25	113	166
<i>Active vessels</i>	1,386	10,876	16,049	47	486	388	969	6,895	10,065	370	8,493	5,393
United States foreign trade.....	948	7,823	10,836	43	466	375	807	5,870	8,506	98	988	1,894
U. S. M. C. owned.....	269	2,274	3,158	8	151	105	291	2,121	3,051			
Chartered.....	209	2,274	3,158	8	151	105	291	2,121	3,051			
G. A. A.....												
Panama Line.....	3	29	20	3	29	20						
Privately owned.....	646	5,020	7,358	32	285	250	516	3,748	5,514	98	988	1,594

	382	3,001	4,631	4	20	13	156	983	1,438	222	1,987	3,180
United States domestic trade.....												
U. S. M. C. vessels.....	57	423	597				57	423	597			
Chartered G. A. A.....	57	423	597				57	423	597			
Privately owned.....	325	2,577	4,034	4	20	13	99	560	841	222	1,987	3,180
Foreign to foreign.....	36	560	881				6	41	60	50	508	821
U. S. M. C. vessels.....	2	14	21				2	14	21			
Chartered G. A. A.....	2	14	21				2	14	21			
Privately owned.....	34	535	860				4	26	38	50	508	821
Inactive vessels.....	1,933	14,284	20,184	32	316	221	1,830	12,962	18,379	131	1,005	1,584
Temporarily inactive.....	178	1,397	2,077	9	82	62	63	414	597	106	891	1,417
U. S. M. C. vessels.....	22	155	211				20	142	192	2	13	19
Chartered G. A. A.....	8	60	83				8	59	83			
Others.....	7	43	53				0	37	43			
Privately owned.....	7	52	75				0	47	66	1	6	9
U. S. M. C. reserve fleet.....	156	1,242	1,865	9	92	62	43	272	405	104	878	1,397
	1,815	12,886	18,107	23	224	158	1,767	12,548	17,781	25	113	166

	Number	Gross tons	Deadweight
U. S. M. C. vessels.....	9	28	28
Chartered G. A. A.....	83	518	786
Others.....	43	271	559
U. S. M. C. reserve fleet.....	135	817	1,188
Which it added to above total.....	3,379	28,160	36,234
	3,514	28,977	37,417

1 Excludes the following U. S. M. C.-owned tonnage transferred to:
 Philippine flag (Rehabilitation Act)
 U. S. R. (Lease)
 U. S. military (B. B. chartered)

(Total)
 Which it added to above total

Would equal U. S. fleet (cf. App. B)

2 Includes vessels awaiting sale, laid-up in foreign ports, etc.

NOTE.—Tonnage figures are not additive since the detailed figures have been rounded to the nearest thousand.

APPENDIX B

Merchant fleets of the world as of June 30, 1949.—Number, gross and dead-weight tonnage of seagoing steam and motor merchant vessels of 1,000 gross tons and over (excludes vessels on the Great Lakes and inland waterways and special types such as channel vessels, icebreakers, cable ships, etc., and merchant vessels owned by any military force)

Flag	Type of vessel																					
	Total			Combination pas- senger and cargo			Combination pas- senger and cargo-reg- ulated			Freighters			Freighters-reg- ulated			Bulk carriers			Tankers (including whaling tankers)			
	Number	Gross tons	Dead-weight tons	Number	Gross tons	Dead-weight tons	Number	Gross tons	Dead-weight tons	Number	Gross tons	Dead-weight tons	Number	Gross tons	Dead-weight tons	Number	Gross tons	Dead-weight tons	Number	Gross tons	Dead-weight tons	
Total—all flags	12,765	72,551.7	102,007.2	1,019	7,083.6	5,621.9	73	726.6	6,043.7	8,868	46,167.1	67,808.2	248	1,475.1	1,669.4	572	1,753.2	2,819.2	1,991	15,315.2	23,454.8	
United States ¹	3,514	25,977.2	37,417.1	78	738.8	582.9	7	49.0	32.5	2,814	19,974.6	28,591.5	49	284.1	300.4	68	401.2	744.3	503	4,509.2	7,195.5	
British Empire	3,146	18,867.0	25,083.9	334	2,853.3	2,075.2	48	590.3	427.6	1,882	10,060.9	14,827.3	103	890.4	1,032.2	248	597.0	921.1	531	3,873.5	5,705.5	
United Kingdom	2,509	16,320.6	21,621.6	236	2,464.7	1,773.8	1	494	46,577	9,519.8	1,494	8,255.5	12,173.7	101	882.8	1,024.7	168	473.4	734.8	494	3,856.0	5,394.8
Canada	238	1,249.2	1,705.7	30	100.0	41.2	1	8.2	3.7	153	905.6	1,305.6	1	15.3	15.3	24	48.0	74.8	30	187.1	280.4	
Australia	119	490.1	576.1	17	101.4	71.5	3	3.1	87	280.6	434.0	1	87	280.6	434.0	15	48.0	70.6	1	1.4	1.4	
New Zealand	48	146.6	165.2	7	32.7	30.6	1	4.2	32	92.5	128.7	1	32	92.5	128.7	7	15.6	21.7	1	3.3	3.3	
India	71	344.8	503.7	13	60.5	74.8	5	27.3	55	271.3	407.8	1	16	95.4	138.5	2	9.5	15.7	1	10.4	16.8	
Union of South Africa	18	115.7	167.1	1	9.8	11.8	1	11.8	16	95.4	138.5	1	16	95.4	138.5	1	9.5	15.7	1	10.4	16.8	
Pakistan	6	33.7	49.9	6	33.7	49.9	39	126.3	189.1	2	7.6	7.6	2	7.6	7.6	2	2.5	3.5	4	5.6	7.0	
Other colonies	77	298.3	298.3	30	84.2	91.5	39	126.3	189.1	2	7.6	7.6	2	7.6	7.6	2	2.5	3.5	4	5.6	7.0	
Argentina	118	629.8	897.2	8	51.4	44.6	65	366.2	556.3	3	7.0	8.4	3	7.0	8.4	3	4.7	6.5	33	100.7	298.6	
Belgium	78	380.2	527.7	9	69.6	73.6	57	283.5	378.4	2	4.7	4.3	2	4.7	4.3	2	3.2	5.1	5	41.8	61.0	
Brazil	170	640.7	883.5	34	134.1	135.3	121	465.3	688.0	2	6.9	10.7	2	6.9	10.7	6	11.0	17.2	9	30.2	43.0	
Bulgaria	2	6.9	10.7	2	6.9	10.7	2	6.9	10.7	2	6.9	10.7	2	6.9	10.7	2	6.9	10.7	2	6.9	10.7	
China	42	169.5	207.9	9	38.0	41.5	19	77.2	100.2	3	10.0	14.5	3	10.0	14.5	14	44.1	63.2	24	63.8	89.5	
Colombia	216	682.3	921.4	25	68.1	50.0	184	519.5	736.4	3	10.0	14.5	3	10.0	14.5	10	20.6	31.0	24	63.8	89.5	
Costa Rica	12	36.5	49.5	1	1.0	1.0	10	32.4	44.9	1	1.0	1.0	1	1.0	1.0	1	1.0	1.0	2	3.1	4.6	
Cuba	10	24.6	30.4	1	2.4	2.1	1	1.0	1.0	1	1.0	1.0	1	1.0	1.0	1	1.0	1.0	2	3.1	4.6	
Dominican Republic	288	1,033.3	1,625.5	29	91.4	78.1	226	743.1	1,143.9	10	21.4	30.8	10	21.4	30.8	14	31.3	49.6	17	141.8	217.4	
Ecuador	4	9.9	13.0	1	3.4	2.2	3	3.9	4.7	3	8.7	11.3	3	8.7	11.3	3	8.7	11.3	1	1.2	1.7	

(Tonnage in thousands)

FREIGHTERS

Total	248	1,647,006	4	44,472	126	900,841	35	244,085	14	75,105	10	35,225	12	64,267	12	66,100	35	216,911
United States	2	28,412	2	29,412	63	562,160											2	16,126
United Kingdom	65	578,256			17	90,300			2	18,800	10	35,225	1	4,650			9	58,700
Norway	62	373,650			2	4,240											5	23,720
France	20	97,710			2	6,800										12	66,100	
Denmark	12	74,517			2	21,000		19,550					8	48,167				
Netherlands	13	73,505			2	41,440		42,135	11	52,505								
Sweden	19	95,575			11	174,901		16,425	1	3,800			2	7,800			1	10,000
All others	55	326,351	2	15,060	29												13	108,365

TANKERS

Total	78	1,179,970	14	345,485	35	435,720	17	245,065					4	64,150	4	54,150	4	35,400
United States	2	53,055																
United Kingdom	21	247,570	2	53,055	21	247,570												
Norway	28	415,115			11	147,850												
France	5	70,150			2	31,000		302,615					3	48,150			1	16,500
Denmark	2	31,000			2								1	16,000		54,150		
Netherlands																		
Sweden	4	42,450																
All others	16	320,630	12	292,430	1	9,300	4	42,450									3	18,900

APPENDIX D

Number and dead-weight tonnage of vessels delivered by United States shipyards for the Maritime Commission, private and foreign account, July 1, 1948, to June 30, 1949

Account and vessel type	Total		July 1, 1948, to Sept. 30, 1948		Oct. 1, 1948, to Dec. 31, 1948		Jan. 1, 1949, to Mar. 31, 1949		Apr. 1, 1949, to June 30, 1949	
	Num- ber	Dead- weight	Num- ber	Dead- weight	Num- ber	Dead- weight	Num- ber	Dead- weight	Num- ber	Dead- weight
<i>Maritime Commission</i>										
Major types:										
Dry cargo.....										
Standard cargo.....										
Combination passen- ger and cargo.....										
Total Maritime Commission.....										
<i>Private and foreign account</i>										
Major types:										
Cargo.....	4	44,472	4	44,472						
Combination passenger and cargo.....					3	66,300	4	89,301	7	189,884
Tankers.....	14	345,485								
Total major types.....	18	389,957	4	44,472	3	66,300	4	89,301	7	189,884
Minor types:										
Coastal cargo.....										
Tankers.....										
Total minor types.....										
Total private and for- ign account.....	18	389,957	4	44,472	3	66,300	4	89,301	7	189,884
Grand total.....	18	389,957	4	44,472	3	66,300	4	89,301	7	189,884

¹ Includes 2 vessels of 15,000 dead weight for operation under the Brazilian flag.

² Includes 2 vessels of 36,300 dead weight for operation under the Honduran flag and 1 vessel of 30,000 dead weight for operation under the Panamanian flag.

³ Includes 1 vessel of 18,149 dead weight for operation under the Honduran flag and 2 vessels of 44,597 dead weight for operation under the Liberian flag.

⁴ Includes 2 vessels of 56,006 dead weight for operation under the Panamanian flag and 3 vessels of 80,853 dead weight for operation under the Liberian flag and 1 vessel of 26,525 dead weight for operation under the Canadian flag.

APPENDIX E

Progress of construction on vessels under Maritime Commission contract as of June 30, 1949

Type	Name	Operator	Builder	Percent of vessel completion	Date of contract	Keel laid	Estimated delivery
P2-S1-DN1..	President Jackson.	American President Lines, Ltd.	New York Shipbuilding Corp., Camden, N. J.	9.83	Aug. 18, 1948	June 1, 1949	Aug. 1, 1950
Do.....	President Adams.	do	do	8.08	do		Oct. 1, 1950
Do.....	President Hayes.	do	do	7.70	do		Dec. 1, 1950
P3-S2-DL2..	Independence.	American Export Lines, Inc.	Bethlehem Steel, Quincy yard, Quincy, Mass.	9.12	Aug. 11, 1948	Mar. 29, 1949	Sept. 10, 1950
Do.....	Constitution	do	do	5.71	do		Dec. 9, 1950
P6-S4-DS1..		United States Lines.	Newport News Shipbuilding & Dry Dock Co., Newport News, Va.	1.1	Apr. 7, 1949		Aug. 7, 1952 (contract date)

APPENDIX F

Statement reflecting cash and United States Government securities on deposit in the statutory capital and special reserve funds of subsidized operators as at June 30, 1949

Operator	Capital reserve fund	Special reserve fund	Total
American Export Lines, Inc.....	\$3,506,261.21	\$1,993,918.08	\$5,500,179.29
American Mail Line, Ltd.....	633,186.71	654,429.45	1,288,596.16
American President Lines, Ltd.....	6,500,316.24	2,443,133.71	8,943,449.95
Farrall Lines, Inc.....	151,059.69	2,182,666.22	2,333,725.91
Grace Line, Inc.....	10,385,156.85	2,921,315.26	13,306,472.11
Lykes Bros. Steamship Co., Inc.....	6,017,199.43	10,542,382.57	16,559,582.00
Mississippi Shipping Co., Inc.....	3,266,576.79	1,242,096.46	4,508,583.25
Moore-McCormack Lines, Inc.....	3,088,383.29	10,985,757.80	14,074,143.09
New York and Cuba Mail Steamship Co.....	5,355,250.25	1,154,361.14	6,509,611.39
The Oceanic Steamship Co.....	3,454,950.21	426,096.98	3,881,046.19
Seas Shipping Co., Inc.....	171,618.85	2,102,157.99	2,273,776.84
United States Lines Co.....	3,845,706.47	3,482,647.83	7,328,554.30
Totals.....	46,377,647.99	40,131,072.49	86,508,720.48

APPENDIX G

Status of wartime, interim, and long-range construction audit program

	June 30, 1948		June 30, 1949	
	Number of contracts	Value	Number of contracts	Value
<i>Wartime construction program</i>				
Completed audits:				
Ships.....	494	\$7,658,456,139	570	\$7,854,919,670
Facilities.....	79	501,874,058	31	502,128,056
Miscellaneous.....	124	132,507,828	98	100,591,281
Total.....	697	8,292,838,005	749	8,457,639,001
Incomplete audits:				
Ships.....	155	1,987,758,930	74	1,400,484,218
Facilities.....	9	52,023,815	8	51,134,387
Miscellaneous.....	38	18,059,230	15	11,247,471
Total.....	202	2,057,841,975	97	1,462,866,076
Total wartime construction program.....	¹ 899	10,350,679,980	846	9,920,505,077
<i>Interim program</i>				
Completed audits:				
Ships.....			3	197,647,386
Reconversions.....	1	438,375	6	2,190,467
Reconversion allowances.....			1	428,906
Miscellaneous.....	² 1,824	426,420,289	1,939	472,821,033
Total.....	1,825	426,858,664	1,949	673,087,832
Incomplete audits:				
Ships.....			7	155,610,204
Reconversions.....	148	113,213,396	151	121,661,314
Reconversion allowances.....	27	1,539,495	280	52,724,933
Miscellaneous.....	² 130	16,684,576	265	24,823,720
Total.....	305	131,437,467	703	354,820,171
Total interim program.....	2,130	558,296,131	2,652	1,027,908,053
<i>Long-range construction program</i>				
Incomplete audits:				
Ships.....	9	28,608,940	15	171,392,433
Miscellaneous.....			10	15,030,000
Total long-range construction program.....	9	28,608,940	25	186,422,433
Grand total construction program.....	3,038	10,937,585,051	3,523	11,134,836,563

¹ The total of 899 wartime construction contracts, as of June 30, 1948, included 53 contracts which were classed as yard maintenance contracts, lay-up contracts, and catch-all contracts. As of June 30, 1949, they have been included with the interim program totals, since these contracts were executed subsequent to VJ-day.

² The total figures previously reported as of June 30, 1948, were for prime vessel construction, facilities, and reconversion contracts, etc. Subcontracts, and other related audit jobs, such as termination claims, cafeteria contracts, housing contracts, etc., were omitted. In the foregoing figures such items have been included, both at June 30, 1948, and June 30, 1949, more completely to set forth the total construction audit work.

APPENDIX H

Number and amounts of claims on hand as of June 30, 1949

	In favor of United States		Against United States	
	Number	Amount	Number	Amount
<i>Division of Claims</i>				
Construction and repair, Contracts Claims Branch.....	841	\$4,983,833	443	\$48,240,737
Field Representative Branch.....	485	2,466,700	32	107,500
Insurance Claims Branch.....	1,850	17,849,982	3,136	39,430,810
Procurement and Sales Claims Branch.....	15,304	5,680,934	338	2,010,893
Vessel Operations Claims Branch.....	1,270	8,094,467	1,100	10,466,115
Claims Review Branch.....	2	1,200,035	8	463,583
Total.....	19,752	40,275,951	5,057	100,769,638
<i>Other offices</i>				
Bureau of Engineering.....			8	1,181,525
Bureau of Government Aids.....	40	531,374	94	2,586,864
Bureau of Law.....	1,268	26,809,730	8,869	631,450,317
Bureau of Marine Operations.....	1,175	9,428,798	3,618	15,551,591
Price Adjustment Board.....	66	4,261,000		
Bureau of Finance (Division of Audits).....	328	11,513,267	288	9,258,025
Total.....	2,877	52,545,169	12,877	660,028,322
Grand total.....	22,629	92,821,120	17,934	760,797,960

APPENDIX I

New ship construction, reconditioning and betterment as at June 30, 1949

	Number of ships	Type	Gross tonnage	Estimated or actual date of completion	Estimated construction cost
<i>Fiscal year 1947-48 program authorized by Public Laws 269 and 362</i>					
Ships under construction:					
Round-the-world.....	2	Passenger.....	26,000	Oct. 1, 1950	\$26,000,000
North Atlantic-Mediterranean.....	2	do.....	42,000	Dec. 9, 1950	58,000,000
Total.....	4		68,000		84,000,000
Reconditioning and betterment:					
Moore-McCormack Lines.....	3	C3-S-A2.....		May 27, 1948	542,795
Matson Navigation Co.....	2	C3-S-A2.....		Mar. 29, 1948	752,696
Pope and Talbot.....	2	C3-S-A2.....		Nov. 17, 1948	695,964
Isthmian S. S. Co.....	4	C3-S-A2.....		July 15, 1948	1,466,408
American Export Lines.....	4	Passenger-cargo.....		Nov. 22, 1948	4,035,772
Mississippi Shipping Co., Inc.....	3	C1-A.....		July 3, 1949	418,218
Do.....	3	C1-A.....		July 31, 1949	267,718
American President Lines, Ltd.....	3	C3-S-A2.....		Apr. 5, 1949	2,094,761
New York & Cuba Mail S. S. Co.....	2	C2-S-B1.....		Dec. 30, 1948	154,048
Total.....	26				11,028,380
Reserve, for changes and extras.....					3,971,620
Total appropriated for reconditioning and betterment.....					15,000,000
Total fiscal year 1947-48 program.....					99,000,000
<i>Fiscal year 1949 program authorized by Public Law 362</i>					
Ships under construction:					
Round-the-world.....	1	Pass.-cargo.....	13,000	Dec. 1, 1950	13,000,000
North Atlantic service.....	1	Passenger.....	48,000	Aug. 7, 1952	73,000,000
Total.....	2		61,000		86,000,000
Application pending:					
Gulf to east coast of South America.....	1	do.....	16,000	Sept. 15, 1951	16,000,000
Total ship construction.....	3		77,000		102,000,000
Reconditioning and betterment:					
Farrell Lines.....	2	Passenger-cargo.....		July 20, 1949	871,107
American President Lines, Ltd.....	5	C3-S-A4.....		July 31, 1949	175,000
Do.....	4	VC2-S-AP3.....		do.....	420,000
Total.....	11				1,466,107
Unobligated balance available to Dec. 31, 1949, reserved for pending applications or for changes and extras, etc., on ships under contract. A request for extension to Dec. 31, 1949, to incur obligations is pending before the Congress.....					
					533,893
Total allocated for reconditioning and betterment.....					2,000,000
Total fiscal year 1949 program.....					104,000,000

APPENDIX J

Shipbuilding program—Sale of ships, long-range program, fiscal year 1949

Purchaser	Type of ship	Number of ships	Estimated foreign cost ¹
<i>Ships sold at foreign cost less national defense features</i>			
COMPLETED			
None.....			
<i>Ships sold at domestic cost less national defense features</i>			
COMPLETED			
None.....			
UNDER CONSTRUCTION			
American Export Lines, Inc.....	P3-S2-DL2 passenger.....	2	\$23,912,570
American President Lines, Ltd.....	P2-S1-DN1 cargo-passenger.....	3	17,574,300
United States Lines Co.....	P6-S4-DS1 passenger.....	1	26,749,730
Total.....		6	68,236,600
<i>Subsidized ship privately constructed</i>			
COMPLETED			
United Fruit Steamship Corp.....	R1-S-DH1 refrigerator.....	1	\$1,555,555
			Estimated subsidy ²

¹ Figures subject to escalation and final audit.

² Privately constructed vessel, estimated construction-differential subsidy.

APPENDIX K

Statement showing type, number, gross tonnage, average age of vessels approved by U. S. Maritime Commission for transfer to alien ownership and/or registry and flag pursuant to section 9 of the Shipping Act, 1916, as amended, for the period July 1, 1948, to June 30, 1949

Type	Number	Total gross tonnage	Average age
<i>Privately owned</i>			
Sailing vessels, schooners.....	2	491	37.5
Tugs and barges.....	30	14,907	15.9
Pleasure vessels, yachts, etc.....	22	5,482	17.5
Tankers.....	18	124,634	18.6
Commercial vessels under 1,000 gross tons (fishing vessels, etc.).....	121	27,039	9.6
Commercial vessels over 1,000 gross tons (cargo; combination cargo-passenger):			
(a) By subsidized lines.....	32	154,816	13.1
(b) By nonsubsidized lines.....			
Total.....	225	327,369	12.7
Mortgage to alien.....	1	7,176	7
<i>Government-owned</i>			
Dry cargo vessels over 1,000 gross tons.....	18	87,353	7.1
Tankers.....	2	1,346	6.5
Commercial vessels under 1,000 gross tons.....	8	3,638	5.2
Total.....	28	92,337	6.5
Grand total.....	253	419,706	12
Mortgage to an alien.....	1	7,176	7

APPENDIX K--Continued

Nationality, number, and tonnage of vessels approved for transfer

Nationality	Privately owned		Government-owned		Total	
	Number vessels	Gross tonnage	Number vessels	Gross tonnage	Number vessels	Gross tonnage
Argentine.....	20	17,350	1	520	21	17,870
Brazilian.....	2	620			2	620
British.....	6	1,603	2	8,335	8	9,938
Canadian.....	19	5,560	2	857	21	6,417
Chilean.....	4	780			4	780
Chinese.....			2	6,300	2	6,300
Colombian.....	4	1,005			4	1,005
Costa Rican.....	5	1,467			5	1,467
Cuban.....	11	6,164	1	150	12	6,314
Dominican.....	2	776			2	776
Ecuadorian.....	4	1,636	2	1,500	6	3,136
Egyptian.....	1	170			1	170
French.....	29	13,471			29	13,471
Guatemalan.....	3	198			3	198
Haitian.....	1	84			1	84
Honduran.....	17	17,646	2	599	19	18,245
Israeli.....	2	76			2	76
Italian.....	5	17,280	1	7,176	6	24,456
Korean.....			1	219	1	219
Kuwait.....	1	749			1	749
Liberian.....	1	499			1	499
Mexican.....	26	6,571			26	6,571
Newfoundland.....	2	297			2	297
Nicaraguan.....	3	397			3	397
Norwegian.....			2	14,407	2	14,407
Panamantan.....	25	158,487			25	158,487
Peruvian.....	3	484			3	484
Philippine.....	1	611			1	611
Portuguese.....	2	491			2	491
South African.....	3	157			3	157
Venezuelan.....	8	1,983	6	14,400	14	16,383
Sale alien.....	210	256,512	22	54,463	232	310,975
	15	70,857	6	37,874	21	108,731
Total.....	225	327,369	28	92,337	253	419,706
Mortgage to an alien.....	1	7,176			1	7,176

APPENDIX L

Status of sales under Merchant Ship Sales Act of 1946, as amended, as at June 30, 1949

	Purchase application approved			Title transferred			Available for sale ¹			Pend- ing pur- chase applica- tions, United States registry
	United States regis- try	For- eign regis- try	Total	United States regis- try	For- eign regis- try	Total	Mer- chant vessels	Mili- tary auxil- iaries	Total	
Major type dry cargo:										
C1A (S).....	6		6	6		6	5	7	12	
C1A (M).....	5	37	42	5	37	42				
C1B (S).....	12	3	15	12	3	15	18	14	32	5
C1B (M).....		2	2		2	2	4	1	5	2
C1-S-AY1.....		6	6		6	6		5	5	
Total C1.....	23	48	71	23	48	71	27	27	54	7
C2 refrigerated.....							14		14	
C2-S-AJ1.....	41		41	40		40				
C2-S-B1.....	76	4	80	76	4	80		3	3	7
C2-S-E1.....	4	4	8	4	4	8				
Other C2.....	4	4	8	4	4	8		5	5	
Total C2.....	125	8	133	124	8	132	14	8	22	7
C3-S-A2.....	75		75	75		75				
C3-S-A3.....	7		7	7		7				
Other C3.....	6		6	6		6				
Total C3.....	88		88	88		88				
C4.....							15	28	43	30
Total C type.....	236	56	292	235	56	291	56	63	119	44
Passenger types.....	1		1	1		1	2	5	7	2
EC2-S-AW1.....	24		24	23		23				
EC2-S-C1.....	113	589	702	105	589	694	1,261	353	1,614	36
Z-EC2.....	1		1	1		1	34	5	39	2
Z-ET1 (tanker).....	48		48	47		47	8	2	10	82
Total Liberty ²	138	589	727	129	589	718	1,295	358	1,653	38
VC2-S-AP2.....	10	66	76	9	66	75	140	28	168	
VC2-S-AP3.....	26	34	60	19	34	53	66	8	74	25
VC2-M-AP4.....	1		1							
VC2-S-AP5.....								60	60	
Total Victory.....	37	100	137	28	100	128	206	96	302	25
Total major type dry cargo and pas- senger ²	412	745	1,157	393	745	1,138	1,559	522	2,081	109
Coastal type dry cargo:										
N3-M-A1.....								14	14	
N3-S-A1.....		32	32		32	32				
N3-S-A2.....		29	29		29	29	11		11	
C1-M-AV1.....	6	91	97	6	91	97	64	17	81	3
C1-M-AV1 Re- frigerated.....							5	7	12	
C1-MT-BU1.....	4		4	4		4				
YF (bargo).....	16		16	16		16				1
Total coastal type dry cargo.....	26	152	178	26	152	178	80	38	118	4
Total dry cargo and passenger	438	897	1,335	419	897	1,316	1,639	560	2,199	119

See footnotes at end of table.

APPENDIX L—Continued

Status of sales under Merchant Ship Sales Act of 1946, as amended, as at June 30, 1949—Continued

	Purchase application approved			Title transferred			Available for sale ¹			Pending purchase applications, United States registry
	United States registry	Foreign registry	Total	United States registry	Foreign registry	Total	Merchant vessels	Military auxiliaries	Total	
Major type tankers (including Z-ET1)										
T2-SE-A1	187	203	390	187	203	390				\$ 169
T2-SE-A2										
T2-S-A1	5		5	5		5				
Special (Z-ET1—from Liberty group)	10		10	10		10		2	2	
Total major type tankers (including Z-ET1)	48		48	47		47	8	2	10	82
T1-M-BT (coastal tanker)	5	13	18	5	13	18	4		4	
Total tankers (including Z-ET1)	255	216	471	254	216	470	12	4	16	251
Grand total, all types	693	1,113	1,806	673	1,113	1,786	1,651	564	2,215	364

¹ Subject to changing requirements of the Government.

² ZET1—Tanker—from Liberty group not included in this figure. See major type tanker group.

³ At present the Commission has no T2 tankers for sale.

APPENDIX M

Sale of vessels under Merchant Marine Acts of 1936 and 1920 and Surplus Property Act of 1944—July 1, 1948, to June 30, 1949

Vessels sold for operation under United States registry	12
Vessels sold for operation under foreign registry	4
Vessels sold for nonoperation	
Vessels sold for non-self-propelled operation	2
Vessels sold for scrapping	26
Total number of vessels sold	44
Dead-weight tonnage sold for operation	74,527
Light-weight tonnage sold for nonoperation	
Dead-weight tonnage sold for non-self-propelled operation	7,400
Light-weight tonnage sold for scrapping	83,546
Amount received from sales for operation	\$876,221.11
Amount received from sales for nonoperation	
Amount received from sales for non-self-propelled operation	103,568.00
Amount received from sales for scrapping	1,653,581.84
Amount received from forfeitures	
Amount received from custody charges, etc.	24,460.00
Amount received from defaults in contract performance	7,300.00
Total amount received	2,665,130.45
Average price received per dead-weight ton (operation)	\$11.76
Average price received per light-weight ton (nonoperation)	
Average price received per dead-weight ton (non-self-propelled operation)	14.00
Average price received per light-weight ton (scrapping)	19.79

APPENDIX N

Bareboat-chartered vessels by month, fiscal year 1949

Type	1948						1949						
	June 30	July 31	Aug. 31	Sept. 30	Oct. 31	Nov. 30	Dec. 31	Jan. 31	Feb. 28	Mar. 31	Apr. 30	May 31	June 30
Liberty.....	433	415	398	333	255	240	228	244	244	244	255	253	250
Passenger.....	11	11	9	8	8	8	8	8	8	7	11	11	11
Reofer.....	15	13	14	13	6	6	12	12	12	12	12	12	12
Cl-M-AV1.....	47	43	39	37	31	25	21	22	20	21	23	22	19
Cl-B.....	12	11	8	4	4	4	6	6	6	6	4	3	3
C3.....	1	0	0	0	0	0	0	0	0	0	0	0	0
C4.....	15	14	14	14	12	12	15	15	14	15	15	14	13
VC2-S-A P2.....	60	56	55	53	45	44	41	42	44	44	43	43	40
VC2-S-A P3.....	60	55	44	40	35	31	26	29	28	30	29	28	24
N3.....	6	5	5	5	5	5	5	5	5	3	3	3	3
Great Lakes.....	7	7	7	7	7	7	7	7	7	7	7	7	7
Total.....	667	630	593	514	408	382	369	390	388	389	402	396	382

APPENDIX O

Charter hire receipts, fiscal year 1949

	Basic charter hire	Additional charter hire	Total charter hire
Interim agreements.....	\$41,464.79	\$120,442.97	\$161,907.76
Ship Sales Act charter agreements.....	52,169,915.92	4,510,863.69	56,680,779.61
Land-Leathers agreement.....	298,101.84	-----	298,101.84
Lend-lease.....	8,364.69	-----	8,364.69
Seajap vessels.....	130,526.31	-----	130,526.31
Miscellaneous.....	2,201,100.29	-----	2,201,100.29
Total.....	54,849,473.84	4,631,306.66	59,480,780.50

¹ Inadvertently included in fiscal year 1948.

² Includes receipts during year affecting prior periods.

APPENDIX P

Vessels in reserve fleets, by months, fiscal year 1949

Fleet	1948						1949					
	July 31	Aug. 31	Sept. 30	Oct. 31	Nov. 30	Dec. 31	Jan. 31	Feb. 28	Mar. 31	Apr. 30	May 31	June 30
Hudson River, N. Y.....	112	110	126	142	142	140	135	135	136	129	123	122
James River, Va.....	439	439	445	440	444	445	444	442	440	441	440	441
Wilmington, N. C.....	402	420	425	427	427	425	425	424	424	421	422	421
Mobile, Ala.....	170	173	197	220	231	235	231	231	231	230	231	233
Beaumont, Tex.....	88	104	118	143	167	171	167	166	165	169	170	168
Suisun Bay, Calif.....	309	306	310	324	329	326	322	321	321	324	324	327
Astoria, Oreg.....	136	136	140	149	150	167	167	167	165	162	162	162
Olympia, Wash.....	56	56	56	55	56	56	55	55	55	53	54	58
Baltimore, Md.....	1	1	1	1	1	1	1	1	1	1	2	2
Total.....	1,713	1,745	1,818	1,901	1,947	1,966	1,947	1,942	1,938	1,930	1,928	1,934

APPENDIX Q
Appropriation, transfers, collections, and disbursements, fiscal year 1949

Appropriation symbol	Title	Balance July 1, 1948	Appropriation		Receipts	Disbursements	Balance, June 30, 1949	Sched-ule
			Increase	Decrease				
<i>Appropriated funds with U. S. Treasury</i>								
69-114/70000.....	United Nations Relief and Rehabilitation Administration (allotment to U. S. Maritime Commission and liquidation of War Shipping Administration functions), 1944-47.	\$4,221,513.47	\$2,408,000.00	0	\$148,668.50	\$8,050,761.62	\$727,420.85	O-1
69-111/40023.....	Defense aid, vessels and other watercraft (allotment to U. S. Maritime Commission), 1941-44.	1,149.30	0	0	0	1,149.30	0	-----
69-111/60023.....	Defense aid, vessels and other watercraft (allotment to U. S. Maritime Commission), 1941-46.	5,246,557.11	0	\$5,247,164.73	154,298.61	153,047.00	653.99	-----
69-111/60023(40).....	Defense aid, vessels and other watercraft (allotment to War Shipping Administration), 1941-46.	69,974,150.17	0	69,974,150.17	0	0	0	-----
69-111/60025.....	Defense aid facilities and equipment (allotment to U. S. Maritime Commission), 1941-46.	39,674.11	0	39,674.11	0	0	0	-----
69-111/60026.....	Defense aid, agricultural, industrial and other commodities (allotment to U. S. Maritime Commission), 1941-46.	11,474.19	0	11,474.19	0	0	0	-----
69-111/60027.....	Defense aid, testing, reconditioning, etc., of defense articles (allotment to U. S. Maritime Commission), 1941-46.	390,545.03	0	390,590.08	45.00	0	0	-----
69-111/60027(40).....	Defense aid, testing, reconditioning, etc., of defense articles (allotment to U. S. Maritime Commission, War Shipping Administration functions), 1941-46.	2,753,558.62	0	2,904,523.17	741,853.23	595,863.68	0	-----
69-111/60028.....	Defense aid, services and expenses (allotment to U. S. Maritime Commission), 1941-46.	1,987.66	0	1,987.66	935.85	935.85	0	-----
69-111/60028(40).....	Defense aid, services and expenses (allotment to U. S. Maritime Commission, War Shipping Administration functions), 1941-46.	2,819,517.58	0	2,819,547.58	0	0	0	-----
69-111/60029.....	Defense aid, administrative expense (allotment to U. S. Maritime Commission), 1941-46.	509.74	0	509.74	0	0	0	-----
69-1160033.....	Obligations, defense aid, liquidation lend-lease program (allotment to U. S. Maritime Commission), 1946.	0	10,000,000.00	0	0	2,522,835.31	7,477,164.69	-----
6990100.....	Salaries and expenses, U. S. Maritime Commission, 1949.	0	68,360,775.00	0	62,843.07	21,166,242.39	47,257,375.68	O-2
69X0115.....	Federal thru mortgage insurance fund, U. S. Maritime Commission.	586,857.73	0	0	1,550.00	0	588,407.73	-----
69X0200.....	Construction fund, U. S. Maritime Commission, act June 29, 1938, revolving fund.	2,964,662.68	1,169,338.17	0	23,523.31	3,194,779.22	963,044.94	O-3

69X0201.....	Emergency ship construction fund, U. S. Maritime Commission.	115,722.50	0	0	0	10,188.92	105,533.58	-----
69X0210.....	Judgments, United States courts, U. S. Maritime Commission.	14,284.07	4,160.41	0	0	6,910.41	11,584.07	-----
69X0211.....	Judgments, Court of Claims, U. S. Maritime Commission.	75,670.55	32,423.00	0	0	25,250.00	82,843.55	-----
69X0215.....	Claim on Damages Act, Dec. 29, 1922, U. S. Maritime Commission.	110.00	0	0	0	0	110.00	-----
6990225.....	State marine schools (act Mar. 4, 1911), 1949.	0	400,000.00	0	0	348,695.26	51,304.74	O-4
6980225.....	State marine schools, U. S. Maritime Commission, 1949.	171,443.74	0	0	1,068.22	65,197.31	107,314.65	O-5
698903000.....	Construction fund, U. S. Maritime Commission, 1948—Sept. 30, 1948.	0	29,715,546.00	0	2,982.25	6,483,272.15	23,235,263.10	O-6
6980300.....	Construction fund, U. S. Maritime Commission, 1948.	83,795,445.81	0	29,715,546.00	8,043,429.20	30,246,822.01	31,876,307.00	O-7
6990301.....	Vessel operating functions, U. S. Maritime Commission, 1949.	0	25,483,976.00	0	3,014.00	15,529,184.96	6,473,923.04	O-25
69X0351.....	Marine and war risk insurance fund, revolving fund, War Shipping Administration functions, U. S. Maritime Commission.	470.00	0	470.00	0	0	0	-----
6990524.....	Maritime training fund, U. S. Maritime Commission, 1949.	0	7,744,000.00	126,896.00	106,031.07	6,318,743.73	1,401,391.34	O-8
6980524.....	Maritime training fund, U. S. Maritime Commission, 1948.	965,730.15	0	47,500.00	176,466.27	1,039,686.62	102,508.80	O-9
69-9061000 (40).....	Foreign Service pay adjustment, appreciation of foreign currencies (U. S. Maritime Commission, War Shipping Administration functions), 1946.	47,500.00	0	47,500.00	0	0	0	-----
69-108/01091.....	Salaries and expenses, Philippine Rehabilitation, Department of State (transfer to U. S. Maritime Commission), 1948-50.	73,379.00	0	73,379.00	50,465.00	50,465.00	0	O-10
69-197/01091.....	Salaries and expenses, Philippine Rehabilitation, Department of State (transfer to U. S. Maritime Commission), 1947-50.	62,657.89	208,492.00	0	14,051.76	186,766.22	118,465.43	O-11
69X4000.....	War Shipping Administration functions revolving fund, U. S. Maritime Commission, Dec. 31, 1946.	2,589,029.58	2,266,543.77	83.05	906,180.80	3,219,807.16	2,541,783.41	O-12
6974001.....	State marine schools, War Shipping Administration functions, U. S. Maritime Commission, 1947.	167,737.71	0	0	0	79,985.01	87,752.70	O-13
6984001.....	State marine schools, War Shipping Administration functions, U. S. Maritime Commission, 1946.	28,307.47	0	28,307.47	0	0	0	-----
6974002.....	Maritime training fund, War Shipping Administration functions, U. S. Maritime Commission, 1947.	3,310,835.16	0	0	699.56	64,785.05	3,246,749.66	O-14
6964002.....	Maritime training fund, War Shipping Administration functions, U. S. Maritime Commission, 1946.	4,629,711.49	0	4,569,060.83	1,298.40	1,104.37	60,844.69	O-15
6954002.....	Maritime training fund, War Shipping Administration functions, U. S. Maritime Commission, 1945.	90,468.66	0	99,901.44	15,906.88	6,474.10	0	O-16
69X5900.....	Working fund, U. S. Maritime Commission.	38,803,640.18	0	0	116,979.93	8,169,736.15	30,758,883.96	O-17
6995900.....	Working fund, U. S. Maritime Commission, 1949.	0	0	0	450,000.00	375,006.87	74,993.13	O-18
6985900.....	Working fund, U. S. Maritime Commission, 1948.	0	0	0	194,439.00	63,347.24	131,091.76	O-19
6975900.....	Working fund, U. S. Maritime Commission, 1947.	139,325.70	0	0	0	188,545.21	777.49	O-20

APPENDIX Q—Continued
Appropriation, transfers, collections, and disbursements, fiscal year 1949—Continued

Appropriation symbol	Title	Balance July 1, 1948	Appropriation		Receipts	Disbursements	Balance June 30, 1949	Schedule
			Increase	Decrease				
<i>Appropriated funds, with U. S. Treasury—Continued</i>								
69765900	Working fund, U. S. Maritime Commission, 1945-46.	\$608,346.60	0	\$608,346.60	0	0	0	-----
69765900	Working fund, U. S. Maritime Commission, 1945-46.	376,365.22	0	376,365.22	0	0	0	-----
69X5940	Working fund, U. S. Maritime Commission, War Shipping Administration functions.	915,455.07	0	0	0	\$67,539.57	\$847,915.50	O-21
6968940	Working fund, U. S. Maritime Commission, War Shipping Administration functions, 1946.	595,338.98	0	595,338.98	0	0	0	-----
69786034	Operations of functions of War Shipping Administration, U. S. Maritime Commission, Sept. 1, 1945-Mar. 31, 1948.	14,305,620.37	0	0	\$27,396,318.85	29,724,337.59	11,977,601.63	O-22
69800088	Salaries and general administrative expenses, liquidation of functions of War Shipping Administration, U. S. Maritime Commission, 1948.	549,833.04	0	0	40,875.36	363,181.48	227,126.12	-----
6986049	Vessel operating functions of War Shipping Administration, U. S. Maritime Commission, Apr. 1, 1948, 1948.	2,374,002.24	\$5,000,000.00	0	37,237.59	4,496,073.21	2,925,166.02	-----
69X5880 (40)	Defense aid special fund (allotment to U. S. Maritime Commission), War Shipping Administration functions, Dec. 31, 1946.	756,905.48	0	638,704.17	0	109,372.59	8,828.72	-----
69X5887	Unencumbered moneys, vessel operation functions of War Shipping Administration, U. S. Maritime Commission.	500,000.00	1,500,000.00	0	0	904,934.95	1,095,065.05	-----
69X3860	Wages due American seamen, War Shipping Administration functions, U. S. Maritime Commission.	0	663,953.42	0	0	9,228.65	654,724.77	-----
69X3869	Unencumbered moneys, merchant ship sales, war-built vessels, U. S. Maritime Commission.	6,638,774.75	32,500,000.00	0	1,386.45	21,603,263.96	17,536,897.24	-----
69X5890	Unencumbered moneys, construction of contracts with the United States and other cost-plus-fixed-fee contracts, U. S. Maritime Commission.	1,403,986.76	163,710.12	0	0	3,355.91	1,568,340.97	-----
69-111/60026 (40)	Defense aid, agricultural, industrial other commodities (allotment to U. S. Maritime Commission), War Shipping Administration functions, 1947-46.	0	146,009.55	0	0	146,009.55	0	-----

APPENDIX Q—Continued
Appropriation, transfers, collections, and disbursements, fiscal year 1949—Continued

Appropriation symbol	Title	Balance July 1, 1948	Appropriation		Receipts	Disbursements	Balance June 30, 1949	Schedule
			Increase	Decrease				
<i>Appropriated funds with U. S. Treasury—Continued</i>								
<i>General fund receipts deposited</i>								
693835	Rent, all other.....	0	0	0	\$2,089.23	0	\$2,089.23	
691100	Interest on delinquent collections or payments, U. S. Maritime Commission.....	0	0	0	16,883,907.02	\$10,999.54	16,883,907.48	
691400	Gain by exchange.....	0	0	0	110.88	0	110.88	
692550	Fines and penalties, all other.....	0	0	0	3,726.20	0	3,726.20	
693020	Registration fees, correspondence courses.....	0	0	0	12,884.99	9.00	12,875.99	
693230	Commission on telephone stations in Federal buildings outside of Washington, D. C.....	0	0	0	4,705.39	0	4,705.39	
693850	Bribes, United States officers, U. S. Maritime Commission.....	0	0	0	100.00	0	100.00	
<i>General fund receipts deposited</i>								
693800	Unexplained balances in cash accounts.....	0	0	0	10	0	10	
694235	Refund of utility charges.....	0	0	0	1,09	0	1,09	
694260	Refund on empty containers.....	0	0	0	882.85	0	882.85	
694273	Reimbursement, excess cost over contract price.....	0	0	0	2,098.66	0	2,098.66	
694276	Reimbursement, excessive profits, on renegotiated contracts.....	0	0	0	6,533,071.74	0	6,533,071.74	
694327	Refund of terminal leave compensation.....	0	0	0	3,917.29	0	3,917.29	
694330	Reimbursement, Government property lost or damaged.....	0	0	0	3,254.21	118.37	3,137.84	
694710	Cost of handling penalty mail (name of depositor).....	0	0	0	11,934.15	0	11,934.15	
694712	Reimbursement, settlement of claims against (name of depositor).....	0	0	0	164.00	0	164.00	
694730	Reimbursement for jury service.....	0	0	0	490.82	0	490.82	
694735	Reimbursement for transportation.....	0	0	0	105.00	0	105.00	
694870	Reimbursement—all other.....	0	0	0	311.20	0	311.20	
694880	Moneys received from persons known.....	0	0	0	4.00	0	4.00	
694880	Moneys received from persons unknown.....	0	0	0	5.00	0	5.00	
695076	Sale of electric current.....	0	0	0	42.00	2,302.49	1,2,260.49	
695140	Sale of heat, light, and water.....	0	0	0	1,847.07	0	1,847.07	
695160	Sale of refuse, garbage, manure, etc.....	0	0	0	1,766.32	0	1,766.32	
695160	Sale of scrap and salvaged material.....	0	0	0	832.41	35.00	1,797.41	

695171.....	Sale of steam.....	0	0	0	0	0	18,529.86	18,529.86	
695180.....	Sale of stores, condemned.....	0	0	0	0	196.23	0	196.23	
695190.....	Sale of stores.....	0	0	0	0	29,918.96	0	29,918.96	
695191.....	Sale of subsistence.....	0	0	0	0	16,730.54	4,023.05	12,707.49	
695194.....	Sale of Government property, all other.....	0	0	0	0	6,450.85	3,330.01	3,120.81	
695255.....	Quarters.....	0	0	0	0	6,414.45	0	6,414.45	
695275.....	Telephone and telegraph service.....	0	0	0	0	39.48	0	39.48	
695465 2.....	Proceeds from reparations property (Germany).....	0	0	0	0	186,550.00	0	186,550.00	
695514.....	Receipts from operations, U. S. Maritime Commission.....	0	0	0	0	43,288,963.44	304,151.39	42,984,812.05	
695520.....	Repayments lapsed appropriations.....	0	0	0	0	177,826.56	0	177,826.56	
695523.....	War Shipping Administration revolving fund.....	0	0	0	0	48,450,216.75	616,913.28	47,833,303.47	
695529.....	Proceeds from surplus vessels.....	0	0	0	0	216,002,002.22	574,331.95	216,297,667.27	
695700.....	Recoveries and refunds, miscellaneous.....	0	0	0	0	211.72	0	211.72	
Total general fund receipts deposited.....		0	0	0	0	332,245,075.15	1,324,744.94	331,920,330.21	
<i>Special trusts/fund receipts deposited</i>									
696049.....	Receipts from vessel operating functions of War Shipping Administration, Public Law 519, May 10, 1948.....	0	0	0	5,000,000.00	5,000,000.00	0	0	
696034.....	Receipts from operations of functions of War Shipping Administration, title II, Public Law 492, July 8, 1946.....	13,322,080.62	0	0	0	16,615,493.04	14,030,536.17	15,847,037.40	
698220.....	Deposits, recovered, subsidies on excess profits (State sources).....	0	0	0	0	26,127,796.69	0	26,127,796.69	
698540.....	Proceeds from wages and effects of American ex- moy.....	369 15	0	0	0	0	0	369.15	
698357.....	Deposits, unearned moneys, vessel operation func- tions of War Shipping Administration, U. S. Maritime Commission.....	0	0	0	1,500,000.00	24,687,375.00	371,458.14	22,315,917.32	
698569.....	Deposits, unearned moneys, merchant ship sales, war-built vessels, U. S. Maritime Commission.....	91,415,833.97	0	0	0	161,483,277.99	282,794,868.61	104,243,371.01	
Total special and trust fund receipts de- posited.....		104,738,273.74	0	0	6,500,000.00	233,913,943.38	287,256,882.92	61,895,334.20	
<i>Retirement and disability funds</i>									
698135 2.....	Contributions, Civil Service retirement and dis- ability fund.....	190,942 40	0	0	0	3,884,584 05	842,965 20	3,231,561 25	
Total retirement and disability funds.....		190,942 40	0	0	0	3,884,584 05	842,965 20	3,231,561 25	

See footnote at end of table.

APPENDIX Q—Continued

Appropriation, transfers, collections, and disbursements, fiscal year 1949—Continued

Appropriation symbol	Title	Balance July 1, 1948	Appropriation		Receipts	Disbursements	Balance June 30, 1949	Schedule
			Increase	Decrease				
698860	Trust fund receipts deposited—Unclaimed moneys Wages due American seamen, War Shipping Administration functions, U. S. Maritime Commission	\$58,787.43	0	\$663,953.42	\$737,894.20	0	\$132,728.21	-----
698881	Unclaimed moneys of individuals whose where- abouts are unknown	1,041.72	0	0	95,610.02	0	96,651.74	-----
698990	Deposits, unclaimed moneys due creditors of contractors with the United States under cost- plus-fixed-fee contracts.	784,084.88	0	103,710.12	148,026.37	\$95,610.02	672,791.11	-----
	Total trust fund receipts deposited— unclaimed moneys	813,914.03	0	827,663.54	981,530.59	95,610.02	902,171.06	-----
69P5766	Disbursing officers' cash—agents Special deposits, operations of functions of WSA prior to Sept. 1, 1946, U.S.M.C.	8,632,000.30	0	0	14,683,285.71	16,717,658.92	6,397,637.09	-----
	Total disbursing officers' cash—agents	8,632,000.30	0	0	14,683,285.71	16,717,658.92	6,397,637.09	-----
	Total	459,916,052.05	\$180,486,637.44	127,076,139.76	641,963,140.49	\$01,504,729.41	663,985,240.81	-----
	Funds in custody of agents	28,306,852.71	0	0	0	\$12,857,383.22	15,449,469.49	-----
	Grand total	488,222,904.76	180,486,637.44	127,076,139.76	641,963,140.49	\$14,462,112.63	679,134,710.30	-----
	Less: General fund receipts deposited in Treasury during fiscal year 1949.						380,920,830.21	-----
	Balance						\$48,211,880.09	-----

1 Credit.

*Receipts and disbursements not available at time of preparation of report. \$12,857,383.22 represents net reduction of agents' cash.

Schedule 0-1--69-114/70009

United Nations Relief and Rehabilitation Administration (Allotment to U. S. Maritime Commission and liquidation of War Shipping Administration functions) 1944-47

Limitation	Purpose	Disbursing officer receipts	Appropriation receipts	Total receipts	Disbursing officer disbursements	Appropriation disbursements	Total disbursements
0.001	To cover the cost of ocean transportation, freight for warehousing and other expenses incident to the movement of UNRRA cargoes.	\$148,605.47	\$63.03	\$148,668.50	\$6,050,761.62	0	\$6,050,761.62
	Total.	148,605.47	63.03	148,668.50	6,050,761.62	0	6,050,761.62

Schedule 0-2--6990100

Salaries and expenses, U. S. Maritime Commission, 1949

Limitation	Purpose	Disbursing officer receipts	Appropriation receipts	Adjustment receipts	Total receipts	Disbursing officer disbursements	Appropriation disbursements	Adjustment disbursements	Total disbursements
0.010	Personal services.	\$4,183.26	\$24.12	\$3,030.03	\$7,237.41	\$10,203,613.48	\$21,424.22	\$4,403.99	\$10,229,441.69
0.011	Purchase of nontechnical periodicals and newspapers.	0	0	0	0	1,824.04	0	0	1,824.04
0.012	Contract employment.	728.43	2.20	94.45	825.08	6,805.43	0	578.90	7,384.33
0.014	Travel.	0	0	0	0	146,115.05	0	1,316.43	147,431.48
0.020	New ship construction, including reconditioning and betterments.	0	0	0	0	456,089.21	0	0	456,089.21
0.030	Maintenance of shipyard facilities.	22,324.31	0	0	22,324.31	505,473.91	15.00	194.23	505,683.14
0.040	Operation of warehouses.	16,699.39	37.80	120.40	16,827.59	723,691.38	375.18	24.12	724,090.68
0.041	Travel expense for operation of warehouses.	14.71	0	0	14.71	708.68	0	0	708.68
0.060	Reserve fleet expenses.	3,261.46	0	4,293.59	7,545.05	8,342,568.38	4,212.95	867.95	8,347,649.28
0.061	Travel expense for reserve fleet.	45.65	0	53.96	99.61	9,010.90	0	94.43	9,105.35
0.070	Maintenance and operation of terminals.	7,544.31	0	0	7,544.31	546,514.75	794.38	102.36	547,411.49
0.071	Travel expense for maintenance and operation of terminals.	0	0	0	0	94.80	0	0	94.80
0.080	Miscellaneous expense (other than vessel operation).	425.00	0	0	425.00	188,870.11	0	0	188,870.11
N. D. L.	Unallocated.	0	0	0	0	0	460.11	0	460.11
	Total.	55,196.52	64.12	17,882.43	62,843.07	21,131,378.12	27,281.84	17,882.43	21,166,242.39

1 Represents book adjustments of receipts and disbursements between the limitations shown above. Does not reflect actual receipts or disbursements but does reflect a correction of receipts under columns 1 and 2 and columns 5 and 6 for disbursements.

Schedule 0-3.—69X0200

Construction fund, U. S. Maritime Commission Act of June 29, 1936—revolving fund

Limitation	Purpose	Disbursing officer receipts	Appropriation receipts	Adjustment receipts	Total receipts	Disbursing officer disbursements	Appropriation disbursements	Adjustment disbursements	Total disbursements
0.701	All other	\$15.26	0	0	\$15.26	0	0	0	0
0.702	Personal services	0	0	0	0	0	0	\$3,494.65	\$3,494.65
0.601	All other, fiscal year, 1945	0	0	0	0	0	0	27.03	27.03
0.601	All other, fiscal year, 1946	0	0	\$27.03	27.03	0	0	0	0
0.711	Reserve fleet expenses	8.24	0	3,494.66	3,502.89	0	0	0	0
0.707	Maintenance of shipyard facilities	20,278.13	0	0	20,278.13	1,82.00	\$256,839.08	0	1,82.00
N. D. L.	Unallocated	20,278.13	0	0	20,278.13	2,034,420.48	0	0	3,191,269.54
	Total	20,301.63	0	\$3,521.68	23,823.31	\$2,984,418.46	256,839.08	\$3,521.68	3,194,779.22

1 Credit.

2 Represents book adjustments of receipts and disbursements between the limitations shown above. Does not reflect actual receipts or disbursements but does reflect a correction of receipts under columns 1 and 2 and columns 5 and 6 for disbursements.

3 Represents a canceled check applicable to a prior year's disbursement for \$2 and a book adjustment for \$2,934,420.46 caused by 2 erroneous cash entries—this does not represent an actual disbursement of cash.

Schedule 0-4.—6990225

State marine schools (Act Mar. 4, 1911), 1939

Limitation	Purpose	Disbursing officer receipts	Appropriation receipts	Total receipts	Disbursing officer disbursements	Appropriation disbursements	Total disbursements
0.003	State of California				\$25,000.00	0	\$25,000.00
0.004	State of Massachusetts				43,245.20	0	43,245.20
0.005	State of New York				42,478.43	0	42,478.43
0.007	Maintenance and repair of vessels loaned by the United States for use in connection with State marine schools				192,305.23	0	192,305.23
0.006	State of Maine				45,666.40	0	45,666.40
	Total	0	0	0	348,695.26	0	348,695.26

Schedule 0-5.—6980225
State marine schools, U. S. Maritime Commission, 1948

Limitation	Purpose	Disbursing officer receipts	Appropriation receipts	Total receipts	Disbursing officer disbursements	Appropriation disbursements	Total disbursements
0.007-----	Maintenance and repair of vessels loaned by the United States for use in connection with such State marine schools.	\$1,068.22	0	\$1,068.22	\$55,197.31	0	\$55,197.31
	Total-----	1,068.22	0	1,068.22	55,197.31	0	55,197.31

Schedule 0-6.—698/90300
Construction fund, U. S. Maritime Commission, 1948-Sept. 30, 1949

Limitation	Purpose	Disbursing officer receipts	Appropriation receipts	Total receipts	Disbursing officer disbursements	Appropriation disbursements	Total disbursements
0.001-----	New ship construction, July 1, 1946, to Sept. 30, 1948. Reconditioning and betterment of ships, July 1, 1946, to Sept. 30, 1948.	\$2,902.25	0	\$2,902.25	\$4,050,168.14	0	\$4,050,168.14
0.002-----		0	0	0	2,433,104.01	0	2,433,104.01
	Total-----	2,902.25	0	2,902.25	6,483,272.15	0	6,483,272.15

Schedule 0-7.—6980300

Construction fund, U. S. Maritime Commission, 1948

Limitation	Purpose	Disbursing officer receipts	Appropriation receipts	Adjustment receipts	Total receipts	Disbursing officer disbursements	Appropriation disbursements	Adjustment disbursements	Total disbursements
0.001	All other, including 1947 and prior years' obligations.	\$1,423,355.30	\$3,189,254.35	\$2,533,258.75	\$7,145,898.40	\$20,784,740.75	\$239,956.54	\$335,666.65	\$21,360,363.74
0.002	All other administration expenses, other than personal services.	4,064.49	8,752.59	4,586.70	17,403.75	92,163.86	9,645.26	538.63	102,347.75
0.003	Newspapers and periodicals.	18.00	11.71	86,473.30	86,503.01	429.49	22.38	6.91	458.78
0.005	Travel expenses.	1,259.99	0	13.05	1,273.04	39,451.96	107.32	231.04	39,790.32
0.006	Authorized field printing, general.	0	0	0	0	493.57	15.28	0	509.15
0.007	Personal services.	48,510.31	4,892.62	10,891.38	64,294.31	202,895.86	27,094.44	99,203.11	329,193.41
0.008	New ship construction.	300.00	0	402.97	702.97	0	300.00	0	300.00
0.009	Reconditioning and betterment of ships.	1,233.00	66.06	296,101.31	297,400.37	3,808,334.97	106.80	2,522,788.47	6,331,230.24
0.010	Reconversion of vessels.	0	987.52	92,348.17	93,335.69	0	0	0	0
0.011	Maintenance of shipyard facilities.	88,066.85	0	30,786.36	118,853.21	111,145.05	0	1,474.45	112,619.50
0.012	Operation of warehouses.	46,200.43	0	24,775.94	71,076.37	91,866.77	20,335.55	34,701.77	146,924.09
0.014	Reserve fleet expenses.	15,444.65	189.02	18,281.99	33,915.59	1,242,214.60	52,685.94	6,883.33	1,301,783.93
0.015	Maintenance and operation of terminals.	0	0	637.82	637.82	174,312.81	795.14	423.37	175,531.32
0.016	Miscellaneous expenses.	4,783.26	545.75	.41	5,334.42	136,712.00	9,038.02	2,149.01	147,899.03
0.013	Operating differential subsidies	0	68.00	0	68.00	0	0	0	0
0.017	Penalty mail costs.	0	0	0	0	343.75	0	0	343.75
0.019	Services as authorized by sec. 15 of the act of Aug. 2, 1946.	0	0	0	0	30,815.78	63.45	0	30,879.23
0.020	Additional temporary personal services from May 1, 1948, to June 30, 1948.	0	0	63.57	63.57	82.45	59,768.21	94,862.96	154,718.62
N. D. L.	Unallocated	60.82	106,324.28	327.98	106,713.08	26,716,004.03	431,888.23	1,098,929.70	30,246,822.01
	Total.	1,683,407.03	3,311,092.47	1,093,929.70	8,043,429.20	26,716,004.03	431,888.23	1,098,929.70	30,246,822.01

1 Represents book adjustments of receipts and disbursements between the limitations shown above. Does not reflect actual receipts or disbursements but does reflect a correction of receipts under columns 1 and 2 and columns 3 and 6 for disbursements.

Schedule 0-8.—6990524

Maritime training fund, U. S. Maritime Commission, 1949

Limitation	Purpose	Disbursing officer receipts	Appropriation receipts	Adjustment receipts	Total receipts	Disbursing officer disbursements	Appropriation disbursements	Adjustment disbursements	Total disbursements
0.001	Expenditures	102,640.77	598.23	0	103,239.00	3,304,730.33	40,347.84	1,366.65	3,345,434.82
0.002	Personal services	41.81	23.31	0	65.12	0	0	0	2,799,581.03
0.003	Restoration or repair of buildings at Pass Christian, Miss.	0	0	1,366.65	1,366.65	58,440.07	94.62	0	58,534.69
0.004	Travel	1,360.30	0	0	1,360.30	111,633.29	0	0	111,633.29
0.005	For contingencies of the Superintendent, U. S. Merchant Marine Academy, to be expended in his discretion.	0	0	0	0	2,500.00	0	0	2,500.00
	Total	104,042.88	621.54	1,366.65	106,031.07	6,276,034.72	40,442.36	1,366.65	6,318,743.73

¹ Represents book adjustments of receipts and disbursements between the limitations shown above. Does not reflect actual receipts or disbursements but does reflect a correction of receipts under columns 1 and 2 and columns 5 and 6 for disbursements.

Schedule 0-9.—6980524

Maritime training fund, U. S. Maritime Commission, 1948

Limitation	Purpose	Disbursing officer receipts	Appropriation receipts	Adjustment receipts	Total receipts	Disbursing officer disbursements	Appropriation disbursements	Adjustment disbursements	Total disbursements
0.001	All other	\$58,568.60	\$15,744.38	\$1,514.04	\$75,827.02	\$915,184.30	\$7,110.37	\$100,538.62	\$1,022,833.29
0.002	Administrative expenses	41.50	17.83	98.95	158.28	12,317.12	2,535.81	215.34	15,068.27
0.003	Travel expenses	0	0	0	0	438.61	44.25	3.50	486.36
N. D. L.	Unallocated	0	37.80	100,443.17	100,480.97	0	0	1,298.70	1,298.70
	Total	58,610.10	15,800.01	1,022,056.16	176,466.27	927,940.03	9,690.43	1,102,056.16	1,039,686.62

¹ Represents book adjustments of receipts and disbursements between the limitations shown above. Does not reflect actual receipts or disbursements but does reflect a correction of receipts under columns 1 and 2 and columns 5 and 6 for disbursements.

Schedule 0-10.—69-198/01091

Salaries and expenses, Philippine Rehabilitation, Department of State (transfer to U. S. Maritime Commission), 1948-50

Limitation	Purpose	Disbursing officer receipts	Appropriation receipts	Total receipts	Disbursing officer disbursements	Appropriation disbursements	Total disbursements
0.01	For use in carrying out the provisions of sec. 306 (a) of title III of the Philippine Rehabilitation Act of 1946.	0	\$50,465.00	\$50,465.00	\$50,465.00	0	\$50,465.00
	Total.	0	50,465.00	50,465.00	50,465.00	0	50,465.00

Schedule 0-11.—69-197/01091

Salaries and expenses, Philippine Rehabilitation, Department of State (transfer to U. S. Maritime Commission), 1947-50

Limitation	Purpose	Disbursing officer receipts	Appropriation receipts	Adjustment receipts	Total receipts	Disbursing officer disbursements	Appropriation disbursements	Adjustment disbursements	Total disbursements
0.001	For use in carrying out the provisions of sec. 306 (a) of title III of the Philippine Rehabilitation Act of 1946.	0	0	14,081.76	14,081.76	18,767.72	50,465.00	0	69,232.72
0.002	For use in carrying out the provisions of sec. 306 (b) of title III of the Philippine Rehabilitation Act of 1946.	0	0	0	0	37,351.74	0	14,081.76	51,433.50
N. D. L.	Unallocated.	0	0	0	0	46,200.00	0	0	46,200.00
	Total.	0	0	14,081.76	14,081.76	102,219.46	50,465.00	14,081.76	166,766.22

¹ Represents book adjustments of receipts and disbursements between the limitations shown above. Does not reflect actual receipts or disbursements but does reflect a correction of receipts under columns 1 and 2 and columns 5 and 6 for disbursements.

Schedule 0-12.—69X4000

War Shipping Administration functions revolving fund, U. S. Maritime Commission, Dec. 31, 1946

Limitation	Purpose	Disbursing officer receipts	Appropriation receipts	Adjustment receipts	Total receipts	Disbursing officer disbursements	Appropriation disbursements	Adjustment disbursements	Total disbursements
0.704	Agency costs and compensation, 1947	0	0	\$402,556.06	\$402,556.06	0	0	0	\$401,159.28
0.706	Vessel and voyage expenses, 1947	0	0	0	0	0	0	\$401,159.28	\$401,159.28
N. D. L.	All other expenditures	0	\$19,020.00	434,604.24	503,624.24	0	\$2,332,736.86	486,001.02	2,818,737.88
	Total	0	19,020.00	1,887,160.30	906,180.30	0	2,332,736.86	1,887,160.30	3,219,897.16

¹ Represents book adjustments of receipts and disbursements between the limitations shown above. Does not reflect actual receipts or disbursements but does reflect a correction of receipts under columns 1 and 2 and columns 5 and 6 for disbursements.

Schedule 0-13.—6974001

State marine schools, War Shipping Administration functions, U. S. Maritime Commission, 1947-Dec. 31, 1946

Limitation	Purpose	Disbursing officer receipts	Appropriation receipts	Total receipts	Disbursing officer disbursements	Appropriation disbursements	Total disbursements
0.005	New York State	0	0	0	\$25,000.00	0	\$25,000.00
0.007	Maintenance and repair of vessels loaned by the United States to the States for use in connection with State marine schools.	0	0	0	1,004.01	\$53,981.00	54,985.01
	Total	0	0	0	26,004.01	53,981.00	79,985.01

Schedule 0-14.—6974002

Maritime training fund, War Shipping Administration functions, U. S. Maritime Commission, 1947

Limitation	Purpose	Disbursing officer receipts	Appropriation receipts	Adjustment receipts	Total receipts	Disbursing officer disbursements	Appropriation disbursements	Adjustment disbursements	Total disbursements
0.001	All other expenditures.....	\$666.49	\$27.68	0	\$694.17	\$56,537.55	\$7,870.81	\$5.39	\$64,413.75
0.002	Administrative expenses.....	0	0	\$5.39	5.39	224.00	122.59	0	346.59
0.005	Travel.....	0	0	0	0	24.72	0	0	24.72
	Total.....	666.49	27.68	15.39	699.56	56,786.27	7,993.40	15.39	64,785.06

¹ Represents book adjustments of receipts and disbursements between the limitations shown above. Does not reflect actual receipts or disbursements but does reflect a correction of receipts under columns 1 and 2 and columns 5 and 6 for disbursements.

Schedule 0-15.—6964002

Maritime training fund, War Shipping Administration functions, U. S. Maritime Commission, 1946

Limitation	Purpose	Disbursing officer receipts	Appropriation receipts	Total receipts	Disbursing officer disbursements	Appropriation disbursements	Total disbursements
0.001	All other expenditures.....	\$125.94	\$1,147.55	\$1,273.49	0	0	\$1,104.37
0.002	Administrative expenses.....	0	27.91	27.91	0	0	0
	Total.....	125.94	1,175.46	1,301.40	0	0	1,104.37

Schedule 0-16.—6954002

Maritime training fund, War Shipping Administration functions, U. S. Maritime Commission, 1945

Limitation	Purpose	Disbursing officer receipts	Appropriation receipts	Total receipts	Disbursing officer disbursements	Appropriation disbursements	Total disbursements
0.001	All other expenditures.....	0	\$6,474.10	\$6,474.10	0	0	\$6,474.10
0.002	Administrative expenses.....	0	19,432.78	19,432.78	0	0	0
	Total.....	0	15,906.88	15,906.88	0	0	6,474.10

¹ This represents a book adjustment—not a true receipt. Transfer and counter warrant No. 11899 was erroneously shown as a disbursement on the June 1948 warrant register. Correction was made by office journal voucher No. 49-3-6 on the fiscal year 1949 warrant register.

Schedule 0-17.-69X5900

Working fund, U. S. Maritime Commission

Limitation	Purpose	Disbursing officer receipts	Appropriation receipts	Total receipts	Disbursing officer disbursements	Appropriation disbursements	Total disbursements
0.001.....	Advance from "17X0603 Replacement of Naval Vessels, Construction and Machinery" to cover contract price for 2 vessels for transports known as MC hulls 181 and 182, Consolidated Steel Corp. hulls Nos. 206 and 207, \$8,750,000.	0	0	0	\$75,000.00	0	\$75,000.00
0.048.....	Advance from "17X0605 Repair Facilities, Navy" to cover the estimated costs and expenses to the Maritime Commission in connection with the construction of a floating drydock and necessary additional facilities, contract MCe-26725, \$2,279,000.	0	\$78,262.73	\$78,262.73	0	0	0
0.015.....	Advance from "17X0607 Increase and Replacement of Naval Vessels, Emergency Construction" to cover the construction cost of 90 corvettes (hulls MC 1421-1458, 1475-1495, and 1654-1674), \$30,000,000.	\$38,717.20	0	38,717.20	2,218.35	326.10	2,544.45
0.066.....	Advance from "17X0603 Increase and Replacement of Naval Vessels, Construction and Machinery" to cover financing of repair of 24 tankers by the Maritime Commission for use by the Navy Department, \$5,662,000.	0	0	0	2,371,307.69	5,716,882.53	8,088,190.22
0.006.....	Advance from "17X0603 Increase and Replacement of Naval Vessels, Construction and Machinery" to cover purchase price of vessels on behalf of the Navy Department, \$9,984.39.	0	0	0	17.09	0	17.09
0.055.....	Advance from "17X0605 Repair Facilities, Navy" to cover estimated cost to the Maritime Commission in connection with the construction and installation of repair ship-repair facilities at Kaiser Co., yard No. 3, Richmond, Calif., \$1,500,000.	0	0	0	984.39	0	984.39
	Total	38,717.20	78,262.73	116,979.93	2,449,527.52	5,717,208.63	8,166,736.15

Schedule 0-18.—6995900

Working fund, United States Maritime Commission, 1949

Limitation	Purpose	Disbursing officer receipts	Appropriation receipts	Total receipts	Disbursing officer disbursements	Appropriation disbursements	Total disbursements
0.001.....	Advance from "2192409 Transportation Service, Army, 1949" for the operation of the vessel S. <i>Menas</i> by the United Fruit Co.....	\$450,000.00	0	\$450,000.00	\$375,006.87	0	\$375,006.87
	Total.....	450,000.00	0	450,000.00	375,006.87	0	375,006.87

Schedule 0-19.—6985900

Working fund, United States Maritime Commission, 1948

Limitation	Purpose	Disbursing officer receipts	Appropriation receipts	Total receipts	Disbursing officer disbursements	Appropriation disbursements	Total disbursements
0.001.....	Advance from "2180905 Engineer Service, Army, 1948" to cover costs incurred in connection with the restoration of the Norfolk Army Base terminal, Norfolk, Va., \$194,439.....	\$194,439.00	0	\$194,439.00	\$63,347.24	0	\$63,347.24
	Total.....	194,439.00	0	194,439.00	63,347.24	0	63,347.24

Schedule 0-20.—6975900

Working fund, U. S. Maritime Commission, 1947

Limitation	Purpose	Disbursing officer receipts	Appropriation receipts	Total receipts	Disbursing officer disbursements	Appropriation disbursements	Total disbursements
0.001	Advance from "2170965 Engineer Services, Army, 1947" to cover costs incurred in connection with the restoration of the Norfolk Army Base terminal, Norfolk, Va., \$275,607.	0	0	0	\$138,548.21	0	\$138,548.21
	Total	0	0	0	138,548.21	0	138,548.21

Schedule 0-21.—69X5940

Working fund, U. S. Maritime Commission, War Shipping Administration functions, Dec. 31, 1946

Limitation	Purpose	Disbursing officer receipts	Appropriation receipts	Total receipts	Disbursing officer disbursements	Appropriation disbursements	Total disbursements
0.007	Advance from "17X0006, Defense Installations on Merchant Vessels, Navy" to cover degaussing and defense installations on merchant vessels afloat.	0	0	0	\$67,358.86	\$180.71	\$67,539.57
	Total	0	0	0	67,358.86	180.71	67,539.57

Schedule 0-22.—697/86034

Operation of functions of War Shipping Administration, U. S. Maritime Commission, Sept. 1, 1946—Mar. 31, 1948

Limitation	Purpose	Disbursing officer receipts	Appropriation receipts	Adjustment receipts	Total receipts	Disbursing officer disbursements	Appropriation disbursements	Adjustment disbursements	Total disbursements
0.001.....	Vessels and voyage operations.....	\$6,299,839.89	\$5,755,313.23	\$1,255,132.14	\$13,310,285.25	\$2,465,167.25	\$2,349,665.04	\$548,505.33	\$5,319,337.62
0.002.....	Maintenance and repairs.....	145.50	729,405.09	596,718.17	1,326,269.36	4,308,160.20	676,928.43	23,237.83	5,214,446.46
0.003.....	Charter hire.....	0	0	0	0	4,544.16	114,593.00	0	119,137.16
0.004.....	Insurance.....	0	0	0	0	87,088.90	0	0	87,088.90
0.005.....	Cost of placing vessels into reserve fleet.....	73.05	1,677.00	0	1,750.05	2,473,437.17	230.73	4,993.00	2,478,662.90
0.006.....	Delivery expenses on vessels withdrawn from reserve fleet for sale.....	35.66	0	0	35.66	661.44	0	0	661.44
0.007.....	Miscellaneous expenses.....	5,822.34	1,811.00	2,623.72	10,257.06	31,279.97	5,483.27	2,906.92	39,570.16
0.008.....	Unliquidated obligations as at June 30, 1947.....	2,176,639.15	58,462.75	21,723.42	2,256,795.32	1,953,315.23	8,014,257.63	1,393,062.65	11,340,635.51
0.009.....	Reserve for contingencies, including claims arising from operations during the period Jan. 1, 1947—Mar. 31, 1948.....	88,977.00	0	0	88,977.00	29,015.82	0	0	29,015.82
N. D. L.....	Unallocated.....	1,627.88	10,297,014.85	103,306.42	10,401,949.15	1,673.76	5,049,331.72	376.14	5,051,881.62
	Total.....	8,673,130.47	16,843,634.51	1,979,503.87	27,396,318.85	11,534,313.90	16,210,469.82	1,979,503.87	29,724,337.59

¹ Represents book adjustments of receipts and disbursements between the limitations shown above. Does not reflect actual receipts or disbursements but does reflect a correction of receipts under columns 1 and 2 and columns 3 and 6 for disbursements.

Schedule 0-23.—11X4000

War Shipping Administration revolving fund

Limitation	Purpose	Disbursing officer receipts	Appropriation receipts	Adjustment receipts	Total receipts	Disbursing officer disbursements	Appropriation disbursements	Adjustment disbursements	Total disbursements
0.201.....	Personal services, 1942.....	0	0	\$343.95	\$343.95	0	0	0	0
N. D. L.....	Unallocated.....	0	0	0	0	0	0	\$343.95	\$343.95
	Total.....	0	0	1,343.95	343.95	0	0	1,343.95	343.95

¹ Represents book adjustments of receipts and disbursements between the limitations shown above. Does not reflect actual receipts or disbursements but does reflect a correction of receipts under columns 1 and 2 and columns 3 and 6 for disbursements.

Schedule 0-24.—698869

Deposits, unearned moneys, merchant ship sales, war-built vessels, U. S. Maritime Commission

Purpose	Disbursing officer receipts	Appropriation receipts	Total receipts	Disbursing officer disbursements	Appropriation disbursements	Total disbursements
Sale.....	101,130,055.44	0	101,130,055.44	0	4,156,655.01	4,156,655.01
Basic charter hire.....	52,169,915.92	0	52,169,915.92	0	0	0
Additional charter hire.....	4,510,863.69	0	4,510,863.69	0	0	0
Miscellaneous.....	1,521,109.57	2,151,273.37	3,672,422.94	0	0	0
Transfers to general fund receipt account (695598).....	0	0	0	0	216,138,203.60	216,138,203.60
Transfer to appropriation account (69X886) for necessary refunds.....	0	0	0	0	32,500,000.00	32,500,000.00
Total.....	199,332,004.62	2,151,273.37	161,483,277.99*	0	252,794,858.61	252,794,858.61

Schedule 0-25.—6990301

Vessel operating functions, United States Maritime Commission, 1949

Purpose	Disbursing officer receipts	Total receipts	Disbursing officer disbursements	Total disbursements
Operation of passenger vessels under G. A. A. Tug services (including G. A. A. operated tugs and/or contract tow).....	0	0	\$10,562,413.96	\$10,562,413.96
Maintenance of immobilized vessels in United States ports.....	0	0	461,105.03	461,105.03
Cost of pitching vessels in reserve fleet.....	0	0	359,772.70	359,772.70
Cost of withdrawing vessels from reserve fleet.....	0	0	3,822,550.96	3,822,550.96
Cost of repairs—vessels and tugs (other than G. A. A. operated).....	\$264.00	\$284.00	162,515.83	162,515.83
Salary expenses.....	0	0	1,040,151.25	1,040,151.25
Reserve for contingencies, including claims.....	2,750.00	2,750.00	89,065.23	89,065.23
Grand total—appropriation 6990301.....	3,014.00	3,014.00	16,529,184.95	16,529,184.95