

WAR INJURY AND DEATH BENEFITS FOR CIVILIANS

HEARINGS

BEFORE A

SUBCOMMITTEE ON THE COMMITTEE ON FINANCE UNITED STATES SENATE

SEVENTY-SEVENTH CONGRESS

SECOND SESSION

ON

S. 2620

A BILL TO PROVIDE BENEFITS FOR THE INJURY, DISABILITY,
DEATH, OR ENEMY DETENTION OF CIVILIANS, AND FOR
THE PREVENTION AND RELIEF OF CIVILIAN
DISTRESS ARISING OUT OF THE PRESENT
WAR, AND FOR OTHER PURPOSES

REVISED

JULY 1 AND 2, 1942

Printed for the use of the Committee on Finance



UNITED STATES
GOVERNMENT PRINTING OFFICE
WASHINGTON : 1942

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WAR INJURY AND DEATH BENEFITS FOR CIVILIANS

WEDNESDAY, JULY 1, 1942

UNITED STATES SENATE,
SUBCOMMITTEE OF THE COMMITTEE ON FINANCE,
Washington, D. C.

The subcommittee met at 10:30 o'clock a. m., pursuant to call, in room 312, Senate Office Building, Senator Bennett Champ Clark (chairman) presiding.

Senator CLARK. The committee will come to order.

This subcommittee has before it Senate bill 2620, introduced by Senator Pepper and referred to the Committee on Finance, a bill to provide benefits for the injury, disability, and death, or enemy detention of civilians, and for the prevention and relief of civilian distress arising out of the present war, and for other purposes.

It is quite long, but I guess it ought to be inserted in the record. (S. 2620 is as follows:)

[S. 2620, 77th Cong., 2d sess.]

A BILL To provide benefits for the injury, disability, death, or enemy detention of civilians, and for the prevention and relief of civilian distress arising out of the present war, and for other purposes

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Civilian War Benefits and War Relief Act of 1942."

FINDINGS OF FACT AND DECLARATION OF POLICY

SEC. 2. The Congress hereby finds that under the conditions of total war in which we are currently engaged, and particularly as a result of the hazard of attack by bombings and other methods upon civilians and populated areas, the safety of life and limb and the livelihood of civilians may be endangered; that many civilians will be required to engage in war work, in industry and elsewhere, in areas and under conditions which may expose them to imminent danger from enemy attack; that civilian distress due to injury, disability, death, and other inevitable consequences of the war may seriously impair the fullest war participation of all civilians, which is vital to the carrying on of a total war. It is therefore declared to be the policy of the Congress to promote the national war effort and to enhance the morale of civilians and of members of the armed forces, through the provision of funds and services to prevent and relieve such distress, and to provide some protection to civilians suffering from the hazards of war, the cost to be deemed a national responsibility and a part of the expense of the prosecution of the war.

TITLE I—BENEFITS FOR THE INJURY, DISABILITY, DEATH, OR ENEMY DETENTION OF CIVILIANS

APPROPRIATION

SEC. 101. In order to provide benefits by way of compensation and medical benefits with respect to the injury, disability, death, or enemy detention of civilians,

arising out of the present war, there is hereby authorized to be appropriated for the fiscal year ending June 30, 1942, and for each fiscal year thereafter, a sum sufficient to carry out the purposes of this title.

BENEFITS

SEC. 102. (a) Benefits under this title shall be provided with respect to civilians who sustain a war injury (as defined in section 106), or who die as a proximate result of such injury, or who are detained by the enemy, if such detention commences after December 6, 1941.

(b) Such benefits shall consist of—

- (1) medical benefits with respect to such injuries;
- (2) compensation payable to civilians sustaining disability as a proximate result of a war injury where such disability is (A) total, or (B) both permanent and in excess of one-third total; and where an attendant is necessary in the case of any such disability, an allowance for an attendant at a monthly rate not to exceed \$50;
- (3) compensation payable to any dependent of a civilian (as defined in section 106) dying as a proximate result of a war injury;
- (4) compensation payable to any dependent of a civilian detained by the enemy; and
- (5) reimbursement in such classes of cases and to the extent provided by regulations prescribed by the Administrator, payable to persons equitably entitled thereto for funeral expenses paid with respect to civilians dying as a proximate result of a war injury.

(c) Medical benefits (including doctors' and nurses' services, drugs and other medicines, prosthetic and other appliances, hospitalization, and other reasonable services for treatment and care) shall be provided to the extent prescribed in regulations of the Administrator. The actual cost of such benefits may be paid directly or by way of reimbursement to any person entitled to such benefits or may be paid to the person furnishing such benefits. The Administrator may, under such regulations as he may prescribe, use any private facilities, or such Government facilities as may be available, for the treatment and care of any person entitled to such benefits. Medical benefits outside the United States and in Puerto Rico and the Virgin Islands may be limited to treatment in such established Government facilities as are available to civilians.

(d) Benefits may be conditioned upon the filing of application therefor, submission to medical examination from time to time, and such other reasonable conditions relating to application for and proof of entitlement to benefits, as may be prescribed in regulations of the Administrator. No compensation shall be payable with respect to a disability of a civilian for any period prior to his attainment of the age of sixteen. No compensation shall be payable with respect to a disability of a civilian for any period during which such civilian is detained by the enemy.

(e) Benefits shall be provided under this title with respect to any war injury, death, or detention occurring inside the United States; but with respect to any such war injury, death, or detention occurring outside the United States, such benefits shall be provided only where the civilian sustaining such injury, death, or detention (1) is a citizen of, or owes allegiance to, the United States, (2) was, at the time of his detention, injury, or death, a seaman under contract for service on a vessel documented or numbered under the laws of the United States, or (3) was a resident of the United States temporarily outside the United States.

(f) Benefits shall be provided under this title to individuals residing inside the United States; but, with respect to individuals residing outside the United States, such benefits shall be provided only as the President may by Executive order prescribe for classes of cases where (1) the persons to whom benefits are provided, or the persons with respect to whose death or enemy detention benefits are provided, are citizens of the United States or persons owing allegiance to the United States, or (2) the person to whom benefits are provided is a seaman who sustained a war injury while under a contract of employment as a seaman on a vessel documented or numbered under the laws of the United States, or is a dependent (within the classes specified in section 106 (b)) of a seaman whose death proximately resulted from such an injury or whose detention by the enemy occurred while under such a contract.

(g) No benefit shall be provided with respect to the injury or death of an individual, if it is proximately caused by his intoxication or by his willful misconduct.

(h) No benefit shall be provided with respect to a war injury (as defined in section 106 (a) (2)) sustained on or after July 1, 1942, by a civilian defense worker who is a member of the United States Citizens' Defense Corps, or with respect to his death proximately resulting therefrom, unless such worker is a member in good standing of such defense corps in accordance with regulations prescribed by the Director of the Office of Civilian Defense.

RATES OF BENEFITS AND BENEFIT PERIODS

SEC. 103. (a) Except as provided in subsection (c) of this section, the minimum monthly rates of compensation payable to individuals residing in the United States shall be—

(1) with respect to a disabled civilian, \$30 for total disability, and \$10 for partial disability;

(2) with respect to the dependents of a civilian who dies or is detained by the enemy—

\$30 to the wife or widow, husband or widower, and \$10 additional for each child;

\$20 to the child (if no wife or widow or husband or widower is entitled to compensation); or, in case there is more than one child, for all the children \$20, increased by \$10 for each child in excess of one; and

\$20 to the parent; or, in case there is more than one parent, \$15 to each parent.

(b) (1) The minimum rates prescribed in subsection (a) of this section shall not be increased unless the individual with respect to whose disability, death, or detention compensation is payable, is found to have had a monthly earnings rate exceeding \$45 in the case of compensation for disability, and exceeding \$100 in the case of compensation for death or detention.

(2) In the case of compensation payable for disability to an individual whose monthly earnings rate exceeded \$45, the monthly rate of compensation payable shall not exceed two-thirds of such monthly earnings rate or \$85, whichever is less.

(3) In the case of compensation payable for death or detention, the total of monthly rates of compensation payable with respect to an individual whose monthly earnings rate was \$100 or less shall not exceed \$66.67; and the total of monthly rates of compensation payable with respect to an individual whose monthly earnings rate exceeded \$100 shall not exceed two-thirds of such monthly earnings rate or \$85, whichever is less.

(4) An individual shall be deemed to have a monthly earnings rate only if he has had earned income as an employee or a self-employed person within such period prior to his war injury or detention as the Administrator shall prescribe in regulations, and, in determining such monthly earnings rate, account shall be taken of all such income within such period.

(5) In the case of compensation payable for death or detention, the monthly rate of compensation payable to any dependent shall in no case exceed the applicable minimum rate specified in subsection (a) of this section by more than 50 per centum thereof.

(c) The Administrator shall by regulations prescribe the periods with respect to which benefits shall be provided and, subject to the foregoing provisions of this section, the rates of compensation. Benefits provided under this title to individuals outside the United States and in Puerto Rico and the Virgin Islands may be fixed at rates and for periods less than, but not greater than, those for benefits prescribed for other individuals.

(d) In no case shall the rate of compensation payable to parents of a deceased or detained individual exceed the difference, if any, between the total of the monthly rates which may be paid with respect to such individual and the total of the monthly rates payable to the children, and the wife or widow, or the husband or widower, of such individual.

(e) If an individual would otherwise be entitled for any period to compensation by reason of the death or detention of more than one person, or by reason of his own disability and the death or detention of another person, he shall be entitled to receive compensation for such period only by reason of his own disability or with respect to the death or detention of one person.

(f) The monthly rate of compensation for partial disability shall be fixed in accordance with the degree of disability and the rate of compensation which would be payable for total disability.

(g) No compensation shall be paid under this title with respect to the detention or death of any civilian who is authorized to make an allotment of his pay under the Act of March 7, 1942 (Public Law Numbered 490, Seventy-seventh Congress), for any period for which such an allotment was or could have been so made. Nor shall any compensation be paid under this title with respect to the disability, death, or detention of an individual if benefits are payable with respect to such individual's disability, death, or detention under title I of the Act entitled "An Act to provide benefits for the injury, disability, death, or enemy detention of employees of contractors with the United States, and for other purposes," approved _____, 1942, or under the Act entitled "An Act to provide compensation for disability or death resulting from injury to persons employed at military, air, and naval bases acquired by the United States from foreign countries, and on lands occupied or used by the United States for military or naval purposes outside the continental limits of the United States, including Alaska, Guantanamo, and the Philippine Islands, but excluding the Canal Zone, and for other purposes," approved August 16, 1941 (Public Law Numbered 208, Seventy-seventh Congress), as amended.

(h) All monthly rates of compensation shall be computed in accordance with the provisions of this section prior to any reduction specified in section 104 (a).

REDUCTION ON ACCOUNT OF OTHER BENEFITS AND REIMBURSEMENT WITH RESPECT TO WORKMEN'S COMPENSATION

Reduction

SEC. 104. (a) Compensation payable under this title to any person for any month, with respect to the disability, death, or detention of any individual, shall be reduced by the amount of any noncontributory Government benefit, or by one-half of the amount of any contributory Government benefit, received by such person for such month; and if such noncontributory benefit, or one-half of such contributory benefit, equals or exceeds the compensation for such month otherwise payable under this title, no such compensation shall be paid. As used in this section, the term "Government benefit" means a cash benefit, allowance, annuity, or compensation (including payments under any workmen's compensation law but excluding payments under any unemployment compensation law) payable by reason of the past employment or services of any individual, under any law or plan of the United States, any State, Territory, possession, or the District of Columbia, or any political subdivision or any wholly owned instrumentality of any of the foregoing, creating a system of cash payments to individuals (including payments made under any such law or plan by private insurance carriers); but shall not include any payment of War-Risk insurance, United States life insurance, or National Service life insurance. Such benefit shall be deemed to be "noncontributory" with respect to any person if the Administrator finds that with respect to him the benefit system is supported without direct and substantial contributions by wage earners, and shall be deemed to be "contributory" if the Administrator finds that with respect to him the system is supported substantially by direct contributions by wage earners and substantially from other sources. Reductions of compensation under this section shall not be affected by deductions from, or adjustments, reductions, or other temporary modifications of, or delay in, the payment of any such benefit received under any such benefit system. In the event that a lump sum or commuted payment of any such benefit is made, equitable adjustment of the compensation payable under this title shall be made in accordance with regulations prescribed by the Administrator. In the event that any compensation payable under this title with respect to disability, death, or detention is not reduced by the amount provided for in this subsection, the Administrator shall have a lien and a right of recovery (to the extent of such amount) against any Government benefit on account of the same disability, death, or detention; and any amounts recovered under this subsection shall be covered into the Treasury as miscellaneous receipts.

Reimbursement

(b) Under regulations prescribed by the Administrator, any employer or insurance carrier or compensation fund insuring workmen's compensation liability (other than the United States Government and the Employee Compensation Fund established under the Act entitled "An Act to provide compensation for

employees of the United States suffering injuries while in the performance of their duties, and for other purposes," approved September 7, 1916, as amended), which pays workmen's compensation benefits to any person or fund with respect to a war injury, or death proximately arising from such injury, under any law of the United States or of any State, Territory, or possession of the United States, or of the District of Columbia, shall be reimbursed for the benefits so paid, including funeral and burial expenses, medical, hospital, or other similar costs for treatment and care, and reasonable and necessary claims expense in connection therewith.

Limitation on Reimbursement

(c) No such reimbursement shall be made under subsection (b) in any case (1) in which the Administrator finds that the benefits paid were on account of injury or death which arose from a war-risk hazard for which a premium (which included an additional charge or loading for such hazard) was charged, or (2) with respect to which reimbursement may be made under title I of the Act entitled "An Act to provide benefits for the injury, disability, death, or enemy detention of employees of contractors with the United States, and for other purposes," approved ———, 1942.

TIME FOR FILING CLAIMS

SEC. 105. No benefits shall be provided under this title with respect to any war injury, or death proximately resulting from such injury, unless a claim for benefits with respect thereto is filed within one year after the occurrence causing such injury, or, if such injury was sustained during enemy detention, within one year after the termination of such detention; except that benefits shall be provided with respect to death if a claim for such benefits is filed within one year after such death, and if immediately prior to such death (or in such other period as may be fixed for special circumstances in regulations prescribed by the Administrator) the deceased individual was entitled to benefits under this title and had filed a claim therefor. No compensation shall be provided under this title with respect to the detention of an individual unless a claim for benefits with respect thereto is filed within one year after the beginning of his detention or, if such detention is not officially established, within one year after he has disappeared under circumstances such as to make his detention appear probable. A claim for benefits with respect to the detention of an individual, if found by the Administrator to have been filed in good faith within the period prescribed in the preceding sentence, shall be a sufficient claim for benefits with respect to the death of such individual occurring at any time. In the case of a war injury sustained by an individual who has not attained the age of sixteen, the filing of a notice of such injury by such individual or any person on his behalf, within one year after the occurrence causing such injury, shall be a sufficient claim for benefits with respect to such injury for the purpose of the period of limitation prescribed in this section. The Administrator, in his discretion, may waive the period of limitation prescribed in this section whenever he finds that, because of circumstances beyond the control of an individual otherwise entitled to benefits under this title, compliance therewith could not be accomplished.

DEFINITIONS

SEC. 106. As used in this title—

(a) The term "war injury" means—

(1) a personal injury sustained after December 6, 1941, proximately resulting from a war-risk hazard (as defined in title III), and includes any disease proximately resulting from such personal injury;

(2) in the case of a civilian defense worker, it also includes a personal injury sustained by such worker after December 6, 1941, while in the performance of his duty as such worker, or disease incurred by him which was proximately caused by his performance of such duty after such date; and

(3) in the case of a civilian detained by the enemy whose detention commenced after December 6, 1941, it also includes a personal injury or disease proximately resulting from such detention.

(b) The term "dependent of a civilian" means such civilian's wife or widow, husband or widower, child, or parent (as defined in regulations of the Administrators), who (1) within such period prior to such civilian's death or detention as may be prescribed in regulations of the Administrator, was receiving his or

her chief support from income earned by such civilian, and (2) except in the case of a wife or widow, or a child who has not attained the age of eighteen, is incapable of self-support because of age or mental or physical disability.

(c) The term "civilian defense worker" means any civilian (except a person who is paid by the United States, or any department, agency, or instrumentality thereof, for services as a civilian defense worker) who is engaged in the Aircraft Warning Service, or is a member of the Civil Air Patrol, or is a member of the United States Citizens Defense Corps in the protective services engaged in civilian defense, as such protective services are established from time to time by regulation or order of the Director of the Office of Civilian Defense, or is registered for a course of training prescribed and approved by said Director for such protective services.

EXPIRATION DATE

SEC. 107. Except as may otherwise be provided by Congress, no payment shall be made, except as provided in section 104 (b), with respect to any individual under the provisions of this title for any period after the sixtieth month following the month during which the present wars end; nor shall any other benefit, assistance, or service of any nature under this Act be provided after such sixtieth month. Not later than the beginning of a regular session of Congress, beginning at least six months before such sixtieth month, the Administrator shall transmit a report to Congress which shall include a full statement of the cost of payments and services under this title and his recommendations as to whether or not such payments and services should be continued, and, if so, whether any modifications thereof are desirable.

TITLE II—RELIEF OF WARTIME CIVILIAN DISTRESS

APPROPRIATION

SEC. 201. (a) The Federal Security Administrator and the Director of the Office of Civilian Defense shall prepare a plan or plans to meet any emergency which may arise in the United States resulting from enemy attack, or from action to meet such attack, setting forth in detail the functions of the State and local defense councils and of the various Federal departments in dealing with such emergency. The Director of the Office of Civilian Defense shall coordinate the work of the Federal departments relating to civilian defense, and promote the development of State and local defense councils. In order to provide assistance and services for the temporary relief of civilian distress resulting from enemy attack or the danger thereof or from action to meet such attack or danger for a reasonable period of time after such attack or danger or action to meet it, including money payments, loans (with or without interest or security), and assistance in kind and medical or other services necessary for the protection of health, safety, or welfare, such assistance and services to be available under such circumstances and to such extent as the Administrator shall prescribe to civilians who are injured, and to the survivors of civilians who are killed, and to civilians who have suffered loss of, or damage to, clothing, tools, living quarters, furniture, or real or personal property of other kinds necessary for employment or habitation, and to civilians who are in war-stricken areas, or who are being or have been evacuated from any area under the direction of civil or military authority; there is hereby authorized to be appropriated for the fiscal year ending June 30, 1942, and for each fiscal year thereafter, a sum sufficient to carry out the purposes of this title.

(b) Assistance and services under this title shall not be provided outside of the United States, unless, and only to the extent that, the President shall direct.

(c) Assistance and services under this title shall be designed to restore normal civilian activities as rapidly as possible, but not to provide any permanent rebuilding or rehabilitation. In no case shall such assistance with respect to damaged living quarters or other real property exceed the cost of making such property temporarily serviceable.

(d) In providing assistance and services under this title the Administrator shall, wherever he deems it practicable, take into consideration the resources of the persons receiving such assistance and services, including any pensions or other benefits to which they are entitled.

ADMINISTRATION

SEC. 202. (a) The Administrator shall have the power and duty of administering the provisions of this Act, and shall issue such regulations and instructions, and establish such procedures, and perform such other functions as he finds may be necessary to carry out its purposes; but nothing contained herein shall affect any jurisdiction of any military or naval authority with respect to the control or disposition of civilians.

(b) In carrying out the purposes of this Act and in accordance with the plan or plans prepared pursuant to section 201 (a), the Administrator shall, through agreements or cooperative working arrangements with appropriate agencies of the United States or of any State (including the District of Columbia, Hawaii, Alaska, Puerto Rico, and the Virgin Islands) or political subdivision thereof, and with other appropriate public agencies and private persons, agencies, or institutions, utilize their services and facilities wherever possible. He may delegate to any officer or employee, or to any agency, of the United States, of any State, or of the District of Columbia, or of any political subdivision thereof, or Territory or possession of the United States, such of his powers and duties as he finds necessary for carrying out the purposes of this Act, and may make grants to any such agency of the estimated cost of services or facilities utilized by him in carrying out the purposes of this Act; and in administering this title may transfer funds or make grants to any such agency for the making of payments and loans or the provision of services authorized under this title. Any money so granted or transferred which is not so used by any such agency for such purpose shall be returned and credited to the current appropriation available for such purpose, in accordance with such regulations as the Administrator shall prescribe.

(c) The Secretary of the Treasury shall, through the Division of Disbursement of the Treasury Department and prior to audit or settlement by the General Accounting Office, make payments authorized under this Act to such payees in such amounts as the Administrator may from time to time certify. Notwithstanding the provisions of section 3648 of the Revised Statutes, the Secretary of the Treasury shall arrange for advances to duly authorized agents of the Administrator to make possible immediate payments in currency where the Administrator finds that such payments are necessary to carry out the purposes of this title. Payments in currency out of such advance shall be accounted for in accordance with regulations of the Administrator, which may provide that a certification of such agent as to the details of the expenditure shall be a sufficient voucher in cases where it is impracticable to furnish the payee's receipt. In situations in which the Administrator finds that the procurement of supplies, services, and materials, on an emergency basis, is necessary to carry out the purposes of this title, such procurement shall be made in accordance with regulations prescribed by him, without regard to section 3709 of the Revised Statutes.

(d) Decisions by the Administrator with respect to entitlement to benefits or reimbursement under this Act shall be reviewable by such administrative procedures as the Administrator shall prescribe. The Administrator may, at any time, reconsider or modify his decisions, and may waive recovery of money erroneously paid whenever he finds that such recovery would be against equity and good conscience or would be impracticable.

(e) The Administrator may provide for certification for joint payment to two or more individuals of the same family of the total amounts payable to such individuals.

(f) The Administrator is directed to make findings of fact, and decisions as to the rights of any individual applying for any benefit under title I. He is authorized to hold such hearings and to conduct such investigations and other proceedings as he may deem necessary or proper for the administration of this title or title I. In the course of any hearing, investigation, or other proceedings, he may administer oaths and affirmations, examine witnesses, and receive evidence. Evidence may be received at any such hearing even though inadmissible under rules of evidence applicable to court procedure.

(g) In administering this Act, the Administrator shall, insofar as they are applicable, have all the powers and duties conferred upon the Social Security Board by subsections (a), (d), (j), and (k) of section 205 of the Social Security Act, as amended; and the provisions of subsections (e) and (f) of such section shall be applicable to this Act in the same manner and to the same extent as they are applicable to title II of the Social Security Act, as amended.

(h) The Administrator shall make quarterly reports to the President and to the Congress with respect to assistance and services provided under this title, and agreements and cooperative working arrangements entered into in connection therewith, except to the extent that the information might be of value to the enemy. Such reports shall include information as to areas where and the causes why such assistance and services are provided, the kinds and extent, and probable duration of such assistance and services in such areas, and the agencies participating in their administration. The first of such reports shall be for the period ending with the third full calendar month after the enactment date of this Act, and subsequent reports shall be made thereafter for each period of three calendar months.

TITLE III—MISCELLANEOUS PROVISIONS

DEFINITIONS

SEC. 301. When used in this Act—

(a) The term "United States" when used in a geographical sense means the several States, the District of Columbia, Hawaii, Alaska, Puerto Rico, and the Virgin Islands, and shall include all bays, harbors, sounds, inlets, and similar bodies of water therein, but shall not include any other portion of the Atlantic or Pacific Oceans or the Gulf of Mexico.

(b) The term "Administrator" means the Federal Security Administrator.

(c) The term "war-risk hazard" means any hazard arising after December 6, 1941, and prior to the end of the present war, from—

(1) the discharge of any missile (including liquids and gas) or the use of any weapon, explosive, or other noxious thing by an enemy or in combating an attack or an imagined attack by an enemy; or

(2) action of the enemy, including rebellion or insurrection against the United States or any of its Allies; or

(3) the discharge or explosion of munitions intended for use in connection with the national war effort (except with respect to any employee of a manufacturer or processor of munitions during the manufacture, or processing thereof, or while stored on the premises of the manufacture or processor); or

(4) the collision of vessels in convoy or the operation of vessels or aircraft without running lights or without other customary peacetime aids to navigation; or

(5) the operation of vessels or aircraft in a zone of hostilities or engaged in war activities.

DISQUALIFICATION FROM BENEFITS

SEC. 302. (a) No person convicted in a court of competent jurisdiction of any subversive act against the United States or any of its Allies, committed after the declaration by the President on May 27, 1941, of the national emergency, shall be entitled to compensation or other benefits under title I, nor shall any compensation be payable with respect to his death or detention under such title, and upon indictment or the filing of an information charging the commission of any such subversive act, all such compensation or other benefits shall be suspended and remain suspended until acquittal or withdrawal of such charge, but upon conviction thereof or upon death occurring prior to a final disposition thereof, all such payments and all benefits under such title shall be forfeited and terminated. If the charge is withdrawn, or there is an acquittal, all such compensation withheld shall be paid to the person or persons entitled thereto.

(b) The Administrator may by regulations prescribe such disqualifications from benefits provided in this Act as he may deem proper with respect to enemy aliens, and such other disqualifications from such benefits as he may deem necessary or proper to protect the public interest or to carry out the purposes of such titles.

FRAUD

SEC. 303. Whoever, for the purpose of causing an increase in any payment authorized to be made under this Act, or for the purpose of causing any payment to be made where no payment is authorized hereunder, shall knowingly make or cause to be made, or aid or abet in the making of any false statement or representation of a material fact in any application for any payment under this Act,

or knowingly make or cause to be made, or aid or abet in the making of any false statement, representation, affidavit, or document in connection with such an application, or claim, shall be guilty of a misdemeanor and upon conviction thereof shall be fined not more than \$1,000 or imprisoned for not more than one year, or both.

LEGAL SERVICES

SEC. 304. No claim for legal services or for any other services rendered in respect of a claim or award for compensation under this Act to or on account of any person shall be valid unless approved by the Administrator; and any claim so approved shall, in the manner and to the extent fixed by the Administrator, be paid out of the compensation payable to the claimant; and any person who receives any fee, other consideration, or any gratuity on account of services so rendered, unless such consideration or gratuity is so approved, or who solicits employment for another person or for himself in respect of any claim or award for compensation under this Act, shall be guilty of a misdemeanor and upon conviction thereof shall, for each offense, be fined not more than \$1,000 or imprisoned not more than one year, or both.

FINALITY OF DECISIONS

SEC. 305. The action of the Administrator in allowing or denying any payment under this Act shall be final and conclusive on all questions of law and fact and not subject to review by any other official of the United States or by any court by mandamus or otherwise, and the Comptroller General is authorized and directed to allow credit in the accounts of any certifying or disbursing officer for payments in accordance with such action.

DETERMINATION OF DEATH OR DETENTION

SEC. 306. A determination that an individual is dead or a determination that he has been detained by the enemy may be made on the basis of evidence that he has disappeared under circumstances such as to make such death or detention appear probable.

ASSIGNMENTS, AND SO FORTH

SEC. 307. The right of any person to any benefit under this Act shall not be transferable or assignable at law or in equity except to the United States, and none of the moneys paid or payable (except money paid hereunder as reimbursement for funeral expenses or as reimbursement with respect to payments of workmen's compensation or in the nature of workmen's compensation benefits), or rights existing under such titles, shall be subject to execution, levy, attachment, garnishment, or other legal process or to the operation of any bankruptcy or insolvency law.

Senator CLARK. Senator Pepper, did you desire to make a statement?

Senator PEPPER. If you please, Mr. Chairman.

STATEMENT OF HON. CLAUDE PEPPER, UNITED STATES SENATOR FROM FLORIDA

Senator PEPPER. Mr. Chairman, the genesis of this legislation can be given a little bit more in detail by Mr. Haber, on behalf of the Bureau of the Budget, who has had intimate connection with it from its beginning. In fact, the inception of it occurred in a letter of the President addressed to the Federal Security Administrator, allotting to him a fund of \$5,000,000 to provide the assistance and the compensation that might be appropriate in respect to certain action of the enemy as it affected the civilian population of this country either here or employed in projects under the direction of the United States outside of the continental United States.

At the same time, the President directed the Secretary of the Treasury to make available, out of a certain emergency fund of the President, the sum of \$5,000,000 that was so allocated to the Federal Security Administrator.

I introduced the first bill on the subject, which is S. 2266, I believe. That bill was getting at the same objective. The essential difference between that and the other bills was that the part of the legislation affecting the continental United States was under the direction and jurisdiction primarily of the Employees' Compensation Commission.

That bill was referred to the Senate Committee on Education and Labor, and Senator Thomas, the chairman of that committee, then appointed a subcommittee, consisting of the junior Senator from Florida as chairman, Senator Murray of Montana, and Senator Aiken as the other two members of the subcommittee. Hearings were begun by that subcommittee and considerable testimony taken.

At about that time the Bureau of the Budget, through Mr. Haber, suggested to the subcommittee that the Bureau of the Budget, pursuant to the direction of the President, was making a study of this whole question of providing compensation to civilians who might sustain injury from enemy attack or from certain defined war hazards, not only civilians in the continental United States but citizens of the United States or persons owing allegiance to the United States who might be employed upon Army and Navy work outside of the continental United States, or upon public works carried out under the direction of the United States Government in areas outside of the continental United States.

Finally, after the various administrative agencies, namely, the Bureau of the Budget, the War Department, the Navy Department, Employees' Compensation Commission, Federal Security Agency, and Office of Civilian Defense, had collaborated in the preparation of the bill dealing with the subject and contemplating that that part of it affecting the continental United States would primarily be under the direction and supervision of the Federal Security Agency, why, that bill was brought to my attention, since I had introduced the first bill, and I introduced that bill.

That was S. 2412. That bill, too, was referred to the Senate Committee on Education and Labor, and the same subcommittee continued its hearings and the same agencies that I have identified continued their collaboration on the subject.

Senator CLARK. Senator, may I interrupt you there?

Senator PEPPER. Yes.

Senator CLARK. What was the theory on which the jurisdiction was transferred from the Federal Employees' Compensation Commission, where it was in the first bill, to the Social Security Agency, where it was in the second bill?

Senator PEPPER. Well, that original suggestion, Mr. Chairman, came from the Bureau of the Budget, and Mr. Haber is here and will be the next witness following this brief statement by me, and probably he can better give the reasons than I but, generally, I would say it was felt that the Federal Security Administration had the existing personnel in the continental United States which could perform the duties that were contemplated by this law to a little bit more satisfactory degree than perhaps the Employees' Compensation Commission. Whereas,

on the other hand, with respect to the execution of the part of this bill that related to offshore areas, it was felt that the Employees' Compensation Commission, which was already administering the Longshoremen's Act affecting all offshore areas to a degree, was better qualified to perform those functions under the bill.

But Mr. Haber, as I say, and the Federal Security Administrator's representative, I believe, will be able to give you the reason perhaps more adequately than I.

Senator TAFT. There was a marked difference between the status of those individuals described in Title V and the ordinary civilians, in that those in Title V were indirectly employees of the United States, whereas the ordinary civilians were not.

Senator PEPPER. That is right.

Senator TAFT. But that would hardly apply to the civilian air-raid wardens which came in on the theory that they might be Federal employees.

Senator PEPPER. That is right, but, at the same time, they were geographically part of the United States and were dealt with similarly under title I.

Mr. Chairman, you are aware of the fact that at the completion of the hearings and after a good bit of deliberation on the subject, the Senate Committee on Education and Labor reported the matter to the Senate floor and there the action was taken with which the chairman is familiar.

All of the bill except titles I and II, relating primarily to the continental United States, were passed by the Senate: Titles III, IV, and V. Now, then, the question that is presented in this bill is titles I and II of the original bill, with slight modification, and that affects primarily the continental United States.

Now it is apparent, Mr. Chairman, in dealing with the subject that it is necessary to arrive at a determination of the philosophy upon which we ought to proceed. Naturally and clearly this bill proceeds upon the belief that it is the responsibility of the Federal Government to provide compensation and assistance and medical care, as defined in the bill, to those civilians who sustain injury, or to the survivors of those civilians who suffered death from the attack of the enemy in certain war hazards related to the enemy that are defined in this bill.

That is based primarily upon the fact that it is the Federal Government that is carrying on the war and these injuries would be considered the direct consequence of the war. The war would be the proximate cause.

It was natural that there should be some little extension of war hazard in the bill upon that theory. For example, if we said that the civilian must sustain injury from enemy attack directly before the civilian could obtain any benefits, that would mean that he or she would have to be hit by the shells or missiles that might be directed by the enemy, but since we were thinking more about the substance than the form of the matter, we thought it was necessary and proper to include a case where our own antiaircraft guns, for example, were combating the enemy attack and shrapnel from those shells fell upon the civilian and caused that civilian to be injured or caused his death.

That was certainly within the principle of the primary point.

Then it is only natural to make one further extension, namely, that the civilian should not have the responsibility of determining whether

the attack was real or imaginary. We all know that these notices of an enemy attack are given by the duly constituted military authorities. Now, if the military authorities sound a warning and the men running the anti-aircraft gun on the ground think there is a plane in the sky and they shoot and a piece of shrapnel falls on the head of the civilian resulting in an injury of the civilian, for all practical purposes we feel that case, too, should be included within the principle of liability, because the civilian was not the one that made the decision and the hazard was directly related to either an enemy attack or imagined enemy attack, both of which were fairly considered war hazards against which the civilian should be protected.

Now, if you are going to protect the civilian, as we worked the matter practically, there developed two different categories with respect to time, as it were. One was the case where the civilian might be employed in a factory during working hours and might sustain an injury there at that place and time; the other was the imagined case of a civilian sustaining an injury while he was home in bed, or in transit between home and work.

It was easier administratively to distinguish those cases if you applied the principle of the Workmen's Compensation Law to the first of those cases, that is to say, where the person was injured while he or she were engaged in the performance of their regular duties.

Then you could use the machinery that already exists through the workmen's compensation laws of the several States to take care of the mechanics of payment. Then all the Federal Government would have to do would be to reimburse the insurer who paid that claim.

Then, furthermore, the principle of determining the amount of the payment would already be in existence. For example, if a man lost his right arm from a bomb that fell through the factory while he was working there, he would receive for that injury the same amount that he would receive under the Workmen's Compensation Law if a machine had knocked that right arm off while he was engaged in the performance of his duty. That gave clearness and certainty of recovery, and it gave the civilian the advantage of a known scale of benefits paid and it made it possible to use existing personnel.

The committee will discover that principle all the way through here. It was attempted to avoid the necessity for the creation of an agency that would require additional Federal personnel wherever possible, and that has been almost completely achieved.

Now then, one of the disadvantages of that principle was this: Due to the difference in the benefits that were payable under the laws of the different States there would be a difference in the amount to be paid to different people in different States, but at the same time we felt that it would not be fair for the civilian to get the amount that he would receive for that injury if it occurred in the performance of his regular duties. We thought they would all understand that and it was not an unfair principle by the Federal Government, but the Federal Government wanted to see to it, did want to see to it that at least everybody that sustained such an injury received a certain prescribed minimum.

So it was provided that if in any State the benefits payable for such an injury under the workmen's compensation law were less than the benefits, the minimum benefits provided by this law then the

person should have a supplement of the benefits he would receive under his State law from the Federal Treasury up to the amount of the minimum benefits prescribed in this law.

Well, that pretty well took care of the cases which would be covered by the ordinary workmen's compensation laws.

Senator TAFT. Was not there a provision to reimburse the insurer? The Federal Government was to pay the whole thing?

Senator PEPPER. The Federal Government under this law would reimburse the insurer for the amount the insurer actually disbursed.

Senator TAFT. Under the State workmen's compensation law?

Senator PEPPER. Under the State workmen's compensation law.

But I was just about to add—and I am glad the Senator from Ohio anticipated what I was about to say—that that is true only in case the insurer did not charge a premium for this kind of insurance. If the insurer made these people in the factory pay a premium for war hazards, then the insurer would not be entitled to reimbursement from the Federal Treasury. So the Federal Government reimburses only in case the insurer does not charge a premium to the insured. It is obvious there will hardly be any case where the insurer will charge such a premium to the employee, because if it is enough probably to provide adequate funds from which these payments are made in case there is a bomb raid, it will be burdensome upon the employee, and if he charges too little then there would not be funds available. In view of the fact you just cannot tell with any kind of certainty as to what the degree of the hazard is and therefore no sound principle for fixing the rate could possibly be prescribed, why, it was not thought there would be any cases to speak of where the insurer would actually cover the insured workman by charging him a premium.

Senator DANAHY. You do not know of any such, do you, Senator?

Senator PEPPER. No. In the case of the British experience, even there they have not been able to apply any principle of insurance to this kind of thing. It has all been provided out of the Treasury of the Government.

The other class of cases, Mr. Chairman and members of the committee, with respect to time in the Continental United States were the people who were not covered by the Workmen's Compensation Law and people who might be at places and at times other than in the performance of their duties. They had to be provided for, of course. So this bill sets up a definite scale of benefits to be applicable to that type of person, and as prescribed in there, the minimum is \$30 a month for a given individual, and then that goes up to a maximum of \$85 a month.

The scale of benefits ranges between \$30 a month and \$85 a month, according to the monthly compensation of the civilian affected, but in no case can the civilian or his dependents get a total sum in benefits in excess of \$85 a month.

Senator TAFT. Am I right in thinking that under title III, as to the employees of contractors, it goes up to \$116 a month?

Senator PEPPER. It is \$106, I believe, or \$108. That is due to the scale of benefits that is provided under the existing Longshoremen's Act. There again, we endeavored to use an existing statute as much as we possibly could and the personnel that is administering that existing statute.

Now, there are two special categories that are contemplated here. One of them is the merchant seamen. As I understand it, there are insurance benefits that are now payable to merchant seamen engaged in matters relating to the war in the gross amount of \$5,000 payable to the codependents of the seaman, in case the seaman loses his life.

Senator TAFT. That is the existing law?

Senator PEPPER. That is the existing law, that is right.

But if the seaman sustains personal injury I know of no existing law that gives that seaman any compensation whatever during the period of such disability. So he would be dependent either upon the charity of his company, or upon some private insurance provisions that he had made or upon public or private charity.

So we endeavored to provide for that type of case in this bill by putting the seaman in the same category as the ordinary civilian, and the seaman, therefore, who might be injured while engaged in the performance of his duty related to the war would be eligible, in case of personal injury, for the scale of benefits provided in this bill.

Now, that is, we feel, a very suitable new addition.

Now, there is a second category that is especially provided for, and that is the civilian defense worker. Now, Mr. Landis is here and he will speak, of course, far better on that subject than I can, but I will just say this to the committee:

The reason primarily that that was done, it was felt that the civilian defense worker is a person who, in the performance of his or her duties, is exercising and performing a Federal function; that is to say, occupying the status of a Federal employee, although voluntarily and without the receipt of compensation.

Now, then, if a person is engaged in the performance of a Federal function and has the status of a Federal employee under ordinary law, and that person sustains an injury, that person is covered by existing Federal law through the Federal Employees' Compensation Commission, so that that person would receive definite benefits that are provided by law for such injury.

It was felt in this case that while a civilian defense worker has the status of a civilian defense worker and is engaged in the performance of the duties affecting or growing out of such status, that that person should not be discriminated against because he or she is doing that work voluntarily and without compensation.

Now, I am afraid, maybe due to some fault in handling it on the part of the junior Senator from Florida, that the impression may have gained currency that the civilian defense worker was covered during the 24 hours of the day. That is not true unless during the whole period the civilian defense worker is actually employed about his or her duties as a civilian defense worker. Now, the assumed case, therefore, of a civilian defense worker sustaining an injury which is purely personal and attributable to some cause not related to the duties of the civilian defense worker is an erroneous assumption. If the civilian defense worker, for example, is on the back of a fire truck engaged in a practice drill and the truck whirls around the corner and that person having assumed hazards above the ordinary hazards of a citizen not similarly engaged is thrown off and injured, then it is considered, in the first place, that that person is a definable, ascertainable person and, in the second place, that person has the

status of a Federal employee because he is engaged in the performance of a Federal function relative to the national security and national defense.

In the third place, he is actually engaged in the performance of his duties. He is not on a frolic of his own, as we lawyers say, outside of the scope of his duties. In that particular case that particular person would be covered by the benefit scale provided in this act.

But if that man is at home and he is walking down the stairway and stumbles and falls and breaks his leg or neck, just because he is a civilian employee he would not get anything under the terms of this bill.

I think it ought to be clear also that this individual who volunteers to do defense work, however meritorious the assumption of the obligation may be, does not come within the terms of coverage provided in this act for the civilian defense worker. The person that comes within the terms of this act has to occupy a definite status. He or she has to be in a fixed, prescribed category that is promulgated by the regulations of the Office of Civilian Defense, and that person has to have his or her status generally provided for, not just specifically designated.

Let me say further, somebody might think, well, the categories to be covered of civilian defense workers should be defined by statute. Well, maybe after the able administrator of the Office of Civilian Defense has ample time to work out his organization it might be incorporated in the statute, although the statute might have to be changed from time to time as the necessity for different and additional categories for workers appears, but I doubt if it is quite fair to the Office of Civilian Defense to demand of them at this time to present to Congress such a complete organization that it can all be provided for in the statute, although Mr. Landis is far more capable of speaking about this matter than I.

Now, I do feel, as a citizen and a Senator, that these civilian defense workers are assuming obligations different from the ordinary citizen. If I am sitting in my bed room or living room and a bomb falls and hits me then I am in the capacity of the civilian and I am taken care of, but if I leave what might be assumed to be the greater safety of my living room or bed room and go outside and undertake a hazardous mission that distinguishes me from my neighbors, if I assume obligations and duties that my neighbors do not assume, if I become a part of a special class that goes out to perform a special duty which, with respect to the civilian population, may be said to be the status comparable to that of a soldier, then I do think it is meritorious and worthy to consider that person to be in the status of a Federal employee and to be eligible for the benefits that are provided in this act.

Now, I think, Mr. Chairman, that is the principal statement I wanted to make, because these other witnesses will cover the matter very much more in detail than I.

I will say this, that the British put their compensation law in effect the very first day of the war, and they have found that it not only has administered to the physical needs of their people tremendously, but it has had a very valuable effect upon the morale of the people.

Now, that leads me to the second title and to a conclusion of what I had to say. The second title relates to the situation of where a community might be the victim of a blitzkrieg and the normal life of that community might be utterly disrupted and the ordinary sources of administration and supply might be broken, people might be left without their homes, the workman might have his tools taken away from him, and the ordinary revenues of the community might be grossly inadequate to take care of just the food and clothes that the victimized population might require.

It was felt, therefore, that in a case like that it was only fair that the primary and temporary responsibility should be upon the Federal Government.

Title I contemplates a permanent plan with respect to the individual. The individual is the point of emphasis under title I, but under title II primarily the community is what is looked after. We are thinking in terms of the Federal Government stepping into the relief of a stricken community and giving that community primarily the money that it might require in order to weather this terrible storm.

Now, I emphasize the Federal Government furnishing the money purposely, because these administrative agencies very creditably, with the cooperation of the Bureau of the Budget, Office of Civilian Defense, and the other agencies, have worked out a division of responsibility so that, in the first place, there need not be employed a large number of people and, in the second place, so there will not be a duplication of functions.

While it was felt, of course, that it was necessary for the Congress to charge somebody with the primary responsibility for the administration of this law, nevertheless, it also charges the Administrator with the specific duty that is prescribed in this bill, to set up these other organizations in the form of existing personnel, that is, to use other Federal, State, and local public and private agencies through whom to act.

SENATOR DANAHER. Will you permit a question now?

SENATOR PEPPER. Yes.

SENATOR DANAHER. Is it your understanding that the provisions of section 202 dealing with administration apply alike to title I?

SENATOR PEPPER. Well, the Federal Security Administrator has the responsibility and the duty of administering both, yes; but in title I he operates through existing Federal Security Administration personnel, through the Employees' Compensation Commission when it is proper, through the workmen's compensation boards and personnel of the several States in proper cases.

I may add, since a representative of the insurance agents' association is here today, and they approved this bill, we even made it clear in the committee hearings that we expected the Federal Security Administrator to use these private insurance companies' adjusters in the several communities without going out and hiring Federal adjusters to adjust claims in case of injuries. So in that case, too, I will say to the Senator from Connecticut, he is directly responsible for the administration of it.

There are certain people through whom he has to work in title I who are essentially different from the people through whom he has to work in title II. In title II he will work primarily through the State defense councils and local defense councils. In the case of the State

they are usually appointed by the Governor, and in the case of the cities and the towns they are appointed by the mayor.

So the Federal Security Administrator will not go into a stricken community and command everybody into attention and start administering the provisions of this law, what he will do is send somebody down there with the money that will be necessary to meet the immediate demands of the stricken community, which will be disbursed and distributed through personnel that is already in existence. Then he will also pay the bills for the hospital and medical care that the local people may find it necessary to give the victims, and he will do what he can, no doubt, to make Federal facilities available wherever it is possible.

He is the supervisor and general director of this thing, but not the person to carry out the execution of the details.

We do want the committee to feel, as Senator Taft well knows, who has valuably contributed to making that clear in here, that we have done all we could to preserve economy in the administration of this matter in the communities, to make somebody, of course, responsible, to see to it that there was coordination of existing agencies, and we selected the Federal Security Administrator for it, and then, of course, to see to it that the Federal Government assumes the primary financial responsibility.

Now, they would have the authority, I might say frankly to the committee, actually to disburse cash to a victim who found herself or himself utterly impoverished. You might imagine the morale of the person bombed out of his home, out of most of his clothes, out of most of his tools, with no place to work or no place to live.

In cases like that the British have found that it was imperative that the National Government assume the responsibility for making those dwellings, those residences habitable, to patch a roof, to put in a door or a window, but nothing in the form of permanent improvement, of course, that comes in this category. That is the War Damage Act which has already been passed by the Congress.

Then the other thing was to be able to give that person enough actual cash to go and buy food, perhaps, or to have the satisfaction of having a few dollars in his pocket.

Senator CLARK. Those things in the past have usually been handled by the Army. In cases of such great disasters as the San Francisco fire, for instance, they have usually declared martial law and the Army has taken care of it.

Senator TAFT. Since the Hartford flood, it was the local council and the Red Cross.

Senator PEPPER. Mr. Chairman, of course, there may have been cases where the Army has done it but, generally, I think the Red Cross handles it. I want to emphasize, as Senator Taft recalls from the hearings, the Red Cross has very much approved the way this has worked out.

I started to say, in spite of the fact that the British sometimes give as much as what would be \$40 or \$50 in our money to a victim, nevertheless they have not spent but a few million dollars altogether, in spite of the harrowing experiences that they have had in certain places.

Mr. Chairman, I did not intend to take so long. This matter has not been hastily put together, and the credit of it all goes to the administrative agencies who very conscientiously labored upon this subject.

I respectfully suggest Mr. Haber especially, of the Bureau of the Budget, might be helpful to the committee in giving it to the committee from their point of view.

Senator **DANAHER**. There is one other question that arises, despite the Senator's very able presentation on the bill. I want to have him state, if he will, whether or not he understands under the reimbursement section that the reimbursement is to be made for whatever benefit may have been paid by the agency named.

Senator **PEPPER**. That is right. That is under the workmen's compensation law?

Senator **DANAHER**. That is right.

Senator **PEPPER**. That is right. Whatever they disburse, but remember, that has got to be a law there or rule that is appropriate to a particular case within an existing workmen's compensation law.

They would pay a man for the loss of his right arm by bomb exactly the same amount as he would be paid for the loss of his right arm if it was chewed up in a machine.

I will add this: The question came up in the Senate the other day about the cost of this bill, and naturally this committee is going to be interested in it. Mr. May, of the Federal Security Agency, has been to England and examined their experiences. He has also gotten up all the statistical data on the subject of cost which the British have been able to give.

Obviously, while they will be helpful, they will give us some idea of what the British have had to expend, we have got to assume our burden might not be larger than that. By the way, the scale of benefits is essentially the same in both systems.

However, all that is only an estimate. We do not know whether ours will be less or greater. In any event, it will still have to be an estimate.

Senator **CLARK**. You haven't had a basis for making this estimate except the British experience?

Senator **PEPPER**. That is all we have had, except the little the Germans have had. Of course, that is not reliable to us.

Senator **CLARK**. There are some facts in connection with Lloyd's.

Senator **PEPPER**. Yes; that is right.

Now, Mr. Chairman, I will submit to the subcommittee an amendment which is proposed by the War Department which, I think, is quite appropriate. That is:

Add a new subsection "(e)" to section 201, immediately following line 8, page 19, to read as follows:

"(e) The authority and duties conferred upon the Federal Security Administrator and the Director of the Office of Civilian Defense, or either of them, shall not affect, impair, limit, or interfere with any military or naval authority with respect to control and disposition of civilians, or any other military or naval activity or duty."

Senator **TAFT**. That is all right, but entirely unnecessary.

Senator **PEPPER**. It is unnecessary, we believe, but since the War Department feels it is necessary, we have no objection to it.

Are there any questions?

Senator **TAFT**. Will you cover the question of detention?

Senator **PEPPER**. We have also provided for civilians of the United States who might be detained outside of the United States, provided

that their dependents shall be entitled to the same benefits as if those people were dead during the time of that detention.

I am glad the Senator from Ohio suggested that. Naturally you have got two categories of cases where the civilian is a citizen of the United States and detained outside the United States, and then where the beneficiary or the dependent of the detained civilian is outside the United States.

Now, we contemplate in here that no funds provided by this act shall be payable physically outside the United States except upon a general rule promulgated by the President.

Senator RADCLIFFE. Senator Pepper, does the British law attempt to cover this phase of the matter?

Senator PEPPER. The detention?

Senator RADCLIFFE. Yes.

Senator PEPPER. I do not recall that. Do you recall, Mr. May?

Mr. MAY. I am sorry; I do not know.

Senator PEPPER. I am sorry; I do not have that information. With us, of course, it has already been a troublesome subject, because we have had a good many instances of detention outside the United States.

Senator RADCLIFFE. Do you know of any precedent for it? This question does not in any way suggest opposition to the idea; I am merely asking for information.

Senator PEPPER. Yes.

Senator RADCLIFFE. Do you know of any precedent for benefits for such reason as that?

Senator PEPPER. Except the kind of precedent that we have already established ourselves thus far in the war. With respect to civilian employees engaged upon contracts or public works outside of the United States, part of this \$5,000,000 that was set aside out of the Treasury by Presidential order to the Federal Security Administrator has already been employed in taking care of the dependents of these United States citizens who have been detained by the enemy in offshore areas.

Now, in addition to that, the War Department and the Navy Department have used, as they told us in the committee, some of their construction funds also to take care of some of these cases.

So we do have an Executive and administrative precedent for it. It was felt these people's dependents had to be taken care of. Of course, we cannot pay the person himself anything because we cannot get it to him, but the dependents of that detained person who, you must remember by hypothesis, are here in the United States, somebody must take care of them.

It is assuming they do not have adequate funds, and they must be dependents, they must have derived an income from the detained person. They must either be taken care of by charity or they have got to be taken care of by the local authorities or by the Federal Government.

We felt, since their source of support had been taken away from them as a direct result of the war, that it was a fair Federal responsibility.

Was there another question on that, Senator?

Senator RADCLIFFE. That was responsive to my question. Thank you.

Senator PEPPER. Now, Mr. Chairman, I suggest that Mr. Haber and these other witnesses are here to appear now. If you will excuse me to go back to our other committee meeting, I will do that. Thank you very much.

Senator CLARK. Mr. Haber.

**STATEMENT OF WILLIAM HABER, SPECIAL ASSISTANT TO THE
DIRECTOR OF THE BUREAU OF THE BUDGET**

Senator CLARK. Will you state your name and position for the record, please?

Mr. HABER. My name is William Haber. My position is special assistant to the Director of the Bureau of the Budget.

Senator CLARK. Have you a statement, Mr. Haber?

Mr. HABER. A very brief one, Mr. Chairman.

Senator CLARK. You may proceed.

Mr. HABER. The War Department submitted a bill to the Bureau of the Budget some 5 or 6 months ago dealing with the problem which Senator Pepper outlined a little while ago. The War Department was interested primarily in two specific problems:

First, in the situation arising as the result of enemy action in outlying territories and, secondly, they were specifically interested in a situation likely to arise in the United States as the result of enemy action affecting industries which employ workers on war production.

Specifically, the War Department was concerned lest the increasing danger of bombs hitting factories and other production establishments might adversely affect the insurance rates which private insurance companies would charge under the State workmen's compensation laws, and lest private insurance companies would perhaps not be in a position at all to carry such insurance in view of the unknown character of that risk.

They asked the Bureau of the Budget to examine that particular proposal, with a view to securing its attitude on the subject.

I will outline very briefly the reasons why the bill originally submitted was so radically revised as the measure now before you indicates.

Senator CLARK. You mean originally submitted by the War Department?

Mr. HABER. That is correct.

First of all, the original bill revolved around the principle of workmen's compensation, and upon analysis we found the following factors which justified a revision of that particular approach.

First, the number of people in the United States covered by the workmen's compensation laws probably does not exceed about 20,000,000. We are dealing with a problem here involving the entire population, and legislation which was designed to deal with the situation affecting the entire population ought not to be predicated upon legislation which affects a relatively small proportion of the population.

Second, and more significant, the workmen's compensation laws differed very drastically among the States. The benefits scale, for example, varied from a minimum of about \$3,000 to a maximum exceeding \$15,000 for permanent and total disability, and the bill, as provided therein, would make it possible, or would call for a benefit

scale with wide variations. It seemed inequitable for a person who was injured as a result of enemy action in one State to be paid as little as one-third or one-half or one-fourth the amount that a person similarly injured in another State was paid.

Third, it was our conclusion, after a pretty careful analysis, that the principle of workmen's compensation did not apply to the particular risk involved here.

We found, for example, in England that the great bulk of the people injured were not people injured in the factories; they were people injured at home or in shelters, or on streets. It may be a poor commentary on the marksmanship of the German bombers, but the factories were largely missed. It was undoubtedly the result of the great heights from which bombs were dropped.

It was necessary to devise legislation which dealt with the general citizenry rather than which tied itself too closely to the problem of workers engaged in factories. As a result of that, as Senator Pepper has outlined this morning, conferences were held with the participation of representatives of the Federal Security Agency, the War Department, the Navy Department, at one of the early sessions the Veterans' Administration, the Employees' Compensation Commission, and later the Office of Civilian Defense, and the conclusion was, I think, generally reached, that a different approach was necessary if adequate protection for civilians was to be made.

In answer to the question you asked Senator Pepper, Mr. Chairman, as to why the administration of this measure was shifted from the original proposal to be handled by the Employees' Compensation Commission to the present proposal to be handled by the Federal Security Agency, I should like to indicate the following factors which influenced the decision.

First, as I have already suggested, it was not primarily a workman's compensation problem. While it dealt with accidents and injuries and death, it affected a great number of people who were not workers. In fact, it was our conclusion that perhaps the bulk of the people affected might not be workers in factories.

That is, of course, problematical.

Second, the Federal Security Agency already had a relatively large establishment throughout the country, with some 500 field offices, handling primarily the Old Age and Survivors Insurance and dealing already with survivors and with dependency cases on a very large scale.

Third, since the bill provided for more than the payment of compensation on a fixed benefit scale, it involved very close relationships with the medical services of State and local welfare departments, and under our existing legislation those relationships are provided for through the Federal Security Agency.

I should indicate quite candidly that perhaps, in part, we were also influenced by a factor which your committee, Mr. Chairman, may feel is not at all pertinent to the issue. Sometime or other this country may want to give consideration to proposals, made many times in the past, for general disability insurance for the general population. As you are aware, such proposals have at one time or another been made by the Social Security Board, by the Federal Security Agency, and suggested by the President. It was our opinion that,

if such were adopted, this legislation needed to be integrated with the general provisions for social insurance already prevailing.

These, in general, were the factors that influenced us. As Senator Pepper explained, we sought to protect the legislation from setting up a large, new agency, and we felt that probably no more addition in staff would be needed in giving the problem over to the Federal Security Agency than giving it over to any other agency.

Senator CLARK. You are going to have to have an increase in personnel, will you not? No matter what agency would get it, would you not have a very extensive increase in the personnel?

Mr. HABER. I am not sure how extensive, Senator.

Senator CLARK. That has been my observation.

Senator TAFT. It depends upon the number of claims entirely.

Mr. HABER. Yes. If the magnitude of the problem is such as happened in the British communities, an increase in staff is inevitable, but there are enough controls, and the committee can put additional ones in if it seems desirable. We were approaching it from the viewpoint of where it logically belongs.

I might indicate that the interest of the Employees' Compensation Commission in our discussions was almost exclusively confined to the problem of the outlying territories, and we did not feel that there was a jurisdictional problem involved.

Commissioner Keegan, of the Employees' Compensation Commission, is here and he may wish to amplify that statement himself.

There are two other general problems which I would like to touch upon and with that I will conclude my own discussion, unless you have some questions. We were not as negligent about the question of cost as some of the discussion might imply. We were utterly helpless in arriving at an estimate of cost.

The problem we were dealing with was already in existence. A great number of families were already involved, and in order to meet the situation while legislation was being drafted, through the President's emergency fund, as Senator Pepper has explained, a sum of \$5,000,000 was set aside.

You might take the experience under that particular allocation as a basis of cost, and say that if there is no bombing in the United States—and we all hope that there will be none—

Senator CLARK. But we cannot assume it.

Mr. HABER. We cannot assume it.

Senator TAFT. It has been done in Hawaii and Alaska.

Mr. HABER. That is right; but assuming there is no bombing in continental United States, \$102,000, approximately, has been expended from that \$5,000,000 allocation, and the committee can therefore come to the conclusion that the cost item is relatively insignificant if this country is not bombed.

If this country is bombed, anyone's guess is as good as anyone else's, and Mr. Hitler's estimate would be better than ours. We do not know the magnitude of such bombings, their frequency, the kind of cities which may be devastated, or the number of people involved, but the British experience is perhaps extremely pertinent.

Senator CLARK. Let me ask you one question before you proceed further, Mr. Haber.

Do I understand that \$102,000 covers the entire amount of damage in Hawaii and Alaska up to date?

Mr. HABER. No.

Senator CLARK. That is the amount of claims?

Mr. HABER. No; it is not. It covers the funds expended to dependents of people who were injured in the outlying possessions, dependents who are in the United States of people who were injured in the outlying possessions.

Senator TAFT. That is mostly these contractors' employees, is it not?

Mr. HABER. That is right. There were some others. Mr. May is thoroughly familiar with the detailed administration of that.

Senator RADCLIFFE. Have all of such claims been given attention?

Mr. HABER. I do not think so, but I think there is a record of those which are here and those which are anticipated, and Mr. May is in a better position, Senator, to give you the data on that.

On the question of cost, it was our thought that we should approach the problem from the viewpoint of need. We do not know what the needs may be. If the British experience is pertinent, you can get some estimate of cost that way.

Senator TAFT. What about members of the Civilian Defense Corps in the course of their duties?

Mr. HABER. I do not have any information on that.

Senator TAFT. It was testified in the other hearing that that might amount to from three to six million employees covered by this bill before you get through, that would be permitted to file claims for any injuries happening in what might be said to be the course of their duties.

Mr. HABER. It is possible, Senator, to arrive at some estimate of what the probable accident and injury rates would be for a group that large under normal circumstances. It might well be that Mr. Landis' group has such an estimate. I do not have it.

That, in general, is the nature of the presentation I would like to make, to indicate, Mr. Chairman, that the Bureau sought first to arrive at a conclusion of what the principle which should be followed in this legislation should be, and it was our conclusion that the workmen's compensation principle was not applicable.

I can say without hesitancy it was also our conclusion that the principle of contributory insurance was not applicable because the incidences are unknown, and it may fall upon people less able to provide for such insurance. It is not analogous to the property insurance, because there at least we know there is a proper basis for arriving at an estimate of a person's ability to make contributions.

The Bureau's function was to put together several conflicting proposals and try to arrive at a meeting of minds in advance of the presentation of a bill to the Senate committee. I should indicate that since that bill has been passed on to a subcommittee of the Committee on Education and Labor a considerable number of technical changes and schedule changes have been incorporated, and Mr. Rice of the counsel, and Mr. May, who worked closely with him, are in far better position to discuss the details of the schedule and responsibility than I am.

Senator CLARK. Are there any questions?

Thank you, Mr. Haber.

Director Landis, please.

STATEMENT OF JAMES M. LANDIS, DIRECTOR, OFFICE OF CIVILIAN DEFENSE

Senator CLARK. Will you state your name and your position, Mr. Landis?

Mr. LANDIS. James M. Landis, Director of the Office of Civilian Defense.

Senator CLARK. Mr. Landis, do you have a statement on this bill?

Mr. LANDIS. Yes; I do, Mr. Chairman.

Senator CLARK. You may proceed.

Mr. LANDIS. The prime interest of the Office of Civilian Defense in S. 2620 is the provisions in title I covering compensation for injuries or death sustained by civilian defense workers in the course of the performance of their duty.

Although those people, the civilian defense workers, would be covered by the other provisions of the bill that grant compensation for injury or death to any civilian, those provisions of the bill would not cover these civilian defense workers if they were injured other than by a war injury; that is, if they were injured in the course of the performance of their duties as civilian defense workers.

It is my desire to impress upon the committee here the desirability of having some form of compensation for civilian defense workers who may be injured in the course of their duties.

The duties of these workers are very hazardous, even today. Today, for example, members of the civil air patrol are flying the Atlantic in planes of their own. We have had accidents there but, fortunately, no fatal injuries. Tonight these civilian defense workers will be patrolling beaches on the Pacific coast, on the Atlantic coast, and that is a hazardous undertaking. Tonight somewhere there will be a drill of some kind for your air raid wardens, your emergency medical services, and those drills demand activity of a kind which is hazardous, particularly in the case of auxiliary policemen and auxiliary firemen.

Indeed, if I turn to the problem of auxiliary firemen, we have a very definite difficulty there in recruiting and training enough auxiliary firemen for our needs, because of the hazardous character of that kind of training. The training is just as hazardous as that of the regular firemen, and there is a hesitancy on the part of men to enter that service without some compensation being provided for injury, and there is a great hesitancy on the part of the regular firemen to take the responsibility with reference to the auxiliary firemen in the absence of some kind of compensation for injury.

Senator TAFT. I should think the incentive would be far more affected by the lack of pay than by any possibility of injury.

Mr. LANDIS. I do not think so, Senator.

Senator TAFT. I cannot imagine a fellow saying, "I do not think that is going to be safe so I am not going to do it."

I can imagine him saying, "I will not do it because I cannot afford to. If they pay me I can afford to, but I cannot do it without it."

I cannot see where any fellow is going to be deterred just because the Government is not going to pay him if he has an accident. He does not contemplate an accident. A fellow does not expect to have an accident.

Mr. LANDIS. I think in some of these services they do, from the standpoint of training as an auxiliary fireman. You must remember

that these men generally are not of military age, they are generally persons who have dependents, generally persons with only a moderate income, and to take chances of this character is something that these men think about twice.

They do not go in for pay. All this group is an unpaid, volunteer group. I do not think it is the desire for pay that takes a man into this work, but there is a hesitancy on account of perhaps being injured or killed which may deter a man from going into a particular service.

Senator TAFT. I cannot quite agree with that. I cannot imagine a fellow called on to do a patriotic service is going to quit because he is afraid there might be an accident. I cannot imagine such a fellow. I can imagine him saying, "I haven't got the time. I have got to spend the time earning money, I have got to support my family."

I do not think the ordinary man is deterred by the possibility of an accident. He does not think it is going to occur.

Mr. LANDIS. Well, you ride a fire truck and you do not think of the fact that an accident might not occur, and when you ride on a fire truck you are riding the fire truck with men who know they will be compensated for their injury.

Senator TAFT. The Senator suggests it does not deter the mayor of New York from riding the fire engines. [Laughter.]

Mr. LANDIS. Maybe he carries enough insurance.

The fact is, however, that our reports do show that there is a difficulty in recruiting and training, in the fire field particularly, because of that lack of compensation.

The bill also tries to cover these civilian-defense workers so as to restrict compensation to a very definite group of people. It provides that the members of the civil air patrol, the members of the Aircraft Warning Service, and members of the United States Citizens Defense Corps are the group of people who would be entitled to compensation of this character.

Senator TAFT. Where is that?

Senator CLARK. Section 106, paragraph (c), page 16.

Mr. LANDIS. Page 16, paragraph (c).

All persons who are members of the United States Citizens' Defense Corps, as prescribed by the regulations of the Director of the Office of Civilian Defense. That includes the categories of services such as the demolition crews, auxiliary firemen, air-raid wardens, policemen, and the like.

Those services on occasion expand to meet a new need that comes to the forefront. We recently have created the Forest Fire Fighters Service, an auxiliary group of people to work in dealing with forest fires, particularly on the west coast.

We believe that this term "civilian defense worker" should be delimited so as to include only this group of people, so as to apply simply to that group of workers and not to anybody who may be casually engaged in the business of civilian defense.

Senator TAFT. But the United States Citizens' Defense Corps include practically everybody that you recognize as connected with the Office of Civilian Defense. The large class is the United States Citizens' Defense Corps.

Mr. LANDIS. That is true, as relates to the protective services in the communities.

Senator TAFT. Is not there a provision that you have to particularly prove that, or that they have to conform?

Mr. LANDIS. Oh, yes; they have to take the oath, they have to meet the standard specifications of training, and meet the other regulations that are prescribed by the Office.

It may be of interest to the committee to know what has happened in this field to date. As other witnesses have said, it is impossible to guess what the extent of the potential injuries is in this connection, but it is possible to state that at the present time injuries have occurred in this connection which are not being compensated today.

We made a check of the States and we were advised on that preliminary check that already 7 men have been killed and 32 people have been seriously injured as a result of their engaging in these activities, and these persons that I mentioned have not been compensated by whatever existing laws the States or the municipalities may have.

Senator TAFT. Have you any information as to how those accidents have occurred? Could that information be obtained?

Mr. LANDIS. I think it can be obtained.

(The information referred to appears on p. 103 in a letter addressed to the chairman of the Finance Committee, dated July 5, 1942.)

Senator TAFT. Could you give us some idea of the sort of hazards these are?

Mr. LANDIS. I can recall one of the cases, which was the case of the warden, who, in directing traffic during a blackout, was run over by a car.

Also, I think the committee might be interested in the British experience along this line, not only from the standpoint of a precedent, as to the essential fairness of this type of legislation, but also from the standpoint of trying to guess what it might involve in dollars and cents. England, after all, has gone through a pretty heavy bombing experience, and, as it has been stated, they had compensation of this character in existence at the outbreak of the war, and their rates of compensation are substantially those that are provided in this bill.

We have been informed from England that injury allowances have been drawn by 35,000 civilian defense workers. That is for the entire period. Of this number, only 1,250 civilian defense workers were still drawing injury allowances on June 1, 1942, for temporary disablements 1,650 were drawing permanent disablement pensions, and 450 were receiving dependent pensions. As you see, they drop off. The injury disappears and the compensation stops.

Senator CLARK. What is the over-all figure?

Mr. LANDIS. Thirty-five thousand.

Senator TAFT. Does that include only the defense workers? That does not include civilians?

Mr. LANDIS. That includes only the defense workers, and my plea is for the defense workers.

Senator RADCLIFFE. It is quite obvious in those cases there is some sort of lump settlement.

Mr. LANDIS. No; this would not be lump settlements.

Senator TAFT. They have been compensated for partial disability.

Senator RADCLIFFE. Well, if there were 35,000 and only 1,200 left, that is a very small percentage. They were either lump-sum settlements or the payments themselves were very brief.

Mr. LANDIS. The payments either may have been brief or it may have been dependency payments which have ceased, or it may be that the partial disability has ceased.

Senator RADCLIFFE. Yes.

Mr. LANDIS. The other feature of the bill that I would like to comment on is title II of the bill dealing with the duties of the Office of Civilian Defense with reference to evacuation.

The prime purpose of title II is to provide compensation for persons who are bombed out of house and home, or are forced to leave their homes as a result of military activity. Naturally, the Office of Civilian Defense is interested in seeing that some types of funds should be available to handle, in an orderly fashion, a tragedy of that character. It is also interested, from the standpoint of the over-all plan, in providing for the temporary relief of civilians under these circumstances, or their evacuation, and that it should work close in hand with the Federal Security Administrator, and those provisions are written in there on page 17 of the bill in section 201 which defines, I think, very clearly the relative responsibilities of the Office of Civilian Defense and the Federal Security Administrator in a proceeding of that character.

In fact, preliminary work of a planning character is already going on by those two offices, in line with the suggestions which have been written here on page 17.

I would like once more to reemphasize that there is a desirability of handling this problem of injury to persons engaged in civilian defense work in a regularized and orderly manner.

It may be that some of these people who have been injured and people who may be killed may receive some compensation as the result of a gratuity either from the Congress or State or the municipality, but that method of compensating after the fact, I think, is an undesirable way in which to deal with that problem.

Rather, the desirable thing is to recognize that that cost, that human cost of maintaining an efficient civilian defense army, is a cost of the Nation, of the Nation as a whole, and should be handled in some such fashion as this bill suggests.

Senator TAFT. What worried me, Mr. Landis, in particular, was that when you provide workmen's compensation insurance ordinarily a man checks in at a factory, he is there then, he goes out at the end of the day, and that is the time he is employed. Where you have a volunteer who is not under any particular obligation, he drops off more or less when he pleases.

When you say, "while in the performance of his duty as such worker," you have got a big and an indefinite field, it seems to me, and it is going to be very difficult to determine what is in the performance of the duty of such worker.

I cited a case in the Senate where an air-raid warden was taking a bath, a siren blew and he rushed forth from the bathtub and was hurt. Is he on duty from the moment the siren blows, he breaks his leg in falling out of the bathtub? Does he get compensation for that?

Mr. LANDIS. You may have some difficulties in administration along that line. Now, take your particular case, if it were the recognized duty of that warden, upon the blowing of that siren, to report as ex-

peditionously as possible at a particular point, I should think that that type of injury would be something that occurred during the performance of his duty.

Senator TAFT. What about this "or disease incurred by him which was proximately caused by his performance of such duty"? Suppose he goes out at night and he gets pneumonia? The question of whether he gets pneumonia going out on an assignment as an air-raid warden is a difficult thing to determine. This disease business I thought might be cut out. Disease resulting from these things is rather hazy and uncertain.

Mr. LANDIS. Well, we have a lot of laws on that subject in the industrial field, where the problem of the disease being proximately connected with the employment has been covered.

Senator TAFT. They extended the Ohio workmen's compensation law very gradually, first to one occupational disease and then to another, as they were able to prove that it really was the result of the employment. It was done with care. In saying, "Any disease resulting from the performance of duty," I am afraid you will be faced with every disease that happens to these fellows. They will say it has come from working as a civilian defense worker. It seems to me it is opening it up very widely.

Physical injuries, after all, can be checked more easily than diseases.

Mr. LANDIS. We have that essential difficulty of always defining the "proximately" in the law.

Senator TAFT. Certainly.

Senator CLARK. I think the experience in the Veterans' Bureau, in service-connected cases, clearly bears out the contention.

Senator TAFT. I think these air-raid wardens might well be satisfied with compensation for physical injuries, and forget the diseases.

Mr. LANDIS. Theoretically, of course, the air-raid warden who does get pneumonia is just as justifiably entitled to compensation.

Senator TAFT. No; because if he took care of himself when he got back he would not have gotten pneumonia. The disease results largely from your own action. It is something he could very well forget.

Mr. LANDIS. You do not want to write the doctrine of contributory negligence in here, do you?

Senator TAFT. That is another question. I want to get back to this title II. I was more interested in that than in any other. I have been worried about the language here, about the lack of legislative authority for the Office of Civilian Defense, and the lack of definition of duties in the Office of Civilian Defense, the State and local defense councils.

I rewrote this section 2 in the other committee, because it was written, it seemed to me, in the absence of any other legislation on the books, to hand over completely to the Federal Security Administrator the control, the whole matter of handling an air raid.

The moment there was an air raid, under the provisions of the act he could step in and say, "This is my affair. I am in charge."

That is why I wrote those first two sentences in there, more to call attention to the fact that that was not so, that there were other agencies that were expected to work.

When you go on to section 202 (a),

The Administrator shall have the power and duty of administering the provisions of this act, and shall issue such regulations and instructions, and establish

such procedures, and perform such other functions as he finds may be necessary to carry out its purposes

it might be said that he then can issue orders as to the making of these plans, although I think certainly you have to agree to it.

Have you any suggestion to make as to whether there should be any wider definition in there? If an air raid happens, one thing you do not want is to have two or three people stepping in and claiming that they are the bosses and getting into a violent conflict about it.

I would like to be sure, if we do enact this title II, that it is going to be perfectly clear. You spoke of some agreement. It seems to me these joint statements of the Office of Civilian Defense and the American Red Cross, the joint statement of the Office of Civilian Defense, Health and Welfare Services, that is the Federal Security Administrator and American Red Cross—that is this release of the Office of Civilian Defense of May 22, might well be put in the record as showing what kind of agreements have been made.

In a way, that is what I had in mind when I said, "Under a proper plan or plans."

Have you any suggestions to make as to whether there ought to be any further legislative definition of the authority of these different bureaus?

Mr. LANDIS. Well, all our agreements and all our action follows one basic principle along that line, and that is that the control of operations during an air raid, and the control, for example, of the evacuation, in either instance, unless the military steps in, that control should center in the Office of Civilian Defense, that in that connection it uses, as part of the overall machinery, things like the Red Cross, and things like the local bureaus of public welfare, and the like, but that the overall operational responsibility is in the Office of Civilian Defense.

Whether it be in the national office or the regional office or the State office all depends upon the size of the problem, and as I see it, this section of the bill carries out that theory, it makes the Federal Security Administrator the person who furnishes the funds to implement the plan of operation that the Office of Civilian Defense devises and operates.

Senator TAFT. As a practical matter, this second sentence—

The Director of the Office of Civilian Defense shall coordinate the work of the Federal departments relating to civilian defense, and promote the development of State and local defense councils.

I took that directly from one of these agreements you had made with the Federal Security Administrator.

Of course, it is still only a coordination job, it does not say you can tell the Federal departments what to do. As a practical matter, let me ask you what will happen if there is a severe bombing raid in Bridgeport, Conn., the next morning or on that night when the airplanes have gone, leaving out the actual raid?

Who has charge of the situation?

Mr. LANDIS. I should say in Bridgeport the commander of the local defense corps there would handle it, if it was a small enough thing, and obviously Colonel Fisher from Hartford would be down there with his men.

Senator TAFT. He is the representative of the Office of Civilian Defense, or of the State?

Mr. LANDIS. Of the State.

Senator TAFT. Of the State council of defense?

Mr. LANDIS. Yes. If the raid was of such proportions that some help should be forthcoming from another State, that call for help would go through our regional office in Boston, and we would pass it on to whatever place we could find that could furnish aid.

Senator TAFT. But in the first instance the director—or the commander—

Mr. LANDIS. The commander.

Senator TAFT. The commander of the local defense council would have charge?

Mr. LANDIS. The commander of the local defense corps would have charge.

Senator TAFT. And he would call upon the American Red Cross so as to provide feeding stations at once?

Mr. LANDIS. That is right.

Senator TAFT. And presumably they would be ready to do so. He would call on the Federal Security Administrator to come in with money to do the things that could be done in a hurry with money, and he would, of course, be in constant touch with the Office of Civilian Defense, of which he is not exactly an employee but, I suppose, he is a part of your organization.

Mr. LANDIS. He is a part of it. He is not an employee. That is, he really is legally autonomous in the sense that nobody can give him orders, except his own State superior.

Senator TAFT. I do not object to that situation, if that is the situation, Mr. Landis. What I wanted to be sure of is that that is the set-up and that there is not going to be conflict, there are not going to be a lot of people stepping in and trying to run the job at the same time.

Mr. LANDIS. We had a situation arise, Senator Taft, on the Pacific coast, where three organizations were stepping in and fighting with each other to do charity to some evacueés landing in the ports there. We had to step in and clean that thing up, with the Office of Defense Health and Welfare Services.

It is simply a definite task to these people, and that difficulty has disappeared, it has gone.

Senator TAFT. You have no criticism of these sentences in section 201 (a)?

Mr. LANDIS. No.

Senator TAFT. Do you think that carries out your idea?

Mr. LANDIS. I think it does.

Senator CLARK. Mr. Landis, in the case that Senator Taft has just stated, would this commander of the local council, assuming he needed some money, as Senator Taft stated, for immediate relief, clear through your organization, that is, through the Office of Civilian Defense in that location, or would he go directly to the Director of the Federal Security Administration?

Mr. LANDIS. He would contact with us and then we would inform the Federal Security Administration under this directive, but there is no harm in his going directly to the Federal Security Administration if he chooses to do so.

I see no necessity to channel that through our office.

Senator DANAHER. Mr. Landis, directing your attention to title II,

section 201, you notice in line 18 and beginning line 19 the words "from action to meet such attack."

At the top of page 18 you talk about the relief of civilian distress resulting not only from enemy attack but from the danger thereof but you incorporate again, "or from action to meet such attack."

Mr. LANDIS. Yes.

Senator DANAHY. What scope do you seek to give to your operations under the language "from action to meet such attack"?

Mr. LANDIS. That, of course, deals with the problem of evacuation preliminary to an attack. You see, that term "evacuation" is used in a very careless fashion by most people. What I mean by "evacuation" is not rehousing a number of people that may be bombed out. That falls clearly within the earlier portion of the phraseology.

But what I would mean by that is taking out of the community selected group of people, such as old people, young people, sick people and the like, because that community comes under intensive bombardment and therefore it is undesirable to have those people remain in the community.

Also by "evacuation" I mean taking an entire group of people out of a certain area, either for military reasons or because of a threat of invasion at that point. Now, we do think of those possibilities although we do not contemplate anything of that nature occurring on either the east or west coast at the present time, with the battle lines as they are.

But this envisages a possibility of that nature and a possibility of extending aid to persons affected by a movement of that character.

Senator DANAHY. Let me give you, please, two specific cases which further, I think, delimit, or at least aid us in understanding the language.

Within the last 3 days it has been reported that in Ocean City, Md., there had been frequent violations of the dim-out order, and that in particular one civilian defense worker, who was engaged in directing traffic, was all but run down, if, in fact not struck by, an automobile which was proceeding in disregard of the dim-out order, and the civilian defense worker sought to arrest the driver of the automobile. It came along with blazing headlights.

Were such a person injured, there is no question but what he would come within the scope of this act?

Mr. LANDIS. That is right.

Senator DANAHY. Now, in Connecticut, on the other hand, we have a dim-out that applies 3 miles back from the coast. Would you say that the dim-out order is "action to meet such attack" or threatened danger from submarine warfare, and that if any civilian were injured in the course of the execution of the dim-out, would he come within the term of "relief of civilian distress resulting from enemy attack or the danger thereof or from action to meet such attack or danger"?

Mr. LANDIS. I think not, because he would have to come within the term "war injury" as defined on page 23, a war-risk hazard. I do not believe that is a war-risk hazard, from the standpoint of the ordinary civilian being killed as the result of the operation of a dim-out order, but I would like to point out in connection with title I we are pleading for the compensation to be paid to an auxiliary policeman who is directing traffic under a dim-out order. That is what we are pleading for.

Senator DANAHY. That is perfectly understandable. I tried to take two cases which I thought were completely at disparity, in order to illustrate what I understood the language to mean. You concur with me, or at least I with you. Thank you.

Senator CLARK. Are you through?

Mr. LANDIS. Yes.

Senator CLARK. Any questions, Senator Taft?

Senator TAFT. No.

Senator CLARK. Thank you very much, Mr. Landis.

Senator TAFT. May I interrupt a moment?

Dean Landis, have these joint statements of April 17 been superseded?

Mr. LANDIS. There is no objection to the inclusion of any of those.

Senator TAFT. I do not want to put in any that are superseded.

Mr. LANDIS. There is one that is marked "Restricted" which I would not like to have included.

Senator TAFT. I ask that these be incorporated in the record at the end of Dean Landis' statement.

Senator CLARK. They may be included.

(The joint statements referred to are as follows:)

JOINT STATEMENT OF THE OFFICE OF DEFENSE HEALTH AND WELFARE SERVICES AND THE AMERICAN RED CROSS CONCERNING DISASTER RELIEF AND CIVILIAN WAR AID

The purpose of this joint statement is to present a plan which is clear-cut and readily understood, locally as well as nationally, for the distribution of functions pertaining to disaster relief and civilian war aid. This plan avoids the creation of unnecessary machinery, preserves the values inherent in retaining established agencies—public and private—without impairment of their normal functioning, is susceptible of application in all jurisdictions, and is effective without change in principle, or method, in major or minor emergencies. It recognizes the basic responsibility of Government for Civilian War Aid and of the American Red Cross for disaster relief.

BACKGROUND

On September 4, 1941, a general understanding was reached between the American Red Cross and the Office of Civilian Defense which stated in part that since "the Red Cross is the responsible agency for the relief of suffering caused by disaster, both in peacetime and in the national defense emergency, by providing food, clothing, shelter, medical and nursing care, and other basic necessities," it should serve in the "emergency care and rehabilitation of individuals and families suffering from disaster caused by enemy action."

On February 4, 1942, an understanding was reached between the Office of Civilian Defense and the Office of Defense Health and Welfare Services covering the relationships between those two offices. The substance of that statement is that, while the Office of Civilian Defense coordinates the work of the Federal departments relating to civilian defense and promotes the development of State and local defense councils and programs, the Office of Defense Health and Welfare Services is the agency through which the Office of Civilian Defense works with respect to all activities of Federal and national agencies in the field of health, welfare, education, nutrition, recreation, and related services.

On February 6, 1942, the President authorized the Federal Security Administrator to provide such aid to the civilian population as may be necessitated by enemy action.

DEFINITIONS

In the interest of clarity, the term "disaster" will not be used in connection with emergencies created by enemy action. Through long usage the term "disaster" has come to have special significance as referring to natural and accident-caused situations, usually catastrophic in nature, such as hurricanes, tornadoes, and other destructive windstorms, floods, fires, explosions, and

epidemics. The term "disaster" has a peculiar connotation which makes its use ill-advised in connection with emergencies resulting from enemy action. Therefore, the word "disaster" will be used to refer only to natural and accident-caused situations, whereas the term "civilian war aid" will be used to describe the relief aspects of situations created by enemy action. The hazards which may involve aid to civilians affected by war operations include civilian needs resulting from enemy attack or the danger thereof or from action to meet such attack or danger and the removal of civilians because of military necessity.

NEEDS

The human needs for civilian war aid arising out of an emergency created by enemy action are in general the same as those arising out of disaster.

These needs may be dealt with in three stages: (1) On a mass basis immediately following the emergency; (2) on a temporary individual basis following the restoration of normal community facilities; and (3) on a long-time basis through indemnity or other benefits.

The need for services will be most pronounced immediately following the emergency before the community facilities begin to operate normally or in communities which are so devastated that money will not meet the need for necessary goods and services through ordinary channels. Such services include inquiry and information service; first aid and emergency medical service; more extended medical, nursing, and hospital care; transportation of persons and their necessary belongings and appropriate services en route; food and mass feeding; clothing; shelter, temporary and long-time; household furnishings, workmen's tools, and stock in trade of shopkeepers; occupational aid; and aid to families returning to their original homes or being resettled in new locations.

Where the normal facilities of the community are not so seriously disrupted by the enemy action that persons with money cannot procure the necessary goods and services, the Federal Security Administrator will make temporary aid available through the facilities of the Social Security Board and appropriate State and local public agencies which are now responsible for meeting the needs of individuals and families. On a long-time basis persons who are injured and dependents of persons who are injured or killed may receive continuing assistance in the form of indemnity benefits, in the nature of workmen's compensation, but not restricted to wage earners, through the Social Security Board.

With regard to medical, nursing, and hospital care, the Federal Security Administrator has designated the United States Public Health Service and the cooperating State and local public health departments as the responsible agencies, utilizing funds made available to the Federal Security Administrator. The American Red Cross will supplement medical, nursing, and hospital care in accordance with such plans as may be developed between the United States Public Health Service and the American Red Cross, with the approval of Office of Defense, Health, and Welfare Services.

The Federal Security Administrator, working through the Social Security Board and appropriate State and local public agencies, will make provisions for the long-time maintenance of civilians affected by enemy action, the provision of household furnishings and of long-time or permanent shelter (including repair and rebuilding of homes), occupational assistance, and aid to families returning to their original homes or in need of permanent resettlement elsewhere.

POLICIES AND PROCEDURES

(1) The American Red Cross, under its congressional charter, is the responsible agency for extending relief in natural disasters and those caused by accident or sabotage, whether they occur in peacetime or in wartime. As in the past, the Red Cross in extending such relief will be supported and assisted by the appropriate governmental agencies and facilities.

(2) The Federal Government has basic responsibility for the protection, welfare, and care of the civilian population in emergencies resulting from enemy action. In view of the President's allocation to the Federal Security Administrator on February 6, 1942, and pending legislation to make such functions more permanent, it is assumed that necessary funds will continue to be available to provide for all needs of civilians affected by enemy action.

(3) With respect to the emergency period during which special facilities must be made available to meet emergency needs without notice, the Federal Security Administrator will look to the organization, facilities, and resources of the

American Red Cross to provide food, clothing, and temporary shelter. As soon after the emergency as the Federal Security Administrator determines that aid can be extended through normal channels, he will carry out his function through the regular Federal, State, and local public agencies which are now responsible for meeting the needs of dependent individuals and families, and the Red Cross will arrange for the orderly termination of its emergency aid.

(4) With regard to food, clothing, and temporary shelter, the American Red Cross will use its organization, facilities, and resources, in conformity with this joint statement and such additional detailed plans as may be developed by it and the Federal Security Administrator. The American Red Cross will function in every community on the basis of conditions agreed upon by it with the State and local public-welfare agencies in conformity with this joint statement and with such additional detailed instructions as may be agreed upon by the Federal Security Administrator and the American Red Cross. In addition to providing food, clothing, and temporary shelter, the American Red Cross will, where appropriate, provide inquiry and information service and assist in the transportation of persons, and their necessary belongings, in connection with civilian aid.

(5) The American Red Cross is prepared to undertake appropriate added responsibilities for sufferers from war-caused emergencies and will provide assistance and services supplemental to those made available by public agencies in those cases which are referred to it by the public agencies for consideration of special needs and services.

(6) Should enemy action cause needs for food, clothing, and temporary shelter of such magnitude as to be beyond the normal scope of voluntary financing, or should the Federal Security Administrator even in situations within the normal scope of voluntary financing prefer to discharge the Government's basic responsibility by financing these needs, the Federal Security Agency will make payment for the major expendable items, after the fact and upon presentation by the American Red Cross of properly certified vouchers. In all activities which the American Red Cross undertakes, detailed accounting will be maintained in accordance with existing procedures so that adequate vouchers, properly audited by the War Department, may be presented.

(7) Since the operating details of civilian war aid will vary in the communities according to existing facilities and practices, the state and local agencies designated by the Federal Security Administrator will work out the details of local operations with chapters of the American Red Cross. At each level, the Government has basic responsibility for meeting the needs and the American Red Cross will work out the details with the responsible State and local public authorities in the same way that it has worked out the national policies and procedures with the Federal Security Administrator in order that the local operations will conform to the general principles and procedures stated herein.

(8) The American Red Cross national organization will arrange immediately for compliance with the provisions of this joint statement by its local chapters. Similarly, the Federal Security Administrator will use all reasonable means to secure compliance by State and local governmental authorities.

Approved: April 17, 1942.

PAUL V. McNUTT,
Director, Office of Defense Health and Welfare Services.
 NORMAN H. DAVIS,
Chairman, American Red Cross.

JOINT STATEMENT OFFICE OF CIVILIAN DEFENSE AND AMERICAN RED CROSS

To secure unity of effort and avoid duplication of facilities in meeting civilian needs arising from enemy action, this statement is issued by the Office of Civilian Defense and the American National Red Cross for the guidance of defense councils and Red Cross chapters.

It is the responsibility of local defense councils to see that adequate provision is made for all services required in the event of bombing or other enemy attack. During an emergency period the commander of the Citizens' Defense Corps will exercise control over all such services.

With respect to emergency medical services and emergency feeding, housing, and clothing, provision should be made in each community in conformity with the following principles:

EMERGENCY MEDICAL SERVICES

During bombing or other enemy attack, all services are directed from the control center in charge of the commander of the Citizens' Defense Corps. Responsibility for the care of those injured, as a result of enemy action, rests with the emergency medical service of the Citizens' Defense Corps under the direction of the chief of the emergency medical service.

Red Cross chapters assist the emergency medical service by (a) recruiting and training volunteer nurses' aides who will be utilized by the emergency medical service at base and casualty hospitals, casualty stations, and first-aid posts; (b) furnishing lists of persons trained in first aid to be enlisted by the emergency medical service as members of its stretcher teams; (c) providing dressings, bandages, and supplementary equipment as the chapter may decide in consultation with the chief of emergency medical service; (d) equipping and operating emergency ambulances to be assigned to the emergency medical service and to serve under its direction; (e) providing supplementary transportation for walking injured and for emergency medical service personnel. During the emergency period, ambulances and motor units assigned to such transportation service will be under the direction of the chief of emergency medical service or the transport officer. The emergency medical service of the Office of Civilian Defense will not be duplicated by the Red Cross bus which will be utilized by the Red Cross in natural disasters.

EMERGENCY FEEDING, HOUSING, AND CLOTHING

In the joint statement dated April 17, 1942, of the Office of Defense Health and Welfare Services and the American Red Cross it is agreed: "With respect to the emergency period during which special facilities must be made available to meet emergency needs without notice, the Federal Security Administrator will look to the organization, facilities, and resources of the American Red Cross to provide food, clothing, and temporary shelter." These services will be provided locally during an emergency period by the Red Cross under the control of the commander of the Citizens' Defense Corps in accordance with detailed plans to be worked out jointly by the commander, the Red Cross chapter, and the public-welfare authority.

Defense councils should avoid duplication of these facilities. Where an emergency food and housing corps has already been organized and equipped to the satisfaction of the commander of the Citizens' Defense Corps, its function should be coordinated with those of the public-welfare authorities and the Red Cross chapter and, if possible, consolidated.

After the emergency period the appropriate public agencies are expected to undertake the care of civilians in accordance with plans developed in conjunction with the Office of Defense Health and Welfare Services and the Federal Security Administrator. Funds will be made available for this purpose by the Federal Government through the Federal Security Administrator. Local welfare agencies and Red Cross chapters should be guided in their relationships by the agreement signed on April 17, 1942, by the Office of Defense Health and Welfare Services and the American Red Cross.

All Red Cross volunteers enlisted in the emergency housing and feeding service, and all other Red Cross volunteers who are to be in service, during and following bombing or other enemy action, will register with the local civilian defense volunteer office. The cards of all such registrants are to be marked so as to show that these volunteers are in Red Cross service. In order to obtain necessary freedom of movement during and immediately after enemy action, Red Cross personnel certified to the commander by the chapter for emergency feeding, housing, and clothing services will be furnished with identification cards issued to Citizens' Defense Corps personnel and will be authorized to wear the official arm band.

This statement supersedes the jointing statements of September 4 and December 22, 1941.

NORMAN H. DAVIS,
Chairman, American Red Cross.

Approved: May 18, 1942.

JAMES M. LANDIS,
Director, Office of Civilian Defense.

IMMEDIATE RELEASE

OFFICE OF CIVILIAN DEFENSE,
Washington, D. C., May 22 1942.

[For the press.]

Three important agencies--the Federal Security Agency, the Office of Civilian Defense, and the American Red Cross--have agreed upon plans to assist civilian victims of enemy action, in case of bombing.

Immediate responsibility for the care of persons injured as a result of enemy action is placed upon the emergency medical service of the United States Citizens' Defense Corps. The Red Cross will assist in furnishing nurses' aides, stretcher teams, ambulances, and supplementary equipment; it will not duplicate the work of the emergency medical service.

Because of the long experience of the Red Cross in disaster relief, the joint statement of the Red Cross and the Federal Security Agency states that the Federal Security Administrator will look to the organization, facilities, and resources of the Red Cross to provide food, clothing, and temporary shelter for masses of individuals in the emergency period during and immediately following enemy attack when special facilities must be made available.

The Red Cross will continue these special functions only until the regular Federal, State, and local public agencies which have the normal responsibility for meeting the needs of dependent persons can make their services available after the emergency. The Red Cross will provide additional services to the appropriate public authorities, upon their request, to supplement normal community facilities.

The joint statement of the Red Cross and the Office of Civilian Defense makes it clear that emergency feeding and housing, though similarly recognized as a responsibility of the Red Cross, is a function of the over-all emergency services of the Citizens' Defense Corps. This service thus operates under the control of the commander of the Defense Corps in accordance with detailed plans to be worked out jointly by the commander, the Red Cross chapter, and local public-welfare agencies, much as the Red Cross operates as an auxiliary of the Army on the field of battle. At the same time it is agreed that where an emergency food and housing corps has already been independently organized and equipped, no duplication of its facilities should take place; its organization should be coordinated with the Red Cross and, if possible, consolidated.

The two joint statements provide the means through which the work of the Government dovetails with the work of agencies voluntarily supported by the public. The 3,734 Red Cross chapters can now work on a common understanding with local defense councils and public-welfare and health agencies in every county in the United States--for the safety and welfare of the American people.

Senator CLARK. Mr. May.

STATEMENT OF GEOFFREY MAY, FEDERAL SECURITY AGENCY

Senator CLARK. State your name and position.

Mr. MAY. Geoffrey May; Federal Security Agency.

Senator CLARK. Have you any statement, Mr. May?

Mr. MAY. Yes, Mr. Chairman; I have. I have committed the statement to writing, in the interest of brevity. But before I make the statement I should like to enlarge on one point that Dean Landis made.

Senator CLARK. You may proceed.

Mr. MAY. There was a question about who would pay charges in case some money were needed to defray costs incurred by an air-raided action of the enemy. Mr. Landis said that presumably the Office of Civilian Defense would ask the Federal Security Administrator for such funds.

We are in complete agreement between the two agencies as to how this matter should be handled, but I just do not think that situation will ever arise. The local civilian-defense council combines the services of all the local public facilities in the community. The need that

would arise out of enemy action for medical attention or for financial aid of the citizens would be met by local public-health services in the community or by the local welfare service.

Arrangements are already made whereby those local services know that they can call upon the Federal Security Administrator for reimbursement for the services that they give. Thus the local commander of the defense corps knows that he can direct the local department to offer these services and the local departments know that there is Federal money under our temporary allocation to defray the expenses that they incur on behalf of the civilians.

Civilians, as well as soldiers, take the brunt of an air attack. Military combat preparations include provision for the care of soldiers who are victims of enemy action. It is the purpose of S. 2620 to provide some adequate care for front-line civilians.

One of the civilian needs has already been met. Recent legislation has established a war-damage insurance scheme for property. Individuals who insure their property will be able to collect insurance from the Government in case of enemy action. If no property is damaged by the enemy, the insurance arrangements will not have been necessary. But the possibility of damage is disturbing; and Congress has wisely seen fit to guard against it.

The possibility of personal injury and the dislocation of community life is even more disturbing than impending property loss. It is the purpose of S. 2620 to reassure people about these more serious potentialities. Even though this legislation is enacted, it may never be necessary to carry the program beyond the planning stage; we all hope that it won't.

But its enactment will still go far toward reassuring the people and the communities. It will make it possible for them to adapt presently existing governmental machinery to meet these serious problems rationally; it will allay fear and hardship and prevent the panic which flows from the knowledge that no preparations have been made.

In that connection, let me enlarge a moment on what Mr. Haber mentioned about the expenditures from the existing allocation from the President's emergency fund. He mentioned about \$102,000 having been expended since that allocation was made in early February. Actually about \$100,000 of that \$102,000 has been expended on behalf of the dependents of the civilians who were captured at the outlying bases. That function would now come under what was title III of the old bill, and which is now a separate bill passed by the Senate.

Senator CLARK. That does not cover personal injuries or anything that is covered in this bill?

Mr. MAY. Not at all, sir. So there were only a couple of thousand dollars that were expended on functions that are now covered by this present bill that you are considering. No administrative funds have been expended, because federally and locally the going organizations in these fields have been able to carry that burden as a part of their regular operations.

Senator TAPP. Were not a number of claims filed in Hawaii, as a result of the bombing there?

Mr. MAY. There was a separate provision made for that type of need, first by an allocation from the President's fund and then, I

believe, by an appropriation. So that we have not had to cover the persons who were injured in Hawaii.

The Interior Department is administering those special provisions.

Such legislation as this is not unique. Most warring nations have seen the necessity to make provision for the sufferers from air raids—first aid, hospitalization, and financial allowances for the injured, arrangements for temporary mass shelter and feeding of thousands of homeless, financial aid in reestablishing the victims as normal productive members of the community, and assistance too for the rehabilitation of blitzed communities themselves.

The bill before you has been drawn in the light of such European and Canadian experience; we hope and believe it will avoid the mistakes that these other countries have made. In Coventry, for example, 517 people were killed in the famous raid and 850 hospitalized. But 1,000 private homes were obliterated and 37,000 homes damaged—over half the total in the city.

The result was this: Although there was no great cost for continuing pensions, there was enormous need for temporary social services for the homeless.

The proposed legislation provides a broad basis of short-time aid for civilian victims of enemy action. Title II is flexible, since the exact needs cannot be known in advance. But it is definitely limited to provision for the actual needs of the individuals affected and to the immediate disaster period. The temporary character is emphasized. Title II is intended to help the stricken community meet the first impact of civilian suffering. That need is primary.

Title I is far more restrictive. It sorts out from the group of sufferers from enemy action those few, relatively, who may need continuing financial aid and medical care. It carefully defines the group and the amounts. Here too the emphasis is not on creating new additional rights in an individual; the title makes Federal provision in general for those cases in which an injury arising out of a national risk is not covered by any existing public arrangements.

The hearings before the Committee on Education and Labor, and the report of that committee, recount the specific provisions of the bill in detail. And certainly the previous testimony has refreshed that in your mind. Several major issues have already been debated on the floor of the Senate.

A distinguished member of this subcommittee has participated in the detailed deliberations which brought the bill to its present form. Instead of reviewing the legislation, then, this statement is confined to the basic considerations that went into its development—the avenues of approach to the problem of civilian war relief.

In the development of a civilian war injury benefit program four general approaches have been considered. These are:

1. The insurance approach.
2. The compensation approach.
3. The assistance approach, and
4. The combined compensation and assistance approach.

The value and limitations of each of these can be briefly summarized.

1. One's first thought is to suggest insurance against the risk, based on the payment of specific premiums or contributions. The source of such contributions might be the individual, the employer, the Government, or some combination of any of these three parties.

The Federal administrative agencies have given serious consideration to the insurance approach, and careful analysis has convinced them that it is not a feasible way to meet the risk of civilian war injuries. No foreign country which has adopted a program of civilian war injury benefits has utilized the contributory insurance approach.

There are five principal reasons for not basing civilian war aid on insurance rights.

(a) There is no applicable actuarial experience to serve as a basis for computing the insurance contribution rates. The incidence of the risk would undoubtedly vary with the residence of the individual, his age, his occupation, and place of work, and similar factors concerning which there are not sufficient data.

Much of the necessary information will have to be guarded for military reasons and may not be available for civilian purposes. Moreover, an adjustment of premiums to actual risk would amount to publication of the relative danger of specific locations, with serious effects on labor supply and on civilian morale.

(b) It would not be logical to impose a specific contribution upon all employers. In the first place, many individuals who are in danger from enemy action will not have employers—the housewives, the children, the nonemployed, and the self-employed.

Second, it is impossible to justify imposing on the employer any part of the cost of these benefits, since the hazard exists while the individual is at home or on the street—not only while he is at work. Insofar as employers have a responsibility for injuries occurring at the place of employment, the employer is in most cases already meeting such costs under the workmen's compensation laws.

(c) If it is illogical to exact contributions from an employer, then, ipso facto, it is unfair, too, to require a contribution from all individuals for their own benefit.

The risk would not justify a contribution from individuals in most inland areas. If the risk is small, it would justify only a token provision which may be more costly to collect, from an administrative point of view, than the contribution itself would warrant.

Moreover, it is exceedingly difficult to justify any particular individual bearing the cost of these benefits, since the hazard grows out of a war which is generally accepted as being the responsibility of the entire Nation. It is clearly inequitable to assign the burden of meeting this war risk on the basis of geographical location.

Under such circumstances, how could we urge civilian workers to move to danger areas even if our war industries required their presence there?

(d) Moreover, the insurance approach cannot meet the risks comprehensively; it simply does not supply those immediate emergency needs which inevitably arise out of any enemy action.

Great Britain's experience demonstrates the wide variety of assistance and service which individuals must have immediately after an air raid and which cannot be supplied quickly enough or adequately enough by making an insurance claim.

Specific needs will arise for individual and mass feeding, for clothing, for temporary or long-time housing, for minor and emergency repairs to property, for medical services and hospitalization—for a host of personal and community services. This type of need can best be met through some sort of emergency assistance program. The

insurance approach can only be utilized in connection with a very specific risk which is clearly definable, so that a claim may be filed and adjudicated and the payment of such claim made promptly and economically.

The needs that arise from enemy action are diverse and unpredictable; they demand to be met immediately and flexibly. A cash payment, no matter how generously or quickly made, is obviously inadequate when community services have been destroyed or disrupted.

(e) Finally, an insurance program on a contributory basis must be either compulsory or voluntary. If the program were to be made compulsory, it would be desirable, if not necessary, to have a uniform premium rate for all persons throughout the United States.

A uniform rate, however, would be unfair; the risk would vary widely as between individuals and localities. Some civilians affected by enemy action will be covered by insurance and other governmental systems of protection, such as workmen's compensation, maritime insurance, or Federal old-age and survivors' insurance. It would be unnecessarily costly to duplicate protection of those individuals already covered under existing benefit systems.

On the other hand, if a contributory insurance program were to be operated on a voluntary basis, it is exceedingly doubtful whether the individuals affected by enemy action could or would be adequately covered. The people who are most likely to need aid are the very people who are least able to pay premiums for it.

And the fact is that people who need emergency aid are going to receive it, whether they have paid premiums or not. They will not be left bleeding on the sidewalks; hungry and homeless crowds will not be denied food and shelter. The only question is, Who will bear the financial cost of relief?

In all other countries that have inaugurated programs for the protection of civilians it has been recognized that the national government must bear the cost of such a program. It is not the responsibility of the State and locality. Even if it were a local responsibility, how could a blitzed community—an American Coventry or an American Rostock—meet the needs of its dead or dying or homeless thousands?

Some people may ask, Why can't the war-damage insurance system be expanded so as to encompass civilian war injuries? The war-damage insurance program in both Great Britain and the United States involves contributions on the part of the property holder.

Why not add voluntary provisions to cover personal risks? It is significant that while Great Britain has adopted the contributory principle in connection with property damage, she has not adopted this principle in connection with the civilian war injuries. The basic differences are obvious. Owners and managers of property normally consider the cost of insurance as one of the costs of doing business or of maintaining a property.

The types of damage to property are few and the need for immediate repair is seldom so compelling. Moreover, property-damage insurance can be handled in units of thousands of dollars; both the premium collection and claims adjudication are, therefore, relatively simple of administration.

Insurance of the person involves a variety of contingencies which may affect human life; it affects not only the insured person himself

but his dependents and the community in which they live; the payment is not one act but continues for longer or shorter periods, depending upon the nature and extent of the injury. In administration, property damage insurance is very different from personal injury. Commercial insurance companies seldom try to combine them.

II. A second approach which has been carefully considered in developing a program for civilian war injuries is compensation, for specific risks, the cost of which would be met by the Federal Government.

This is the system incorporated in title I of the pending bill. In a sense, title I is based on an insurance approach, modified to the extent that the Government, as a whole, is the insurer of the risk rather than any specific individual or group of individuals. This is the plan in effect in Great Britain, France, Germany, and Italy.

The compensation approach writes into law a specific outline of the risks involved, the method of determining the amount of benefits any individual may receive, and the general method of administration.

Any individual may know his rights and the limitations of the benefits to which he may be eligible. Not only does the individual know within fairly definite limits the terms and conditions of the benefits: Congress itself defines the rights and limitations specifically, with less scope for administrative discretion.

From the point of view of the Government, it definitely limits the financial responsibility since it clearly indicates those circumstances under which an individual is or is not entitled to benefits. It attempts to classify the risks in such a way as to make compensable only those which are significant and are necessary for the Government to deal with in order to safeguard the welfare of the individual and the community. It metes out rough justice in specific terms.

A compensation plan has the additional advantage of being definite enough to be relatively simple to administer, thus keeping the cost of administration down to a minimum and making for prompt and efficient handling of claims.

On the other hand, while it is eminently satisfactory for handling those risks which may involve compensation to an individual for some extended period of time, as in the case of permanent disability or death, it is not satisfactory for emergency and temporary risks.

III. A third approach, therefore, to the problem of civilian war injuries is that of temporary relief or assistance.

This method is incorporated in title II of the pending bill. It recognizes that during any blitz there will be a large number of individuals affected as a result of enemy action who may need only immediate, temporary, short-run assistance of a very special or limited character. Moreover, it is based upon the expectation that a large number of the needs of the individuals may not be for compensation, as such, because in a disaster-struck community one cannot reestablish one's self even if one has adequate money.

Title II thus provides for specific services, such as food, housing, medical supplies, clothing, tools, transportation—a wide range of human needs. Moreover, in those cases where cash payments may be necessary it is likely that amounts may be either small or payable for only a short period of time; the scale need not be so high or so rigid as under a long-time compensation scheme.

If the need arises only because the local banking services have been disrupted or because employers are not able to meet their regular

pay rolls, the cash may be available as a loan rather than as a grant. The purpose is to do a comprehensive job of reestablishing the community and its citizens on a temporary basis.

Thus, an assistance program is to be flexible if it is not to be costly. But an assistance program is not a satisfactory method of meeting the problem of continuing disability or the continuing dependency of survivors of a wage earner.

IV. After months of study the administrative agencies agreed that no one of the three approaches—insurance, compensation, or assistance—can itself meet the foreseeable needs either effectively or economically.

Thus, the fourth and final approach recognizes the fact that both the methods of compensation and assistance, as outlined above, have definite advantages, and, when considered together, create a program which meets the immediate as well as the long-run needs of the individual and the community. It is this combined program which is in effect in Great Britain and which has served all necessary purposes under a wide variety of contingencies with a minimum of cost to the Government.

In working out the program for civilian-war-injury benefits special consideration has been given to keeping the cost of benefits within reasonable limits; keeping the cost of administration down to a minimum; and avoiding the necessity of enlarging the number of administrative personnel.

The cost of benefits has been kept within limits under the pending bill in the following ways:

(a) Title I does not provide any compensation for injuries causing permanent disability which is under one-third of total disability or for those causing temporary disability which is not total. Thus, a large number of the less serious injuries are not compensable under title I.

(b) Children under the age of 16 are not eligible for any disability compensation.

(c) Individuals eligible for other types of public benefits have their compensation under title I reduced by the total amount of any non-contributory Government benefit, or by one-half of the amount of any contributory Government benefit.

A worker does not himself pay for workmen's compensation; he does pay equally with his employer for old-age and survivors' insurance. Thus, if any individual is eligible for any workmen's compensation benefit, an amount equal to the total of such workmen's compensation benefit would be deducted from the civilian-war-injury benefit.

If an individual is eligible for an old-age or survivors' insurance benefit under the Social Security program, an amount equal to one-half of the insurance benefit would be deducted from the civilian-war-injury benefit. For instance, if an individual were eligible for a workmen's compensation benefit of \$30 a month or more and was eligible for a civilian war-injury benefit of \$30, no benefit would be payable under title I of the pending bill. If he were eligible for a \$30 old-age or survivor's insurance benefit, the civilian-war-injury benefit would be reduced by \$15.

(d) No benefits are provided with respect to the injury or death of an individual if such injury or death is proximately caused by his intoxication or by his willful misconduct.

(e) No benefits are payable resulting from the death of a civilian except to a restricted class of dependents, which includes only the civilian's wife or widow, husband, or widower, child, or parent. Moreover, such dependent must have been receiving his or her chief support from income earned by such civilian; and in the case of the husband, widower, or parent, must be incapable of self-support because of age or mental or physical disability.

These restrictions narrow the number of beneficiaries to include only those who were actually and directly dependent upon the civilian. No other classes of dependents are included.

(f) Under title II the relief given must be of a temporary character and a specific limitation is included in the bill that it shall not provide "any permanent rebuilding or rehabilitation." The comprehensive quarterly reports which the Administrator must render to Congress permit a close check to be kept on operations and expenditures.

(g) Benefits under title I terminate 5 years after the end of the war.

The cost of administration of the bill can be kept down to a minimum because existing agencies of Federal, State, and local governments would be utilized.

Thus, title II of the pending bill can be simply and economically handled through the various State and local public-welfare agencies administering the existing assistance programs. Every State now has a public-welfare program which is cooperating with the Federal Government on a permanent basis with respect to assistance to various needy groups.

The Bureau of Public Assistance of the Social Security Board and the various State agencies already possess the necessary facilities for handling the Federal and State aspects of an emergency program. Existing State and local personnel would be utilized under title II of the bill.

Arrangements have already been worked out for the American Red Cross and its 3,700 chapters to supplement the local public authorities where necessary in extreme emergencies. In connection with problems relating to medical certification and medical care, there exists within the Federal Security Agency the United States Public Health Service, a medical organization specifically charged with matters relating to the protection and improvement of the public health and having working relations with all the State health agencies, the medical profession, and related health organizations.

Through these contracts, as well as through its own facilities (including 159 marine and contract hospitals located in port areas most likely to feel the effect of enemy action), the Public Health Service is in a position to provide substantial aid in working out the medical problems related to the new program.

In addition, there are close working relationships between the State and local welfare agencies and the State and local health departments which tie in to the work of the Social Security Board and the United States Public Health Service, respectively.

It may interest you to know that there are now over 60,000 State and local employees engaged in the welfare work of the States,

and it is that over-all assistance that the Administrator would propose to use in helping them to finance this new but related type of service.

Careful analysis of the requirements for the administration of compensation under title I of the pending bill shows a very close relation to the functions now performed in administering the Federal old-age and survivors insurance program. Provision of facilities for claims taking and development, wherever required, use of wage data in private employment as a basis for benefit computations, determinations as to who is a "wife," a "child," and a "dependent parent" and similar survivorship relations, and adjudication and certification for payment of claims in indeterminate, but possibly very substantial, number—these are elements common to both programs.

The Bureau of Old-Age and Survivors Insurance has a field organization throughout the United States and in Alaska and Hawaii which includes nearly 500 field and branch offices and 2,000 itinerant stations.

Senator TAFT. That is the contributory old-age scheme?

Mr. MAY. That is right; it is the contributory scheme.

Senator TAFT. As against the other which is administered by the States?

Mr. MAY. That is right, sir.

Senator TAFT. As against the noncontributory scheme?

Mr. MAY. That is analogous to title I of this proposed legislation—that is, it is social insurance, a compensation approach to certain hazards, and it is based on individual claims for exact amounts specified in the law in each case.

These offices cover all the industrial and metropolitan areas of the United States; persons working out of the field offices cover established routes regularly. The field staff in these offices is thoroughly trained in providing aid and service to claimants, in checking the accuracy of claims information presented, and in developing the necessary additional information, including wage data from private employers, that is necessary, as you know, under title I.

This staff possesses wide contacts with other public and private agencies whose services, under the terms of the proposed legislation, may be employed to effectuate the civilian aid—the question that Senator Danaher mentioned.

In the Washington office, now being moved to Baltimore, the Bureau possesses adjudication and review machinery for handling claims now being received at the rate of 33,000 per month. It maintains continuing records and a control organization necessary for scheduling and certifying payments to beneficiaries, totaling at presatory old-age insurance per month?

Senator TAFT. This is the solely old-age, 33,000 claims for compensatory old-age insurance per month?

Mr. MAY. That is right; and 500,000 are being paid currently each month. Those are based on the present load of 60,000,000 wage records that are now on file in Baltimore. It is inevitable that a considerable proportion of those to whom the war-benefits legislation may be expected to apply will already have their wage records on file in the Bureau.

Moreover, the survivors of a large number of civilians who are killed by enemy action will be eligible for survivorship insurance bene-

fits, under the existing social-security scheme. A very substantial advantage will thus accrue in the adjudication of such claims through having the necessary data already in hand.

Senator DANAHY. Do you contemplate there, Mr. May, making any use of State workmen's compensation authorities?

Mr. MAY. Yes, sir. We expect to utilize this structure already established for a going Government function as the basic structure, but in case of serious need, where the volume is tremendously expanded owing to enemy action, we would certainly call on the existing State agencies as a means of supplementing this existing Federal structure.

Senator DANAHY. There is no provision contemplated, though, for adjudication by local workmen's compensation commissioners in compensable cases?

Mr. MAY. Not as such, sir; but I think the people who are familiar, through their State contacts, with this scheme of adjudication would be utilized by the Federal Security Administrator in enlarging the scope of the services that he already has available.

Senator DANAHY. There is another question on that very particular thing. Do you have a copy of the act there?

Mr. MAY. Yes; I do, sir.

Senator DANAHY. Page 19?

Mr. MAY. Yes, sir.

Senator DANAHY. Section 202 (b) states, "in carrying out the purposes of this act," not merely of title II, "the Administrator shall," it says in line 20, "through agreement or cooperative working arrangements with appropriate agencies of the United States," and so forth.

Mr. MAY. We intended that to apply to title I, as well as title II, sir.

Senator DANAHY. I see.

Mr. MAY. We would not think of enlarging our own staff without first canvassing the available resources in the States and localities as a means of doing this job, supplementing the existing governmental structure in that way.

Senator TAFT. You are speaking for all of the agencies, or for the Federal Security Agency?

Mr. MAY. Yes, sir; the Federal Security Administrator. You notice the Federal Security Administrator not only has the supervisory authority over these agencies but is himself the administrator of this bill if it is enacted.

Senator CLARK. If you do that you will set a unique record among Government agencies.

Mr. MAY. Maybe the Administrator would agree that it was well to keep administrative responsibility centralized, to make sure the committee's wishes were carried out in that direction.

The nature and magnitude of the operations of the various constituent units of the Federal Security Agency, therefore, make it possible to utilize available facilities for administering the civilian war-injury program with no duplication of existing machinery. The bill before you requires those existing agencies, Federal, State, and local, public and private to be the basic administrative machinery—one of the many fruitful proposals which a member of this subcommittee had written into the proposed legislation.

Senator DANAHY. Would you mind naming him? He has a passion for anonymity.

Mr. MAY. May I say that Senator Taft did give a great deal of personal attention to this. He redrafted a good many of the provisions, and I think the legislation is better for having that advice and counsel.

This unity of administration will overcome some of the operating difficulties encountered in Great Britain, where the principal civilian war-aid programs are divided among three central departments, with a variety of participating local functionaries. This bill assimilates the emergency programs into the regular long-range Government operations; it thereby eliminates confusion as between Federal and local responsibilities and agencies.

I have mentioned economy, but I have presented no figures. The very circumstances that necessitate legislation such as this make it impossible to estimate the cost scientifically.

Our best analogy is the British situation, but no one expects that air raids in this country, 3,000 miles from enemy territory, can be as constant or as devastating as if the enemy were 30 miles away. If the Connecticut coast area, in which one of the Senators of the subcommittee may be interested, with towns like Coventry, were as seriously hit as Coventry, about 1,000 people would be hospitalized.

Say that the average period in hospital were a fortnight. The usual rate for emergency hospitalization in this country is \$3.75 a day. The Federal hospital bill would be \$52,500.

If 100,000 people are homeless for 1 week, and one-half of them are temporarily penniless, food and shelter at \$1 a day would aggregate \$350,000.

But the proposed legislation does not create these costs; the enemy creates them. It merely shifts some of the burdens from the few to the many by acknowledging them to be the responsibility of the Federal Government.

Loss of personal property may be compensated under title II. The British aid for this purpose is very generous, very quick, as a means of maintaining morale in blitzed communities and allowing people to reestablish themselves at home and at work.

Individual grants average from 8 to 10 pounds per case. It is really cash on the barrel head, right out of the pockets of the community. For the first 2 years of war, which included the heaviest air attack, the total paid out in Britain for this purpose was about \$20,000,000.

The costs that may be said to be created most directly by this bill are the title I benefits. The minimum benefits are \$10 a month, ranging up to \$85 a month, or two-thirds of wages, whichever is lower.

Assume an average of \$40 a month. Assume, too, that as many people are killed in this country as in Great Britain, and as many injured, and that one-fourth of the injured are permanently disabled. It is a very high estimate, on the basis of the figures Mr. Landis just gave you. About 60,000 claimants would then be eligible for benefits, with benefits aggregating \$2,400,000 a month, or \$28,000,000 a year.

If distance, sparsity of population, and other factors reduce our casualties to one-third of the British, the cost might be less than \$10,000,000 a year.

The proposed legislation involves no substantial expenditure. It sets up no new administrative machinery. It contemplates no aid that is not already contemplated by every prudent State and locality in the country.

It merely recognizes that the financial responsibility for such measures is not, does not, rest on the innocent victim exclusively, not on his home town, and certainly not on private charity.

In situations arising from enemy action, the individual sufferer is not at fault. His own inadequacies do not create his need for relief. The people and the localities that are contributing the most to the success of the war are the very ones which are most in danger, most in need of potential aid. The responsibility for their aid, like the responsibility for their plight, rests on the Federal Government.

It is a cost of the war—a small part, indeed, when war costs, ever mounting, are now \$150,000,000 a day. A war that is fought for the welfare of people forever after may well include adequate protection for people here and now.

I should be very glad to answer any questions that the committee may have.

Senator TAFT. Mr. May, there are some things in this bill as to civilians, particularly the detention question, that we discussed at some length.

Mr. MAY. Surely.

Senator TAFT. The question of whether a civilian who had not been employed by the Government, who just happened to be traveling or living in Honolulu or Singapore, who happened to be detained, whether his dependents should receive compensation from the Government.

He took a chance when he went to a place like that, and particularly when he stayed there when the war was on, so why should the Government compensate his dependents?

Mr. MAY. First, let me answer the question that Senator Pepper did not give a final answer to. In Britain the dependents of persons who are detained do receive aid.

Now, in specific answer to your question, Senator Taft, I think the question is not whether we ought to look after those people who are detained abroad. I think the question is, Who is going to look after their dependents in this country?

Senator TAFT. Supposing he died in Singapore, who would look after his dependents? Supposing he died because of nothing that had to do with the war at all? I do not think you can assume as a basis for this that everybody who is without support should necessarily be paid out of the Federal Treasury.

Mr. MAY. I agree with that, Senator Taft. That is why the bill is so careful in stating who receives aid. The dependents of a civilian detained abroad are eligible for aid under this bill only if they received their chief support from that detained civilian previously.

Senator TAFT. I happen to know, for instance, a lady who owned a rubber plantation in Malay. Her support is cut off. Nobody is going to pay her because her support is cut off from the rubber plantation. Is not that just a casualty of the war that she had to stand?

Mr. MAY. If she owned property abroad I should say she probably was well enough off so she would not become a public charge.

Senator TAFT. I am assuming that she did not have anything else. Her husband may have left it to her.

Mr. MAY. The bill does not, of course, provide for aid in such cases. What you are saying is, if she had her source of support through income from a close relative, her husband, she probably should not

receive aid. The difference, I think, is a realistic one. People have been employed to go abroad for war purposes; if they are detained their dependents are often without means of any support.

Senator TAFT. If the Government sends them, that is another thing. I am assuming the case of a man simply living in Singapore.

Senator CLARK. Supposing a fellow was abroad just looking around and got cut off by the war?

Mr. MAY. Of course, no payment is made to a person abroad except by Executive order.

Senator CLARK. I understand. Suppose a man was looking around to see what he was able to see, and unable to come back. Does that impose a charge upon the Government?

Mr. MAY. This bill would make the Federal Government responsible only when enemy action cut off the support on which his dependent relies.

Senator TAFT. There is one other thing. I have had a good deal of doubt about paying for detention, and also paying for damages resulting to civilians in cases of invasion. We have been talking about air raids. That is one thing.

A fellow comes in and drops some bombs and goes away. Then you can deal with that situation. Take the situation in the Philippines, where the enemy has come in and occupied the territory, then I can conceive of all sorts of damages to civilians that they will claim, that would be very difficult to prove, very difficult to cover.

This bill does not specifically give it to the Philippines, it authorizes the President to extend it to the Philippines if he wants to, and certainly if any part of the continental United States were invaded it would apply.

I have a serious question, and I have an amendment on that, whether we ought to attempt to deal with invasion cases, whether in cases of invasion we ought not to wait until the enemy was driven out and then go back and decide what we are going to do with that situation.

The question of proof, of determining whether the injury did result, is much more difficult. You are open to all kinds of claims for all kinds of things that happened because of enemy attack. Enemy action is a very broad term. If any injury happens it can be claimed that some German soldier did it, or some Japanese soldier did it.

Furthermore, the damages might be so perfectly tremendous as to swamp the Treasury in these cases. I agree with you, there is not going to be much money paid out for bomb damage, but if it came to a question of invasion it seems to me we are getting in well over our necks, perhaps.

Mr. MAY. Frankly, I do not agree with you, Senator Taft. In the first place, the amounts are very rigidly limited by the bill itself, so the aggregate cannot become very extensive.

In the second, we would not be paying benefits to the people in occupied territory while that territory was occupied. It would not be possible.

Senator TAFT. While the enemy was occupying the territory you would not be paying it, I know that, but after they were driven out, they would come in and collect all the back stuff.

Mr. MAY. No. The Administrator is given discretion concerning how the applications can be filed and when; he could thus obviate this contingency.

Senator CLARK. Yes, he may; but he does not have to under the law.

Senator TAFT. I do not see why he should if the principle applies. I do not quite see why he should exclude it. I should think he would necessarily make it retroactive, if it were admitted that it was a damage resulting from the war and one that was covered by the act.

Mr. MAY. The first title, of course, relates only to injuries. The injured person would already have received care and the cost of such care would have been met. Presumably there would be no need to make retroactive payments.

Senator TAFT. My point is this: I agree to the advisability as to foresight, dealing with some of these things in advance, but when you come to try to deal with a situation like the Philippine Islands, I would rather wait until we take the Philippines back and then look over the whole situation and decide what kind of compensation we will give.

That same thing would apply to the United States, the portion that had been invaded and held for any length of time by the enemy.

It seems to me you would have all sorts of problems in occupied territory that we could not possibly deal with. I think we could deal with personal injuries at that time.

Mr. MAY. I personally haven't any feeling about the Philippines, but you do remember the discussion in the Committee on Education and Labor where it was thought inexpedient to leave the Filipinos out when they owe allegiance to the United States.

Senator TAFT. I am not dealing with the Philippines, I am dealing with the general question of invasion any place.

Mr. MAY. Yes, sir.

On the other question of invasion of this country, it does seem illogical to say that a person who is damaged only slightly by a bomb should receive compensation and a person who is damaged seriously by rifle fire should not.

Senator TAFT. It is illogical, but I am saying it is a different kind of problem. I think it is hard to deal with the question in advance. I would rather wait until it happened and then deal with it.

Mr. MAY. There is going to be great difficulty in deciding what is enemy-held territory. If there were ever to be an invasion, the territory would be fought over back and forth. Because movements are very rapid, as we see now in North Africa, it is conceivable that you would not know, and the civilian would not know, whether he were eligible or were not eligible. It would be hard to distinguish.

Senator TAFT. It would not make much difference whether you knew, because you could not pay him anyway. You could not examine the claims until after the war was over and the territory was back in the control of the United States.

So his view does not make any difference, except later.

Mr. MAY. I think, however, it is awfully hard to say that you will give no aid if the country is invaded.

Senator TAFT. I do not say that. I say you should not make any rules in advance of what you are going to do. After it has happened, you will look at it then and decide on what you are going to do.

Mr. MAY. I was going to say, if the territory is held by the enemy, you will have great difficulty in defining what territory is held.

If you say, "We will not give aid over a very large territory because the invader has invaded a small segment," you may be drawing unfortunate distinctions between air-raid damage and other types of enemy action.

As a matter of fact, I do not think any of us foresee that contingency, and I am sure that the administrative procedures would have to be varied very considerably.

Senator TAFT. If we do not foresee the contingency of invasion, why not leave it out and not deal with it now?

Mr. MAY. It is very important, from the standpoint of planning, to know the scope of the problem one is planning for. I do think the important factor in case of invasion is to keep our regular services operating as nearly normally as possible.

Senator TAFT. It seems to me invasion is a remote occurrence that we might forget for the present.

Mr. MAY. Of course, it is a matter of policy that is up to the committee entirely to decide. I am merely presenting why we do not exclude it from the legislation. There would be no difficulty in administering the bill if the committee saw fit not to deal with the contingency of invasion.

Senator CLARK. Do you have any questions, Senator Danaher?

Senator DANAHER. Yes; one, Mr. Chairman.

You did say, Mr. May, that title II was temporary in nature by its very scope.

Mr. MAY. Yes.

Senator DANAHER. Limited to distress caused by enemy attack or threats of attack.

Mr. MAY. That is right.

Senator DANAHER. Do you contemplate any program of rehabilitation in any post-war period, after cessation of hostilities, under title II?

Mr. MAY. None under this act at all, sir, other than as it may be related to the continuing benefits under title I. Title II specifically excludes that. It is intended to take up the gap between the enemy action and the time when a person might be more appropriately cared for under title I, or through other mechanisms that are set up.

Presumably, no benefit under title II would continue after a few months from the time of the enemy action.

Senator DANAHER. I gather you have taken care of it in section 201 (c).

Mr. MAY. Senator Taft very thoughtfully provided for it.

Senator CLARK. Have you finished?

Mr. MAY. Yes, sir.

Senator CLARK. Thank you, Mr. May.

General HINES. I am prepared, if the committee desires it.

General HINES, do you care to testify now?

Senator CLARK. We are very glad to hear you now, or very glad to hear you tomorrow morning, at your convenience. We will be very glad to hear you now, General, if it is convenient for you.

STATEMENT OF BRIG. GEN. FRANK T. HINES, ADMINISTRATOR OF VETERANS' AFFAIRS

Senator CLARK. It seems to me, General, that the class of injuries contemplated in this act is more analogous to the type of injuries that have heretofore been handled by the Veterans' Bureau than any others, and the committee would be glad to hear your observations on this bill.

General HINES. Mr. Chairman and gentlemen of the subcommittee, we have just prepared a report, that has not been cleared through the Budget, but I feel that I can make a better record by reading that report. It is a rather short one.

Senator CLARK. We would be very glad to have you do so.

General HINES [reading]:

Further reference is made to your letter dated June 23, 1942, requesting a report on S. 2620, Seventy-seventh Congress, a bill to provide benefits for the injury, disability, death, or enemy detention of civilians, and for the prevention and relief of civilian distress arising out of the present war, and for other purposes.

The provisions of S. 2620 are similar, with certain modifications, to the provisions of title I and title II of S. 2412, Seventy-seventh Congress, a bill to provide benefits for the injury, disability, death, or enemy detention of civilians, and for the prevention and relief of civilian distress arising out of the present war, and for other purposes.

The first title establishes a program of a social insurance nature and the second title a program of public assistance nature, both of which are to be administered by the Federal Security Administrator.

Title I would provide benefits to civilians who suffered disabilities due to war hazard, to the dependents of civilians detained by the enemy, and the surviving dependents of civilians killed through instrumentalities and other hazards of war.

Civilians suffering disabilities as the result of war hazard would be eligible for medical and hospital treatment and for monthly cash benefits. Cash benefits would be payable only to individuals who are 16 years of age or more. Provisions are made for a minimum of \$10 and a maximum of \$30 per month for disability not less than one-third of total, and a minimum of \$30 and a maximum of \$85 for total disability, with \$50 additional if an attendant is necessary. Intermediate amounts would be related to the previous earnings rate of the individual and the degree of disability.

Detention benefits would be payable to the dependents of civilians detained by the enemy. These benefits would be payable only to the wife, husband, children, and parents, but only if they had been receiving their chief support from the civilian detained. Husbands, parents, and children over 18 would be ineligible for benefits unless incapable of self-support. The minimum monthly benefits for eligible dependents would be \$30 per month to a husband or wife, plus \$10 additional for each child. If there should be no husband or wife, \$20 to the first child, plus \$10 for each additional child, and \$20 to one parent, or \$15 each to both. The total maximum amount which one family could receive would be \$85. In death cases the monthly cash benefits would be payable, together with such funeral expenses as may be provided by the Administrator.

The bill does not prescribe any maximum amount which might be allowed for funeral expenses. Employers, insurance carriers, and compensation funds will be reimbursed for any workmen's compensation, payments made for war injuries under a State or Federal law, provided that no special premium had been charged to cover the war hazard. Cash benefits would be reduced by one-half of the amount of any contributory Government benefit and by the entire amount of any noncontributory Government benefit, except benefits under war-risk insurance, United States Government life insurance, or national service life insurance. Injuries caused by intoxication, misconduct, or subversive activities are not compensable.

Benefits under this title are not payable to those cases in which benefits are provided for disability, death, or detention under title III of the bill, nor for detention or death of civilian employees of the United States, if such employees are authorized to make an allotment of pay under Public, No. 490, Seventy-seventh Congress.

The Administrator may disqualify alien enemies and such others as he may deem necessary and proper to carry out the provisions of the title.

Title II of the bill provides for the temporary relief of civilian distress or danger thereof resulting from an enemy attack, including money payments, loans, assistance in kind, and medical or other services to civilians who are killed or suffered damage to real or personal property, and to civilians in war-stricken areas, or those who are evacuated. Assistance and service to those outside of the United States would not be authorized except on direction of the President.

As to S. 2412, under date of May 1, 1942, the Veterans' Administration was advised by the Director, Bureau of the Budget, that the proposed legislation was in accord with the program of the President. This information was furnished by transmittal of copy of the letter of Director of the Bureau of the Budget to the chairman, Committee on Education and Labor, United States Senate, copy of which is enclosed.

The provisions of this bill which generally are those contained in titles I and II of S. 2412, were discussed in detail by representatives of the Bureau of the Budget and the Federal Security Agency in the hearings before a subcommittee of the Committee on Education and Labor on S. 2412 March 31 and April 2, 1942. Prior to the completion of a draft of a bill which became S. 2412, the Veterans' Administration reported February 5, 1942, to the Bureau of the Budget on a preliminary draft. It was stated therein that the Veterans' Administration was directly concerned only to the extent, if any, that the provisions of the bill would affect benefits under laws administered by the Veterans' Administration and it was the view of the Administrator of Veterans' Affairs that only benefits pertaining to veterans or their dependents should be the responsibility of the Veterans' Administration. It was further stated, in the light of these principles that the benefits payable to widows and children under title II of the bill which became S. 2412, which is title I of S. 2620, should not exceed amounts payable under legislation pertaining to wartime service-connected deaths under laws administered by the Veterans' Administration. Suggestion was made that it would appear that some definitions and limitations would be desirable in connection with such benefits to insure correlation with existing legislation. Within the same limitations it was suggested that while the bill contemplated that the Federal Security Administrator, under the proposed act, might enter into agreements with respect to utilization of facilities of other agencies, it was not clear that the agreement of the head of any such other agency would be a condition precedent to the delegation of the powers and duties of the Administrator under the act and in this connection it was thought necessary that the Veterans' Administration first take care of all veterans' needs respecting hospitalization before attempting to utilize its facilities for civilian casualties generally.

The bill is not entirely clear with reference to the benefit of burial allowance insofar as it does not expressly preclude payment of burial allowance in any instances where expenses have been paid by any other agency of the Federal Government—

Senator TAFT. General, is there a limitation on their expenses under the act?

General HINES. Yes; \$100 and a flag.

Senator TAFT. It would be wise to impose some limitation here. If that is the veterans' laws, it would be wise to have it in this law.

General HINES (continuing):

nor is there any maximum amount provided, the latter being desirable as a guaranty against excessive expenditures by the Federal Government for this benefit. With reference to death benefits, in some instances the rates to particular dependents would exceed the rates of pension or compensation payable to such dependents based upon wartime service-connected death as provided by the laws administered by the Veterans' Administration. As to the aggregate benefit payable, it is noted that in S. 2620 the aggregate amount is \$85, which includes payments to dependent parents as well as widows and children, whereas under the laws administered by the Veterans' Administration the aggregate is \$83, which aggregate is applicable only to widows and children. Other matters have been left to determination by the Federal Security Administrator.

Senator CLARK. In the matter of the dependent parents, that matter has been passed on very recently by the Congress, in which mothers and fathers were included.

General HINES. That is correct, Mr. Chairman [continuing]:

Consideration has been given to the possibility of providing the relief proposed by the bill through some system or systems of insurance. Under the provisions of Public, No. 506, Seventy-seventh Congress, approved March 27, 1942, protection for damage to property may be secured from commercial insurance companies. Insofar as the need for compensation and hospital treatment from war hazards are concerned, any attempt to provide relief in the form of insurance at a cost to civilians would introduce administrative complications and probably would be open to the objection that the amount of protection afforded would be proportionate to the amount of premiums paid by the individual. Those able to pay higher premiums would be better able to pay for any medical or hospital treatment than those who could pay only a lesser premium. This would result in those having the least need receiving the greatest benefit. Moreover, the need of medical and hospital care and treatment in case of war injury would be urgent and there would not be sufficient time to determine an individual's right under any form of insurance to treatment prior to the time it would be necessary to furnish the same. Further, any system requiring the maintenance of separate individual records would break down by the sheer weight of numbers.

The Veterans' Administration does not have any data upon which to base an estimate of cost of the bill.

Senator CLARK. It seems to me, neither does anyone else.

General HINES. I might say, Mr. Chairman, taking an estimate based upon the experience of the British, if I might include it at this point, the ratio of killed to injured as a result of war injuries to civilians, the following is an estimate of cost of paying death and disability compensation to those persons affected.

For each group of 1,000 civilians killed as a result of war injuries it might be expected that perhaps 800 would be seriously injured and 1,000 would receive minor injuries. Of the 1,000 killed, approximately 75 percent might have dependents who would receive a monthly pension under the provisions of this bill.

If this pension averaged \$50 a month, the cost for death compensation for 1 year would approximate \$450,000.

If it can be assumed that most of the seriously injured would have permanent disabilities, and if the monthly compensation for this group averaged \$40, the cost for 1 year would approximate \$384,000.

To hospitalize the seriously injured at an average of 2 weeks, at a cost of \$3 a day, would result in the expenditure of \$33,600, making a total cost of death and disability compensation and hospitalization of approximately \$900,000 per year per thousand.

Senator CLARK. That is per 1,000 killed?

General HINES. Per thousand killed. Of course, this is hazarding a very indefinite guess, you might say. It is a difficult bill to estimate, but if that ratio held good, most certainly it would give a guide to the committee on cost.

Senator TAFT. Have you any guide to the cost of the Civilian Defense Corps members?

General HINES. No; I have not, Senator.

Senator TAFT. Is there any way you could estimate that, General?

General HINES. As a matter of fact, I did not expect to be called on this particular bill. The hearings have been held in the other committee, and what we have has been rather hastily prepared. Of course, that would be an item that the Office of Civilian Defense could undoubtedly best estimate, knowing the people involved and the hazards. [Continuing:]

It is believed that this particular bill has far-reaching implications and for apparent reasons no effort has been made to compare the rates therein provided

with the rates of employees' compensation provided under the laws of the various States.

(The foregoing report subsequently cleared the Bureau of the Budget as indicated by the report received by the Finance Committee from the Veterans' Administration, July 6, 1942.)

I desire to assure the committee that the Veterans' Administration is anxious to cooperate in every possible way if the bill is administered as it is now proposed in S. 2620.

I have a feeling that less complication would probably arise if a fixed rate for disability could be taken rather than the varying rate. However, I know that the rates are based upon the rule under the workmen's compensation acts, and that is what makes the difference in the rates paid to dependents of soldiers who are taking part in the war as against the rates that would be paid in this bill, and undoubtedly if we adhered to the maximum rate which a dependent could obtain under this of \$66.67, or two-thirds, the committee will be pressed to increase the rates of all the dependents of veterans.

I am satisfied of that.

Senator CLARK. You mean on the theory, General, that the dependents of the man who may have been a civilian, not engaged in active military operations, are not entitled to more than the dependents of a man who was injured in the line of duty, in the armed forces of the United States? That is the argument to which you are referring?

General HINES. Certainly. I would feel undoubtedly that that argument could not be resisted very well.

Senator CLARK. Not by me.

General HINES. We should, I feel, keep that in mind. I believe in further study of the proposition of compensating for injuries and deaths, and if fixed rates can obtain. I was rather interested in that.

I thought that maybe the committee might ask Mr. May what the British system is on that. I was under the impression that they have a fixed rate that they paid to the individual per week when he is injured, and so on.

Now, as to the administration, I think adequate arguments have been presented to the committee, to utilize the machinery already set up under the Social Security Board and the agencies of the Social Security Administration. However, it must be kept in mind that in a given area all of the hospitals, for instance, will be called upon to assist. We contemplate that ours will, up to the extent that we can make our clinics, operating rooms, and so on, available. Plans are pretty well worked out locally in that respect, as we have indicated.

I would feel that one of the most important problems to be decided in legislation would be to fix the responsibility locally in some one person to administer under conditions accepted by this bill.

Now, it is true that we have local defense committees, but we also know that many of those committees are made up of individuals that have responsibilities in other directions. It seems to me that the import of a possible air raid and what might happen would justify definitely placing in the hands of some one person, whether it be military or civilian, acting under either the mayor or the Governor of the State, is highly desirable in the administration of this kind of an act.

Now, the matter of rating claims, the matter of paying property damage, is a matter of adjudication. Most of those claims will take place after the action, except immediately you would be called upon to hospitalize and treat the injured.

We do not feel, Mr. Chairman, that our experience in adjudicating claims under the bill as now proposed is such that it would justify saying we could do it any better than anyone else. However, our experience in handling claims should be referred to wherever possible, because over the many years we have gained considerable practical experience in the handling of claims, and what is necessary to weed out the meritorious claim from the nonmeritorious claim.

Senator CLARK. Well, the character of injuries contemplated to be covered by this bill are essentially the same as those handled by the Veterans' Bureau throughout its existence, are they not, General?

General HINES. That is correct, except these are fixed at 33 $\frac{1}{3}$ percent.

Senator CLARK. The determination of the extent of the disability depends on the nature of the injuries.

General HINES. Our tables would all be available for that, and our personnel could be used.

Senator TAFT. It seems to me that the injuries to civilians caused by bombing raids would be very much the same kind as you have been handling.

On the other hand, the injuries to the civilian defense corps people are much more analogous to the injuries that come under the workmen's compensation insurance.

General HINES. That is correct. We feel the administrative expense by utilizing the machinery set up within the States is well worth considering, because administering a bill of this kind under a separate organization, one that was built up from the ground up, would undoubtedly be costly.

Even if nothing happened, it would be costly getting ready for it.

Senator CLARK. Senator Taft, do you have any questions?

Senator TAFT. No.

Senator CLARK. Mr. Hoehler has submitted a statement which he desires to be incorporated in the record, and there is also a statement of findings of the Washington Board of Trade that has been requested to be put into the record, and without objection those statements will both be included in the record.

(The statements referred to are as follows:)

STATEMENT BY FRED K. HOEHLER, DIRECTOR, AMERICAN PUBLIC WELFARE ASSOCIATION

The American Public Welfare Association is a nongovernmental membership organization which concerns itself with problems of public administration in the welfare field. Its membership is composed largely of persons actively engaged in this field. State and local welfare administrators have their own organizations within the association—the Council of State Public Assistance and Welfare Administrators and the Council of Local Public Assistance and Welfare Administrators.

Even before the United States entered the war the American Public Welfare Association, first through its defense committee and later through its war services committee, has been studying the role of welfare services in a war situation.

Our association has been studying this problem because we know that modern war creates needs among the civilian population which must be met if the war

is to be won. Public-welfare workers are like doctors in that they strive constantly to eliminate the conditions that create the necessity for their work. On the other hand, when they see that need exists they feel it a part of their professional responsibility to take whatever action they can to see that it is met and to point out to those in authority any deficiencies in existing measures for meeting it.

During the winter of 1940-41, the association, realizing that the United States might well become involved in the spreading world conflagration, sent a representative, Eric Biddle, to England to study the role of welfare services in a country at war. We realized that modern war imposes unprecedented conditions on civilians and that the United States could learn many lessons from the experience of England. As the year progressed and the magnificent courage of British civilians under fire won increasing recognition as a positive factor in Britain's survival, Mr. Biddle's observations were naturally of great value.

I am leaving with you a copy of Mr. Biddle's report, Mobilization on the Home-Front, which incorporated the more important of his observations and conclusions. I would like also to summarize briefly the conclusions drawn from English experience which seem to me to bear directly on the legislation which you are considering.

First. In any area of military operations or any area threatened with military operations, needs will be created among the civilian population.

Second. Military necessity requires that these needs be met in order that civilian morale may be maintained, panic avoided, and the civilian population's activities directed in accordance with general military strategy. The contrast between the chaotic condition of the French population at the time of the fall of France, and the calm and orderly courage of the English resulted in considerable measure from the responsibility assumed by the English Government for the needs of the civilian population.

Third. Assistance to civilians affected by enemy action must be a public responsibility with private agencies furnishing supplementary aid rather than assuming primary responsibility. Such aid must not only be geared to public policy but must be based on the authority and resources of a governmental body.

Fourth. The financing of such aid must rest upon the entire Nation and not upon the locality directly affected.

Obviously a city like Coventry, singled out for devastation, had to look to the entire country for assistance. In this country, while general public assistance is now a State and local responsibility, it would be naive to assume that in a war which is both national and international in character, the individual community singled out for enemy attack by reason of its geographical location, should be thrown back exclusively on its own resources in meeting the needs created by enemy action.

Such a policy would not only place an impossible burden on the community affected but it is not in keeping with the American tradition of generous aid to localities singled out by disaster.

Fifth. Assistance should be administered through regularly established agencies of Government which are equipped by experience and staff to do the job. There is nothing to be gained by creating a duplicating and expensive emergency set-up.

In England this regularly constituted agency was the public-assistance board. In this country it is the Federal Security Agency, together with its affiliated and constituent agencies.

I realize that in drawing on English experience it is necessary to consider the differences between their situation and ours. It seems to me that the difference is one of degree rather than kind and that one of our greatest dangers is the attitude of mind which assumes that we are immune from what other nations have experienced.

It is true that we do not have land-based bombers within 20 miles of our own shores; on the other hand, we have been evacuating women and children from Hawaii and Alaska; hardly a day passes that seamen are not brought ashore from torpedoed ships in immediate need of medical attention, hospitalization, and other assistance; shells have fallen on our territory in Puerto Rico, California, and Oregon; the bombing of Pearl Harbor and Dutch Harbor could very well be repeated there or elsewhere.

It seems to me that in considering this type of legislation the extent of present need and the unpredictability of future needs are not of so much importance as

the declaration by our national policy-making body that if and when those needs come the Federal Government, through its regularly constituted agencies, is prepared to stand back of its citizens in meeting them.

It is possible now for Congress to consider these problems in the comparative calm of a time when direct enemy action affects only a few of our civilians. Should this measure be delayed until a serious catastrophe was already upon us, such deliberate and careful consideration would become virtually impossible.

In conclusion I would like to refer briefly to the problem of administration presented by title II, the section dealing with temporary relief of need resulting from enemy action.

I think it may be of interest to the committee in this connection to know of the action already taken by governors and mayors in many States and localities, acting through their defense and war councils, in designating their public-welfare departments as the public agency responsible for meeting needs of this character.

In California, more aware of its danger perhaps than any other State, the State department of social welfare and the county departments are well advanced in their planning for evacuation and assistance in the event of attack.

In New York State, through special legislation, this responsibility has been clearly placed on the State welfare department.

In Maryland, Alabama, Oregon, and many other States the welfare departments are moving forward in the assumption of the responsibilities placed on them in the O. C. D.-O. D. H. W. S.-Red Cross agreements to which I believe reference has already been made.

I mention this because I believe there has been fear on the part of some Members of the Senate that this bill would require the creation of vast new welfare machinery. On the contrary, it is the genius of this bill that it makes it possible for the Federal Government to discharge its fundamental obligations to its citizens to see them through the hazards of war without the creation of any new bureaucratic machinery whatsoever.

The State and local public-welfare departments are already in existence as a part of the permanent machinery of democratic government. It is their job to help people confronted with needs beyond their personal power of solution. They are prepared to fulfill this obligation in time of war as well as peace.

But the war and the problems it creates are not local problems; the first responsibility must rest on the Federal Government. State and local welfare agencies are glad to put their machinery at the disposal of the Federal Government in meeting these problems. They will continue to do their share, but they cannot do it unaided.

STATEMENT OF FINDINGS OF THE WASHINGTON BOARD OF TRADE

Although the action of the Washington Board of Trade with reference to pending legislation which would provide compensation for members of the United States Citizens' Defense Corps who are injured or killed in their line of duty has been placed before the chairman of the Senate Finance Committee and Senator Pepper, we are happy to have the opportunity to make this additional statement.

The Washington Board of Trade is an organization of some 4,000 business and civic leaders in the District of Columbia, and its committee on public order went into this matter quite thoroughly.

Briefly the committee's report had the following findings which were subsequently approved by the executive committee of the Washington Board of Trade, thereby constituting an endorsement of the entire organization on these points:

(1) That compensation to persons engaged in civilian defense work and injured in the line of duty be made a Federal responsibility;

(2) That those engaged in civilian defense work should include any member of the United States Citizens' Defense Corps in the protective services engaged in civilian defense or such protective services as are from time to time established by regulation or by order of the Director of Civilian Defense, or who are duly registered for a course of training for such protective services;

(3) That the scope of any act to provide such payments include injuries incurred during black-outs, including practice black-outs.

We hold that such payments should be made Federal responsibility because those engaged in volunteer services as civilian defense workers are a vital part of the entire war effort which itself is a Federal responsibility. Under No. 2

of our findings, we are extremely anxious that all of our civilian defense workers be covered. Under the third point, we hold that practice black-outs are actually a preparation for the real thing, much the same as a course of training for members of the armed forces.

Therefore we strongly recommend that the United States Senate seriously consider a bill to provide relief which will, in the event of attack on the United States, be much needed. We also trust that the Pepper bill, or a bill similar to the Pepper bill, receive early and favorable consideration.

CLARENCE A. ARATA,
Executive Secretary, Washington Board of Trade.

Senator CLARK. The committee will take a recess until 10:30 tomorrow.

(Whereupon at the hour of 1:10 p. m., the committee recessed to 10:30 a. m., Thursday, July 2, 1942.)

WAR INJURY AND DEATH BENEFITS FOR CIVILIANS

THURSDAY, JULY 2, 1942

UNITED STATES SENATE,
SUBCOMMITTEE OF THE COMMITTEE ON FINANCE,
Washington, D. C.

The subcommittee met at 10:30 a. m., pursuant to adjournment, in room 312, Senate Office Building, Senator Bennett Champ Clark (chairman) presiding.

Present: Senators Clark (chairman), Radcliffe, Danaher, and Taft.
Senator CLARK. The committee will come to order. Mr. Keegan.

STATEMENT OF JOHN J. KEEGAN, COMMISSIONER, UNITED STATES EMPLOYEES' COMPENSATION COMMISSION

Senator CLARK. Mr. Keegan, your name is John J. Keegan?

Mr. KEEGAN. John J. Keegan.

Senator CLARK. You are Commissioner of the United States Employees' Compensation Commission?

Mr. KEEGAN. That is right.

Senator CLARK. Have you got any statement to make on this bill, Mr. Keegan? Your agencies have had experience in this sort of matter and the committee would be glad to hear any views you have on the subject.

Mr. KEEGAN. Senator Clark, the part of the bill that concerned our Commission, from either an active or administrative standpoint, was accepted by the Senate and has gone to the House. The rest of the bill really concerns our Commission very little.

We were originally asked to participate with the War and Navy Departments in the drawing up of a bill to meet this situation, and from that time on we have attended at the meetings and are somewhat familiar with it.

So far as any general information that I may be able to impart to the committee is concerned, that is of any value, it seems to me that listening to the discussions in the Senate and within the committee, the confusion arises out of the distinction between welfare legislation and compensation legislation. Of course, we have always felt that the compensation legislation was necessary for the care of injured persons in employment. Welfare legislation probably would differ, insofar as the question of limitation that seems to bother the committee and the Senate would not probably appear as directly necessary in relief legislation or welfare legislation as it would in compensation legislation. So the original bill as drawn placed closer limitations on the administration of it than does the present law. However, that was not deemed to meet the full requirement of the

necessity and the bill was changed, liberalized by the committee generally, after hearing everyone.

Now, the confusing part of it, so far as our Commission is concerned, would be to prevent any overlapping between the welfare end of it and the compensation end of it, and in that respect it might be well to say that I think the only probability of anything of that kind occurring would be between the final outcome of what the committee does with the O. C. D. and our Commission.

Senator CLARK. Well, in the case of the civilian defense worker, that proceeds on the theory of compensation, does it not, rather than a gratuity or welfare provision?

Mr. KEEGAN. I was going to say the difficulty seems to be that the O. C. D. at the present time has no official status. There is no such thing in the eyes of the United States Government as O. C. D. Now, if that is given an official status, that is another matter.

Senator CLARK. It is official enough to get a very extensive appropriation of public funds.

Senator TAFT. Are not their office employees just like any other employees of the Government?

Mr. KEEGAN. Well, I do not believe it is set up by statute.

Senator TAFT. No; but it is appropriated for and set up by Executive order. I suppose their employees have the same status as other Government employees, certainly the C. C. C., the N. Y. A., or any of those others.

Mr. KEEGAN. If the Senate takes the position that they haven't an official status and the Congress passes a law inclining in that direction, or setting it up definitely in that direction, then the O. C. D. would naturally fall under the Compensation Commission Act.

Senator TAFT. They do. There is not any question that the employees of the O. C. D. fall under the United States Employees' Compensation Commission. It is the volunteers that we are worrying about. There isn't any doubt that the O. C. D. worker drawing a salary is under your Commission, just as does the employee of any other department, at least I was so told at the hearing the other day. The question is as to the volunteers.

Senator DANAHY. Mr. Keegan is talking about the volunteers. Are you not?

Mr. KEEGAN. No. I do not see how the volunteers would come under our Commission, because they have no status as employees of the Government.

Senator TAFT. It is not because the O. C. D. hasn't any status; it is because they are volunteers, just as a volunteer in any other department.

Mr. KEEGAN. I have never understood that the O. C. D. had an official status. The bill originally introduced as the LaGuardia bill was thrown out, and then some other bill known as the Landis bill was thrown out. I do not know in what way they procured an official status.

Senator TAFT. They procured an official status by our appropriating money to employ their employees. I do not think there is any question but what those employees are entitled to the same treatment as any other employees of the Government. I agree that we have given no official status to these volunteers in any way. I do not see how you can cover those, unless we expressly so provide.

Mr. KEEGAN. We would not have jurisdiction over them, and are not making any claim for that.

Senator CLARK. Proceed, Mr. Keegan. I did not mean to interrupt you.

Mr. KEEGAN. That is all right. I do not really know what to add, unless the committee has any questions that they would like to ask me. We have, as I said, no direct official interest in the bill in title I and title II. The part we are interested in was passed.

Senator CLARK. Do you wish to ask any questions, Senator Danaher?

Senator DANAHER. I would like to ask if Mr. Keegan, out of his experience, would care to comment on the point that was raised here yesterday but not elaborated upon, that is the matter of a fixed rate as distinguished from the flexible rates provided.

Mr. KEEGAN. Well, as I said in the beginning, there would probably be some difference in drafting welfare legislation and compensation legislation. Of course, your compensation laws define definitely the amount, the injuries, and so forth. This law might be confusing. It is confusing to me as to just what is meant by certain kinds of injuries. The distinction between personal injury and something else in the language of the law is not clear to me. That probably in the welfare law would be understood, where it would not be understood in the compensation interpretation.

Senator DANAHER. Well, in section 106 of title I, we find the term "war injury" defined to be "a personal injury sustained after December 6, 1941, proximately resulting from a war-risk hazard." Is there a distinction between a personal injury, let us say, and a physical injury?

Mr. KEEGAN. Well, I would not know any. As I say, in compensation legislation we define definitely what an injury is.

Senator CLARK. There may be some question on the term "personal injury," from a legal standpoint. There is not any question as to what "physical injury" means.

Mr. KEEGAN. We would say "traumatic injury" in the compensation law. It means an injury coming from an accident.

Senator TAFT. "Personal injury" you do not think would include libel?

Senator DANAHER. Would it include shell shock from the discharge of shells?

Mr. KEEGAN. I would think "personal injury" would mean any disability suffered from that particular effect. I cannot imagine anything else.

Senator DANAHER. Would it include a nervous break-down in your judgment, induced by bombing?

Mr. KEEGAN. Yes; even under the compensation law a nervous break-down could be compensated, produced as the result of his employment.

Senator DANAHER. Does it include a disease that is picked up by some volunteer O. C. D. worker?

Mr. KEEGAN. In my judgment, it does.

Senator TAFT. It does, because it says so expressly.

Senator DANAHER. I am asking if, in Mr. Keegan's judgment it includes it.

Mr. KEEGAN. I believe it does; yes.

Senator **DANAHER**. It does?

Mr. **KEEGAN**. Yes.

Senator **CLARK**. Thank you, Mr. Keegan. Mr. Bigge.

Mr. **MAY**. Mr. Chairman, Mr. Bigge would have appeared on behalf of the Social Security Board. The point of view of the Board is identical with the point of view of the Administrator. Mr. Bigge would be glad to appear and is available on the telephone, if you would like him to say anything personally on behalf of the Social Security Board.

Senator **CLARK**. All right. Thank you, sir. Mr. Cohen.

[No response.]

Senator **CLARK**. Is Major Hill present?

Mr. **MERRICK**. Mr. Chairman, Major Hill was required to leave town on a business engagement yesterday. If it is agreeable to the committee, I could make a general statement.

Senator **CLARK**. Very well, if you will just come forward.

STATEMENT OF RICHARD L. MERRICK, ATTORNEY, LEGISLATIVE SECTION, LEGAL BRANCH, PROCUREMENT AND DISTRIBUTION DIVISION, SERVICE SUPPLIES, WAR DEPARTMENT

Senator **CLARK**. State your name and position for the record, please.

Mr. **MERRICK**. Richard L. Merrick. I am a principal attorney on duty in the Legislative Section, Legal Branch, Procurement and Distribution Division, Service of Supplies of the War Department.

Senator **CLARK**. Very well.

Mr. **MERRICK**. Mr. Chairman, I am authorized to make a little formal statement, and then to state to the committee that if the War Department is able to furnish any information which would aid the committee in its deliberations, we would be glad to do it.

In developing the island bases acquired from Great Britain and constructing defense projects in other parts of the world, the War Department has encountered serious difficulties due to the inability of its contractors to procure workmen's compensation insurance covering injuries and deaths resulting from war-risk hazards. Under lump-sum or fixed-price contracts, the contractors estimate as a part of the cost of the work premiums on such insurance.

Senator **TAFT**. Mr. Merrick.

Mr. **MERRICK**. Yes, sir.

Senator **TAFT**. Has that to do with this bill?

Mr. **MERRICK**. Yes, sir.

Senator **TAFT**. I thought the bill we passed covered that.

Mr. **MERRICK**. It does, in a way. I will reach that in just a moment, Senator Taft, if it is agreeable. It is just a short statement and it will not take long.

Under so-called cost-plus-a-fixed-fee contracts, workmen's compensation insurance premiums constitute items of cost payable by the Government.

Insurance companies writing this class of insurance were unable to assume liability for injuries and deaths resulting from war hazards, since any premium sufficiently large to afford protection to the insurance companies would be prohibitive, from the standpoint of items of contract cost. No data or experience was available for the formu-

lation of premium rates on such insurance. As a consequence, the insurance companies declined to write such policies for projects outside the continental limits of the United States, and employees refused to work without workmen's compensation protection for themselves in case of personal injury and for their families in the event of death. It was necessary, therefore, for the War Department to enter into agreements with contractors and their insurance carriers, under which the Government assumed liability for war-risk injuries. Necessarily, this involved the establishment of reserves for possible injuries and deaths from funds appropriated for construction of the defense projects in question.

In seeking a solution by legislation for its problems, representatives of the War Department, working with representatives of the Navy Department, which experiences similar difficulties, prepared a draft of bill which was introduced by Senator Pepper as S. 2266.

Senator CLARK. That was the original bill; was it not?

Mr. MERRICK. Yes, Senator. In that original draft the War Department recognized the necessity of providing benefits for injuries and deaths from war hazards in continental United States as well as in the outlying bases. Since it was dealing with employees, protection was proposed only for employees in the draft of bill prepared. At the first hearing on this legislation, representatives of the Federal Security Agency, who had been studying the same question, proposed adding provisions affording benefits in the way of compensation, medical services, and other relief, for all citizens of the United States who might be the victims of enemy attack or enemy detention. Those provisions were included in S. 2412, as titles I and II, but as this committee knows, were eliminated from that measure on the floor of the Senate and later incorporated in S. 2620, the bill now under consideration.

The War Department favors enactment of S. 2620, but has suggested an amendment which was offered by Senator Pepper at the hearing on July 1, 1942, proposing that a new subsection be added to section 201, providing in substance that the authority and power conferred on the Federal Security Administrator and the Director of Civilian Defense should not limit, diminish, or affect the authority and power of the War Department and the Navy Department over civilians in a combat zone or defense area.

While the War Department favors enactment of the measure proposed by the Federal Security Agency, it is felt that the rates of compensation provided, the classes of persons to which benefits shall be afforded, and the agency or agencies through which any such legislation may be administered, are questions of policy not within its province to determine. Accordingly, the War Department prefers to express no opinion thereon.

I might add, however, that we did express an opinion in our report to the committee on S. 2412 with respect to the limits of compensation and benefits afforded by titles I and II, suggesting that a maximum amount be fixed and that those rates of benefit not exceed those which were payable to veterans and the dependents of veterans who were killed.

It is believed that the problems confronting the War Department will be satisfactorily solved by enactment of S. 2412 in substantially the form in which it was passed by the Senate on June 22, 1942.

Now, if the committee has any questions we will do the best we can to answer them, and if we are not able to answer them we will attempt to supply the information.

Senator CLARK. It is obviously unfair to give the civilians more compensation than we give to the veterans.

Mr. MERRICK. Well, we felt so, Mr. Chairman. However, the War Department now feels that is not for it to determine, because this measure would not be administered by the War Department in any event. Naturally you would not want to establish a new department or bureau in the War Department.

Senator CLARK. Have you any questions, Senator Taft?

Senator TAFT. I was interested in Dean Landis' statement. Dean Landis mentioned yesterday the Civilian Air Patrol. It seems to me when we run into anything like that, a Civilian Air Patrol engaged, as I understand, in patrolling for submarines off the coast, we get into something very different from civilian defense. Do you know whether there is any proposal that a Civilian Air Patrol be made part of the War Department? I think those fellows are practically engaged in the war. I would be inclined to favor compensation to them over the air-raid wardens, and so forth, in Ohio.

Mr. MERRICK. I am not fully informed, Senator Taft, as to just what the details of that proposed scheme are, and whether those men would be members of the military forces or civilians in the service of the Army or the War Department.

Senator CLARK. Can you tell us how they actually function in practice?

Mr. MERRICK. I am afraid I cannot do that, Senator Clark.

Senator CLARK. In other words, I was trying to find out whether they actually function under the War Department. It does seem to be a military duty.

Senator TAFT. I understand that they are Regular Army officers assigned to Civilian Air Patrol, but it is still under the Office of Civilian Defense, and that the pilots who fly their own planes in this patrol are not paid and do fall under the volunteer class. I think there might be some necessity for making some special provision about that branch. It does not seem to me to be civilian defense at all.

Mr. MERRICK. I do not know, Senator, enough about it to enlighten the committee on it. I would prefer not to speak on it. It is a matter for the Air Corps, I think. It is not within my jurisdiction.

However, if the committee should desire, we will attempt to procure a satisfactory witness to appear and give that information.

(The information referred to is contained in a letter to the subcommittee chairman from the commander of the Civil Air Patrol appearing on p. 102.)

Senator CLARK. I think that is something that ought to be cleared up.

Mr. MERRICK. I can arrange that, Mr. Chairman.

Senator CLARK. Yes. Any questions, Senator Danaher?

Senator DANAHYER. No. Thank you.

Senator CLARK. Thank you very much.

Is Lieutenant Doherty present?

STATEMENT OF LT. DANIEL T. DOHERTY, BUREAU OF YARDS AND DOCKS, NAVY DEPARTMENT

Senator CLARK. Will you state your name and position, Lieutenant?

Lieutenant DOHERTY. Daniel T. Doherty, connected with the Bureau of Yards and Docks of the Navy Department.

Mr. Chairman, in the interest of brevity, I wish to state that the position of the Navy Department is very similar to that of the War Department. Our main interest in the original bills, S. 2266, S. 2412, was in connection with the problems arising out of construction of outlying bases. We entered into the picture in a broad, universal sense, which included the present bill, S. 2620, with the idea it was going to be one bill, one project and one approach from our point of view.

While we are interested in this bill, we feel, since the passage of S. 2412 by the Senate, the point of view of this bill is one of a welfare nature and out of our jurisdiction. We will be pleased to answer any questions or supply any information that the committee might desire.

Senator CLARK. You feel that your problem has been handled by the bill already passed?

Lieutenant DOHERTY. That is right, sir.

Senator CLARK. Are there any questions?

Senator DANAHER. No.

Senator CLARK. Thank you very much.

Mr. Starling, please.

Mr. STARLING. Mr. Chairman, Mr. Leslie is appearing instead of me.

Senator CLARK. Very well, you may proceed, Mr. Leslie.

STATEMENT OF WILLIAM LESLIE, GENERAL MANAGER, NATIONAL BUREAU OF CASUALTY AND SURETY UNDERWRITERS

Senator CLARK. Will you state your name for the record, please?

Mr. LESLIE. William Leslie, general manager, National Bureau of Casualty and Surety Underwriters.

Senator CLARK. You may proceed.

Mr. LESLIE. Mr. Chairman, I am not appearing in my official capacity as a spokesman for the national bureau but, rather, as a representative of the entire workmen's compensation insurance industry of the United States. Through a committee composed of representatives of the Association of Casualty and Surety Executives, which represents stock casualty companies writing workmen's compensation insurance, and of the American Mutual Alliance which represents mutual casualty companies writing workmen's compensation insurance, and the New York State Insurance Fund, as the representative of State insurance funds authorized to write workmen's compensation insurance in several of the States, we have been studying the whole problem of war risk in relation to our business.

The insurance carriers are in agreement with the principles which underlie this bill insofar as they affect our own interest and affect workmen's compensation under existing State laws. They recognize that under this bill the Federal Government assumes a responsibility for war-risk claims, and they feel that that is a proper responsibility.

They are particularly interested in the provision which deals with the reimbursement of employers or insurance carriers for any losses they may pay under existing laws arising out of risks of war. Their interest is, in large measure, because as insurance carriers they take over and assume the obligation of employers to pay compensation to their employees as it may be awarded by the administrative bodies supervising those laws.

It is generally believed that war-risk injuries may be subject to compensation under State laws as they now exist, and to that extent the losses would fall directly upon the employer and indirectly upon the insurance carrier assuming those obligations. There is no way in which the policies issued by insurance carriers may exclude any losses that are awarded under State compensation laws, irrespective of whether those losses are the normal losses contemplated by the rates established for the insurance, or whether they are the unexpected and unforeseeable losses that might arise in the present emergency because of the impact of war upon our country.

The carriers of workmen's compensation insurance and the employers whom they represent, as well as the uninsured employers who are qualified as self-insurers in various States are, therefore, facing a very serious situation in the event that through bombing or enemy attack there should be any substantial losses in connection with employees working in plants exposed to such bombings or attacks.

We have no knowledge, nor do I think anyone has, as to the possibility or probability of bombing, the amount of damage that may be sustained, the number of people that may be injured, or any of those things, but there is a potential catastrophe hazard there that would be a very serious blow to employers or to insurance carriers if it should occur in the absence of any relief such as would be provided by this legislation.

Therefore, the insurance carriers are desirous of indicating their hope that some decision will be reached with respect to this legislation as promptly as may be, because of the situation confronting them and the employers that they cover.

There is another phase of the legislation in which the carriers are very much interested, and that is the possibility of the utilization of their services and facilities in carrying the law through in a successful manner in the event it is enacted. The insurance carriers of workmen's compensation have in their employ in excess of 11,000 skilled claims adjusters located throughout the entire United States.

The carriers are prepared to offer the services of those adjusters for the purpose not only of taking care of the claims that may be held to be compensable under State laws and, thus a proper charge upon insurance carriers in the first instance subject to the reimbursement feature of the bill, but also the services of those claims adjusters in the investigation and preparation of claims for the civilian population that would otherwise be taken care of under this bill. It would not be necessary, as they see it, to do more than organize this existing adjusting force by sections of the country, to act under the guidance of some selected individual in each community, so that the event of an emergency, this body of skilled men could be immediately mobilized to carry out the necessary investigations which are involved in the payment of compensation, whether it be to an employee or a citizen.

Senator TAFT. Are you satisfied with the provisions in section 202 (b) directing the Administrator to enter into agreements or cooperative working arrangements with other agencies of the United States or of any State or political subdivision thereof, and with other public agencies and private persons, agencies, or institutions, to utilize their facilities wherever possible?

Mr. LESLIE. Of course, we would prefer to see it a little bit more specific than that, if it could be incorporated in the bill. We believe that the services of the insurance carriers can be very effectively used in a situation such as this.

Senator TAFT. Mr. Jones is using the regular insurance facilities in the property insurance.

Mr. LESLIE. That is correct; yes.

Senator TAFT. This is about as strong as you can make it. I do not see how much stronger you can make it. I agree you have got to leave the Administrator some discretion. As to how he does it, just whom he takes on, I do not see how we can write in in the bill.

Mr. LESLIE. Frankly, I do not think so either. I merely say I wish it were possible, but I appreciate the limitation.

Senator TAFT. We must refer to it in our report.

Mr. LESLIE. I wish to emphasize that we offer the service, and we hope that we will be successful in our negotiations with whatever agency administers the law, in the utilization of those services.

Senator CLARK. Senator Danaher?

Senator DANAHER. I was looking at that section to which Senator Taft just adverted, Mr. Chairman. I was wondering if you put in some language that the Administrator not only shall utilize such agencies, but shall compensate them for the services rendered, if that would not strengthen it to meet your objection?

Mr. LESLIE. Well, I am not familiar with the language of the section, just as it reads, and I am not sure whether that would strengthen it or not. I do want to make it clear in the record that we do very earnestly desire to have our services utilized. That is probably as far as we want to press the issue.

Senator DANAHER. Certainly this is possible, is it not, Mr. Leslie: It says that the Administrator shall, through agreements or cooperative working arrangements, conduct the operations of and administer the act.

Mr. LESLIE. Yes.

Senator DANAHER. If he offered you the choice of rendering your services free and the alternative, that if you did not render them free he will not make any agreement, there is nothing mandatory about it, is there?

Mr. LESLIE. Well, I presume not.

Senator DANAHER. Therefore if you had some language in there which would impress upon this duty the obligation to pay for the services so rendered, it would strengthen it to that extent, would it not?

Mr. LESLIE. Yes. I believe in connection with the War Damage Corporation handling property losses, the arrangement is at cost or out-of-pocket expense as compensation for services, and we would, of course, to render these services on a basis where we made no profit whatsoever but merely recouped the out-of-pocket expense involved.

No expenses would be involved unless and until there were an actual emergency requiring the use of their services.

Senator DANAHER. Or your services were utilized?

Mr. LESLIE. Yes.

Senator TAFT. You may put an express provision in there that the adjustment of claim shall be through a private agency if they do it at cost.

Mr. LESLIE. We realize this may involve, in the case of disaster, not only employees who are working at the time. Presumably enemy bombings in this country are going to be concentrated on military objectives to a greater degree than has been the case in England. But even so they may hit people who, while normally employed, would be at home at the time and who, under the bill, receive the benefits predicated on wages and the amount of physical disability. These are, of course, in addition to unemployed people who likewise may be hit.

With respect to the handling of claims, our experience has been if you have decentralization you are bound to bring in possibilities of fraud, collusion, and things of that sort. These would be minimized if the whole job could be coordinated and all claims handled through one group of claim adjusters functioning under central control. They would be able to compare all claims and thus prevent duplication such as a claim for compensation as an employee and at the same time, perhaps under a different name, as an unemployed person.

We feel that the determination of the wage status and the degree of disability are all things that our claims men are constantly engaged in doing in connection with the administration of the State compensation laws; that there will be cases where it will not be entirely certain at the outset whether they come under the State law or under the Federal law, and where it would be much better to have trained insurance adjusters for the investigation and preparation of the claims, irrespective of whether they ultimately turn out to be under the State or Federal laws.

Senator TAFT. Mr. Leslie, of course in the State of Ohio I do not suppose you have the ordinary claim adjuster.

Mr. LESLIE. No; but the Ohio State fund has been conducted by the New York State fund, with the idea that its claim adjusters would be made available.

Senator TAFT. So if you had any written provision it would have to cover, in such States as Ohio, the use of State officials rather than the private officials.

Mr. LESLIE. We would want to include adjusters of State funds, whether that was a monopolistic variety such as you have in Ohio, or the competitive variety such as we have in New York, in addition to the adjusters of private carriers—stock, mutual, and reciprocal.

Senator CLARK. Are there any other questions?

Senator DANAHER. Yes; Mr. Chairman.

I would like to ask the witness if he sees any disparity in the use of the term "personal injury" in here as contrasted with the use of the words "physical injury" in compensation contracts?

Mr. LESLIE. Well, the words "personal injury," as we understand them and use them in our business, is, of course, a much broader term and more inclusive than either the term "bodily injury" or "traumatic injury." I presume "personal injury" would include many things that would not be included with the narrower definition.

Senator TAFT. Would not "physical injury" also include any nervous injury? A nervous injury is considered to be a physical injury, is it not?

Mr. LESLIE. Yes.

Senator TAFT. How would "personal injury" be broader, as suggested here? I should imagine libel is a personal injury. It is a little broad. I do not suppose it is intended, but I think it would be, strictly speaking.

Mr. LESLIE. I think under our usual interpretation and use of the words "personal injury" we do contemplate the inclusion of such things as libel. In many of our contracts where we are insuring third-party liabilities we draw distinctions in our insuring agreements between the scope of coverage and when we use the unqualified term "personal injury" we do intend to cover anything that can be alleged to cause a personal injury, which may be libel, false arrest, and other things of that sort.

Ordinarily, the term does not carry you too far, because it is tied up in some way with an accident, and therefore we have a limitation.

Senator DANAHY. There is a limitation here in the sense that the personal injury, in the sense of war injury, must derive from a war-risk hazard, as defined in this bill.

Mr. LESLIE. Yes; which has a limiting effect upon the term.

Senator DANAHY. Suppose under the reimbursement section there should be some question as to whether or not you are entitled to reimbursement because you have fulfilled the terms of a contract which you have made with the employer whose employees are injured, and then the question arose as to whether or not you are either broader or narrow in your contractual liability than this act?

Mr. LESLIE. Well, that question has been one that has worried us in connection with the reimbursement feature; that is to say, just how secure are the carriers in assuming, without any exclusion of war-risk liability under their contract with employers that if they make prompt adjustment of claims arising from war risk under existing State laws, they will be successful in obtaining equally prompt and complete reimbursement.

I think that the general attitude and feeling is that the administration of the law by whomever is selected will be one that attempts to deal fairly and equitably with the situation, and that we will have to expect to take our chances on the matter of getting reimbursement in all cases where we make an honest, good-faith payment under the State compensation law.

Now, we recognize that it would be very helpful if in developing a working agreement with the administrator of the law respecting the method and manner of securing reimbursement, we could have a clear cut understanding that we would not have to carry cases to the highest court of the land to determine whether or not they properly fall under the State law. The agreement ought to provide that if the employee was injured while at work we should proceed to compensate him under the State law just the same as though it were a normal injury, and that reimbursement would automatically follow. Otherwise, if we were obliged to say "We cannot pay your claim until we are sure that your injury comes under the State law. If it comes under the Federal law you are to be paid some other way and we are unable to pay until

we know the legal situation," it would be doing a grave injustice to the employee. We would not be serving our insured employers and, generally speaking, it would be serving no good purpose.

Senator DANAHER. And perhaps defeating the purpose of this bill.

Mr. LESLIE. That is right.

Senator DANAHER. In section 104 (b) it is mandatory, it says you shall be reimbursed for the benefits so paid, including funeral and burial expenses, medical, hospital, or other similar costs for treatment and care, and reasonable and necessary claims expense in connection therewith. As it is written there, do you feel that it affords ample protection under the reimbursement theory?

Mr. LESLIE. I do not feel it affords 100-percent protection by any means. I have not been able to see how we could ask to have the bill changed to go beyond its present provisions, but it does hold the possibility that in the absence of a satisfactory working agreement with the administrator we might make payments for which we would not secure reimbursement. For example, we may make a payment upon the assumption that the case comes under the State law which is in excess of the benefit provisions in this bill. If anyone should raise the question of jurisdiction and in a subsequent adjudication it should be decided that the case does not come under the State law, we might then be without reimbursement for any payment in excess of that due under the Federal law.

Senator TAFT. Why should you be reimbursed for that excess?

Mr. LESLIE. The provisions of this bill are that when you discharge your liabilities under provisions of the State law you get reimbursed.

Now, we pay the claim upon the assumption that the State law does apply—and I am not talking now about whether the accident arose in the course of employment, but whether the State law covers an accident of this type it being possible that such coverage may be challenged in some State jurisdictions that war-risk accidents do arise out of the employment. In that event, if we proceed with our payment, and question is later raised as to reimbursement, we might be left out on the limb, so to speak.

Senator TAFT. Without any reimbursement?

Mr. LESLIE. Without any reimbursement.

Senator TAFT. That is a chance you would take anyway.

Mr. LESLIE. Yes. As I said a moment ago, I would hope, in the negotiation with the administrative agency with respect to the means and method of investigating claims and securing reimbursement, that we would be able to reach an agreement in advance that we could go ahead and settle these claims under the State law without raising the question of the State's jurisdiction, because to do so would only invite litigation and involve delay which I do not feel is in accord with the spirit or the purpose either of this bill or of the State compensation laws.

Senator DANAHER. Well, such details as to when you pay, and the period—let us say, 312 weeks—or whether you pay quarterly, all such things will be handled under the regulations prescribed by the Administrator.

Mr. LESLIE. That is as I understand it. Again there we are, of course, very much interested in the promptness with which the reimbursement would be made, but we anticipate no particular difficulty in

arriving at a satisfactory basis with whatever agency is administering the law.

Senator DANAHER. I think it is a very valuable provision.

I have no further questions.

Senator CLARK. Any other questions, Senator Taft?

Senator TAFT. No.

Senator CLARK. Thank you, Mr. Leslie.

Mr. Skutt.

STATEMENT OF V. J. SKUTT, HEALTH AND ACCIDENT UNDERWRITERS CONFERENCE, OMAHA, NEBR.

Senator CLARK. Will you state your name and whom you represent, for the purpose of the record?

Mr. SKUTT. V. J. Skutt. I am from Omaha, Nebr. I represent the Health and Accident Underwriters Conference, which is an association of personal accident and health companies numbering about 105.

I received a telephone call from the secretary and manager of that organization a short time ago, advising me that he had wired Senator Clark that he would be here. So I am not familiar with what has transpired at the hearing.

Let me say this, that the companies writing accident and health insurance have given a great deal of study to providing protection for such insurance companies as are referred to in this bill. At the meeting in January of this year they appointed a committee, which reported at the June meeting and agreed upon a policy to cover civilian war injuries.

That sample policy has been mailed to the insurance departments of each State and provides some coverage for death or injuries to civilians by reason of bombing, acts of war, and other indemnities as referred to in this bill. The proposed policy will pay \$5,000 for accidental death, and up to \$500 reimbursement for hospital, medical, or surgical expense.

It will be issued to all people, men, women, and children.

Senator TAFT. When you say "accidental death," you mean from accidental hits? You mean death from war activities?

Mr. SKUTT. That is right, from any of the bombings, or invasions, or anything else.

Senator TAFT. It can be deliberate.

Mr. SKUTT. For the purpose of that policy they construe that as being an accidental death, and it so especially states.

Now, in addition to that, I think it should be called to the attention of the committee that the individual carriers are providing protection, to some extent, for such losses. I know that the Mutual Benefit Health and Accident Association, which is the largest exclusive accident and health insurance company in this country, has issued an endorsement, and did this shortly after the Pearl Harbor tragedy in which they extended their coverage, they interpreted the war clause of their policy to cover any loss due to bombing, invasion, and injuries growing out of the war to civilians in the United States.

I am informed that many other companies have done that. The extent to which it has been done I am not familiar with.

Senator TAFT. The ordinary life-insurance policy written before the war would cover any injuries to the civilian, would it not, in this country?

Mr. SKUTT. Yes. For about 20 years following the World War the life-insurance companies generally, with few exceptions, have issued their policies without the war clause, without the war exception, but recently, of course, they have written them with the war-clause exception in them.

The accident and health carriers have generally issued their policies with the war exception during all that time, but many of them now have liberalized that clause by covering civilian war injuries.

Senator TAFT. Well, these life-insurance policies issued today do not cover death from bombing in this country, if you stayed in this country.

Mr. SKUTT. You refer to policies being issued currently?

Senator TAFT. Yes.

Mr. SKUTT. Well, I do not know whether the companies are uniform on that or not, Senator. I have before me one clause that is used by some of the companies, which reads:

This policy is free from restrictions and limitations as to service in military, naval, or air forces (other than air travel or flight as hereinafter set out), in time of peace or in time of war within the 48 States of the United States and the District of Columbia and the Dominion of Canada, herein called the home areas. Death resulting from injuries caused by any act of war and occurring within 6 months after such injuries are sustained, if such injuries are sustained outside the home areas while the insured is in the military, naval, or air forces of any country at war, is a risk not assumed under this policy.

Senator TAFT. What happens? Do they get back the cash-surrender value?

Mr. SKUTT. There is a provision that covers that. It states:

If death results from any risk not assumed, the liability of the company shall be limited to the amount of the premiums which have been paid on this policy, or the policy reserve, whichever is the greater, less any indebtedness on the policy.

There are about 21,000,000 people who are carrying personal accident and health insurance.

Senator TAFT. Does the accident clause written in the past cover accidents resulting from performance of duties of air-raid wardens when there are no enemy attacks?

Mr. SKUTT. Yes; in my opinion, it would. Some of the accident policies contain what is called a prorating provision, which would be a different rate if the occupation in which the insured is following at the time of the injury is more hazardous than that in which he is insured.

I do not think that an air-raid warden who has not changed his occupation would have his damages reduced.

This policy that I speak of, that has been agreed upon by the companies, is in this stage: This will be handled through a pool of the companies. No one company will be carrying all the risk. Now, the number of companies that will participate in that pool has not been determined.

Senator CLARK. I have a telegram here from Mr. Harold R. Gordon, executive secretary, Health and Accident Underwriters Conference. What does that include?

Mr. SKUTT. The Health and Accident Underwriters Conference is this association of accident and health insurance companies.

Senator CLARK. How many companies does it comprise?

Mr. SKUTT. One hundred and five at the last report, which was in June.

Senator CLARK. This pool would be organized inside that association?

Mr. SKUTT. No; the membership in the pool will not be restricted to the membership in the organization.

Senator CLARK. What I was getting at, all the members of the organization would not necessarily be included?

Mr. SKUTT. Not necessarily. All that the conference has done as the conference, Senator, is to set up this committee. I happen to be a member of the committee.

Senator CLARK. It will act as an agency for the formation of the pool?

Mr. SKUTT. That is right. It is proposed to send a sample of this policy and a sample of the insurance agreement, or the pool treaty, and an explanation of it, to all companies in the accident and health business, and to those who wish to subscribe to the plan.

Senator CLARK. This telegram will be inserted in the record in connection with your testimony.

(The telegram referred to is as follows:)

Senator BENNETT C. CLARK, of Missouri,
*Chairman, Subcommittee of Finance Committee on Senate bill 2620,
 Washington, D. C.*

Understand that during consideration of Senate bill 2620 today thought was expressed that accident insurance companies could not and would not assume hazard for indemnifying civilians against death or injury due to air raids, bombing, and enemy attacks. This is erroneous. Under pool plan sponsored by Health and Accident Underwriters Conference an association of 110 accident insurance companies a policy has been drafted, issuance August 1, to be available to every man, woman, and child in United States offering \$5,000 accidental death and dismemberment benefits and up to \$500 medical hospital surgical and nurse and other expense for injuries due to direct attack or defense of attack of armed forces. Policy to cost \$5 per year. Mr. V. J. Skutt a member of our committee who have prepared this pool plan and policy will be at your hearing Thursday, July 2 and will be available for detailed information.

HAROLD R. GORDON,
Executive Secretary, Health and Accident Underwriters Conference.

Senator CLARK. Are there questions?

Senator DANAHY. No.

Senator CLARK. Thank you, Mr. Skutt.

Mr. Olson.

STATEMENT OF HERBERT A. OLSON, DIRECTOR, MICHIGAN MUNICIPAL LEAGUE

Senator CLARK. Will you state your name and position, Mr. Olson, for the record?

Mr. OLSON. My name is Herbert A. Olson. I am the director of the Michigan Municipal League. I can speak in that capacity for the municipalities of the State of Michigan. I am also the vice president of the American Municipal Association, which is a federation of some 42 State leagues throughout the Nation. The leagues throughout the Nation affiliated with the American Municipal Association comprise about 8,000 cities, villages, and towns.

I am here primarily to present the attitude of the municipalities throughout the Nation as they have been represented to the American Municipal Association, through letters, telegrams, and by telephone conversations. We have heard from 35 leagues and municipalities to date on the subject of this bill, and with your permission I would like to submit the letters and telegrams which we have received and make them a part of your record, if that is satisfactory.

In order to indicate the tenor of municipal government toward this bill, I would like to read a few excerpts from a few of these letters and telegrams.

I have first a letter from the conference of mayors and other municipal officials of the State of New York. It says in part:

The cities and villages of New York State are unanimous in approving and urging passage of provisions in the new Pepper bill under which the Federal Government assumes responsibility to civilian defense workers who are injured in the course of their duties or during their training.

The municipalities of the State believe it to be absolutely mandatory that some such provision be passed by Congress. There is no way at the present time that cities and villages can protect themselves against this liability. The defense workers expect some such coverage for the risks that they assume in their volunteer work.

Senator TAFT. Do not the municipalities assume that they are going to be liable to them?

Mr. OLSON. In discussing that problem of whether or not the municipalities would be liable, the State compensation laws in the various States differ. Competent municipal attorneys in various States have reviewed the situation, and in some instances they have given the opinion that the compensation laws might apply.

In other States the attorneys have agreed that their State compensation laws do not cover the volunteer workers, and I cannot tell you in how many States opinions of those types have been given. But it does vary from one State to another.

I have with me a memorandum prepared by the American Municipal Association entitled "Legal Problems Involving Civilian Protection Workers," which was published on April 20 of this year, which I shall also be glad to leave for the consideration of the committee.

Senator CLARK. It may be included in the record.

(The memorandum referred to is as follows:)

MEMORANDUM

APRIL 20, 1942.

Subject: Legal problems involving civilian protection workers.

THE AMERICAN MUNICIPAL ASSOCIATION,
Chicago, Ill.

Most municipalities are laying careful plans for augmenting municipal services to protect civilians and their property from war hazards. This means the expansion of present services and the addition of new ones with a resulting increase in personnel. Various devices are being used for carrying out this program. A widely accepted procedure is that proposed by the model local defense council ordinance suggested by the American Municipal Association early in 1940. This contemplated the establishment of all necessary auxiliary services by or under the control of the regular agencies of local government and that these special services would function in an unofficial or limited capacity under the control of and with responsibilities to local governments. More formal procedures, however, are sometimes adopted and followed. For example, in Los Angeles, the air-raid warning service is by ordinance formally established under the control of the chief of police. A somewhat similar situation is found in Cincinnati, where the city manager is authorized to appoint, deputize, control, and call into service in

emergencies as many volunteer, unpaid auxiliary fire and police officers as he thinks necessary. At the other extreme, there are some examples of completely extra-legal arrangements such as are found in North Dakota and in Wisconsin, where defense activities are operated under auspices of the county defense councils unofficially and in an informal capacity outside of the regular agencies of government.

Apparently principles of sound administration and experience which seem to require some formal relationship between the auxiliary services and the regular agencies of Government with the official agencies being given some recognizable degree of control. Whatever plan of organization is adopted will not supersede existing agencies of government and will have to operate under and with some responsibility or subordination to them. Indeed, that result was contemplated by the Presidential order of May 20, 1941, establishing the Office of Civilian Defense in requiring it to cooperate with and work through existing State and local agencies of Government insofar as possible. The recommended organization plan suggested by the Office of Civilian Defense, October 20, 1941, proposed a volunteer "Citizens' Defense Corps" to operate under the control of the established governmental units, and to have charge of protection work.

Experiences already had with auxiliary services indicate the desirability of their control and coordination and we may profit from them. For example, after laying elaborate plans for "coordinating" fire-fighting agencies, the executive committee of the California State Fire Disaster Plan asked the California State Defense Council on April 2, 1942, to inform all local councils "that the California Fire Disaster Plan, as adopted, in nowise supplants the apparatus, equipment, and manpower required for local defense." It seems obvious that neither should the leadership and administration of such an agency supersede or replace the regular agencies of Government responsible for similar functions.

These various plans call for the selection, training, or instruction, and calling into service in emergencies of air-raid wardens and fire watchers, auxiliary firemen and policemen, first-aid and rescue workers, emergency medical service and sanitation squads, messengers, drivers, bomb squads, repair squads, communications and utilities squads, and others. In spite of the most complete and carefully laid plans it may be anticipated that, in addition, unforeseen situations will arise and many casual volunteers will be called into the general service of cities in case of an actual emergency.

PROBLEMS CREATED BY CIVILIAN PROTECTION ACTIVITIES

As these persons doing civil-defense work volunteer their services to the local government for their own protection and for the protection of their families no question as to the payment for these services is raised except in very special cases. Compensation does not constitute a motive for the performance of these services and there is no implied responsibility on cities to pay for them. It is understood that a large percentage of local civilian protection workers are paid for their services in England by the British Government, although they are paradoxically referred to as volunteers. However, no such plan is contemplated here, and, generally, compensation is paid only for certain supervisory and promotional work and not for protection work.

Many other problems for municipalities arise out of the establishment of these services. Most of them revolve around the question of the relationships of the auxiliary workers to the municipalities. It is merely pointed out that if these workers are agents of the municipality they can make contracts that are binding upon their principal. Likewise, municipalities may be liable for their tortious acts within the scope of their authority. Because of the very nature of the emergency, the services in question are extra hazardous and many questions will arise as to the liability of the local governmental agencies for death or injuries to these persons.

No attempt is made here to discuss the problems of contract or tort liability. Our concern here is with the possible liability under workmen's compensation laws or otherwise for these volunteers and auxiliary workers. Fundamentally, the question is one of the status of these persons as employees under the common law or under the workmen's compensation acts of the various States. Apparently municipalities are facing an exposure to liability here. What is the extent of that possible liability? How can it be met? How can it best be avoided, if at all? It is to these questions that our attention is directed.

It would seem to be rather an impossible task to estimate the probable injuries that may be inflicted upon either civilians or civilian protection employees. Any

figure that might be mentioned would be merely speculative. We do know from the experience in England that fewer nonmilitary persons were killed and injured as a result of bombings and other military actions than was anticipated.¹ It is assumed that the reported figures cover public employees as well as industrial employees and civilians.

It is, of course, impossible to anticipate where military attacks will be made, where sabotage will take place, or where fires or other disasters in connection with the war program will strike. The danger is not limited to the larger and more affluent districts, but is apt to strike in an isolated small community as well as anywhere else, where it occurs there are certain to be many workers maimed or even killed. When such a disaster strikes it will also undoubtedly create extensive property damage in the community as well, thus reducing the ability of the municipality to bear the burden of compensating injuries to employees. In any case, therefore, the municipalities of this country are facing a serious potential burden of liability for injuries to persons engaged in various civilian protection functions.

MEETING THE BURDEN

Nothing should be placed in the way of municipalities in setting up civilian protection activities. These activities should be organized on a sound administrative basis and coordinated as far as possible with the organization of present municipal functions under responsible officers of the city. Yet the more formalization given to this program the more danger there will be of liability for injuries to persons serving in protective work, under the holdings of the courts, as will be seen hereinafter. Certainly this potential liability should be met with a minimum burden on local government.

One remedy being considered is to call upon the Federal Government to come to the aid of cities. While the operation of the machinery for the protection of civilian population is the primary function of cities, that protection is a national problem and a portion of its expense might well be borne by the Federal Government. Moreover, the Office of Civilian Defense is sponsoring the recruiting and training of protective corps by local governments and this would seem to impose some responsibility upon the Government in this connection. In fact, certain Members of Congress have already proposed² that the liability should be assumed by the National Treasury for the disability or death of any air raid warden or other volunteer worker engaged in the work of civilian defense resulting from a personal injury sustained in the performance of his duties during the present state of war. Obviously, many questions of procedure, relationships, and the cost and extent of any such national coverage will have to be taken into consideration, but none of these would seem insurmountable.

In view of a recent Minnesota decision holding the city of Duluth liable for the injuries of a Work Projects Administration worker who had already been compensated for his injuries by the Federal Government,³ there would seem to be an important question as to the method by which this liability would be assumed. The objective would be to relieve municipalities of a burden and not to compensate injured workers twice. This case might support the conclusion that the proper method to establish Federal aid in this field would be to provide for the assumption by that Government of the cost of certain definite liabilities imposed upon cities on a reimbursement basis. Or perhaps that should be done in addition to accepting responsibility for persons who are assumed not to be municipal employees.

It is of interest to note what has been done in this field in England. There the compensation for injuries of civilian-defense volunteers has been assumed by the Central Government. This was accomplished by the adoption of the Personal Injuries (Emergency Provisions) Act, 1939, which created a new type

¹ British Cities At War. A report of the American Municipal Association, P. A. S. Publication No. 70, June 1941, p. 47.

² Several bills have been introduced in the House for this purpose. A provision for such coverage was proposed in the second war powers bill, S. 2208, but was not adopted. It now appears that such legislation will not be incorporated in a separate bill, but will be included in an over-all measure to provide a system of Federal benefits for the "injury, disability, death, or enemy detention of civilians, and for the prevention and relief of civilian distress arising out of the war." Two such bills already have been introduced by Senator Capper, of Florida, the most recent one being S. 2412. This provides for an elaborate scheme of injury disability and death benefits for "war injuries" the amount to be determined in each case within specified maximum and minimum limits. In light of the person's salary and number of dependents.

³ *Wagner v. City of Duluth* (Min. Sup. Ct., Nov. 14, 1941), 300 N. W. 820.

of compensation for "war service injuries," payable by the Central Government, and which relieves municipalities and other employers from liability for compensation under workmen's compensation or employers' liability acts or for damages at common law.

There is some precedent for Federal action in this field. Already Congress has adopted a war-risk insurance bill⁴ which provides that \$1,000,000,000 may be made available by the Reconstruction Finance Corporation to the newly created War Damage Corporation with which to provide through insurance, reinsurance, or otherwise, reasonable protection against loss of or damage to property, real and personal, which may result from enemy attack with such general exceptions as the War Damage Corporation, with the approval of the Secretary of Commerce, may deem advisable. While this act does not refer to public properties, assurance has been given that the same coverage will be given to municipal property as to privately owned property of the same class, and at the same premium rates. Also, by an Executive order issued early this year the President made \$5,000,000 available to the United States Public Health Service to be used for the hospitalization of civilians injured as the result of enemy action. Logically, persons volunteering to perform defense services should receive no less consideration from the local, State, or National Government than civilians who have undertaken no such public service.

WORKMEN'S COMPENSATION STATUTES

It is intended here to consider, briefly, a few of the problems involved in determining the employment status of these civilian workers and the general character of the possible employment liability created by any injuries to them. There are several questions with reference to the status of these volunteers in civilian protective services under the workmen's compensation acts of the several States in the case of death or injuries that require consideration. Do they assume their own risks and the losses to their personal fortunes resulting from any injuries occurring to them in case of air raid, fire, or other disaster, because they are volunteers or because of the hazardous character of their service? Are they employees for whose injuries in the course of their duties the employing agency is liable? If there is a public liability created, where does it rest on the municipality, county, State, or Federal Government? Is the responsibility varied by the form of organization under which they work or the formalities employed? Can municipalities guard against any possible liability? What agency of government should assume the burden of such liability?

Absolute and categorical answers cannot be given to these questions. Liability in any case will depend on the law of the State, the facts involved, and court interpretations based on peculiar reactions of the courts induced by the emergency. Ample evidence is found to indicate the extremely complicated character of this problem of liability involved here.

In all States but Mississippi the liability of employers for injuries to their employees in the course of their employment is fixed by statute. As a general rule public agencies are expressly or impliedly included under the workmen's compensation laws of the respective States. In many cases all municipal employees are expressly brought under the coverage of these acts. In cases where the State does not set up a State fund to cover public employees on a mandatory basis cities have the option of carrying insurance or assuming their own risks. In Arkansas, Missouri, and New Hampshire public employees are excluded from the Workmen's Compensation Act, but in Missouri the law authorizes an affirmative acceptance of its provisions by the State departments and by political subdivisions of the State and in New Hampshire compensation may be awarded to State employees under a similar procedure. In Alabama, Arkansas, and Tennessee public employees may be covered under the law, by voluntary action. These statutes largely supersede and render obsolete the earlier court decisions which placed the determination of liability on the question of the character of the activity as being governmental or corporate.

Since employment is usually the primary test of municipal liability under workmen's compensation laws, it is essential to determine if a relationship of employer and employee is created. It may become important, also, to determine how and when that relationship is established. Nowhere is there a greater variety of contingencies than in this particular phase of the subject. Volumes

⁴ S. 2498, 77th Cong.

have been written on these questions. Court decisions involving them, based on varying states of facts, are legion, and they arrive at varying conclusions. To analyze and harmonize them all would be a difficult if not impossible undertaking, the results of which would be of doubtful value. It will be attempted here merely to set forth some of the situations that may arise and the problem that may be involved in carrying on this program.

STATUS OF VOLUNTEER SERVICES AND EMERGENCY ACTIVITIES

For purposes of analysis, volunteers in and auxiliaries to various regular services of a municipality are to be distinguished from those participating in special civilian defense activities. In the former case the activity itself has a legal status which is generally predetermined. Where the activity undertaken is unrelated to the regular operation of city government and for the protection of civilian population of the community, the additional question is raised as to the status of that activity. A question of ultra vires may arise in some instances, although it is generally concluded that municipalities may perform services connected with national defense.⁴ Even assuming that the function—such as building barricades for the protection of air-raid watchers, digging air-raid cellars, or cleaning up debris after a bombing or violent explosion—is undertaken for the protection and the safety and welfare of the populace, in a governmental capacity in which the city is not liable, we have a new class of persons involved concerning whose status there are no court decisions.

If the police, fire, or any other department of city government has control over the persons performing protective services, and if we accept the theory that this work is a proper municipal function, we must also accept the conclusion that the city is acting within its power in establishing and conducting an air-raid protection system. Then the acts of an officer in directing air-warden activities within the corporate limits are the acts of the municipality. When such activity is carried on outside of the municipality the usual rule that there must be an express or implied authority found to legally sustain that action would obtain.

The city is acting in a governmental capacity in carrying on emergency defense work and no liability rests upon it for failure of this service in any respect nor for its improper performance. No liability would rest upon a municipality for the improper action of the members of these services performed in the discretion of the municipality for the protection of its citizens or for the acts of volunteers as agents of the municipality. Although they are not compensated, members of these organized services are not liable for their acts performed in any case, but to escape liability for the consequences of their own negligence in performing this service, these persons must have some official status.

EFFECT OF SELF-INTEREST

Waiving any question of patriotic or civic motives, most persons voluntarily enrolling in the municipal protective services are activated by some self-interest. That interest is in the protection of their families and their property. However, that fact would not change the status of these persons as employees. This conclusion is set forth in the American Law Institute, Restatement of the Law of Agency⁵ as follows: "The fact that the predominant motive of the servant is to benefit himself or a third person does not prevent the act from being within the scope of the employment. If the purpose of serving the master's business actuates the servant to any appreciable extent, the master is subject to liability if the act otherwise is within the service. * * *" Thus we conclude that this element of self-interest would not be found to be a bar to, recovery in case an injury is received by a volunteer in the civil-protection services of a city if he were otherwise found to be an employee of the municipality.

WAR SERVICE AS AN ASSUMPTION OF RISKS

As a rule an act of God or of a public enemy offers certain relief from normal liabilities. They can be pleaded as a valid excuse for the loss of funds by a fiscal

⁴ *McNichols v. City and County of Denver* (101 Colo. 316, 74 Pac. (2d) 99; *Miles et al. v. Lee et al.*, 284 Ky. 39, 143 S. W. (2d) 843).

⁵ Vol. 1, p. 530, sec. 236. Followed in *Forsberg v. Tevis* (191 Wash. 35, 71 Pac. (2d) 358), and *Murray v. Kauffman Buick Co.* ((Wash.) 85 pac. (2d) 1061).

officer,⁶ and for the failure to fulfill a contract obligation. It is very doubtful, however, that the rule would be extended to bar the liability of a city to its employees injured in the course of rendering services to the city, although that question has never been before the courts. It does not appear that anyone has ever suggested that the situation is changed by the theory that these workers accept their own risks by volunteering in a hazardous employment. The question was not raised in other cases where hazards were found to exist. The New York court in the so-called *Wall Street Explosion Case*⁷ held that the injuries sustained were compensable on the theory that the employee was subject to a street risk.

The injured employee was an "outside man" employed in the printing business of the defendant corporation and was properly passing along the street when a bomb exploded there. His injury was thus incurred in the course of the plaintiff's employment. In a later case, where injuries were incurred by a workman when the cornice of an adjoining building fell on him, the New York court held that the workman was subject to the benefits of the Workmen's Compensation Act because the injuries arose out of the employment and the cornice constituted a hazard.⁸ The same court previously had upheld a finding of liability under the act when a garage mechanic went aboard a boat with his employer and in the course of repairing its motor went out into open water and both were drowned when a hurricane arose.⁹ By analogy, where a person in regular municipal employment, engaged in the performance of his regular duties is injured as the result of a military attack, it would appear that the court would be forced to hold the injuries to rise out of his employment. Thus, a policeman walking a beat or a fireman or ambulance worker answering a call might properly be found to be within the rule of the above buses. Similarly, if the immediate service being performed by regular or emergency employees were made necessary as a result of military action, the service would not seem to be removed from the protection of the Compensation Act, if otherwise within it.

LIABILITY AND WORKMEN'S COMPENSATION ACTS

To remove any doubt about unpaid firemen being employees, most State compensation laws have been amended specifically giving them that status. These laws have remained on the statute books long after such groups have ceased to be independent of city governments and after they have been placed on a basis of payment for services rendered by them. Thus provide the laws of California.¹⁰ "Every male member registered as an active fire-fighting member of any regularly organized volunteer fire department, having official recognition and full or partial support of the government of the city, town, or district in which such volunteer department is located, is an employee of such city, town, or district for the purpose, of this division (Workmen's Compensation Liability) and is entitled to receive compensation from such city, town, or district in accordance with the provisions thereof." Similarly, the 1941 Pennsylvania State Legislature¹¹ changed the Workmen's Compensation Act by redefining the word "employee" to include members of volunteer fire departments or companies and added to the liability for damages received while going to or returning from a fire the following: "or while performing any other duties of such companies or fire department authorized by such cities, boroughs, incorporated towns, and townships." This quoted provision makes it extremely important to determine just what "other" duties may be or are assigned to these organizations.

Although the statutory law seems fairly clear, there still are a great number of problems in this field bothering city officials.¹² In California, for example, this problem has arisen: Under the present rating there is a minimum charge by the State compensation fund of \$10 per man for every man carried on the department rolls as a volunteer fireman. Several cities are adding volunteers.

⁶ *United States v. Thomas* (15 Wall. 337), cf. *United States v. Prescott et al.* (3 How. 577).

⁷ *Roberts v. Newcomb & Co.* (234 N. Y. 553, affirming 201 App. Div. 759).

⁸ *Matter of Filletti v. Lorado Homes Corp.* (244 N. Y. 291). The court attempted to distinguish *McCurter v. LaRock* (240 N. Y. 282), where injuries due to the explosion of a World War shell were not within the act as there was no causal connection between the employment and the injury.

⁹ *Hawkins v. Raynor* (280 N. Y. 13, 35 N. E. (2d) 926).

¹⁰ Sec. 3361, *Dering's Code of California*, 1937.

¹¹ Act No. 101, laws of Pennsylvania, 1941.

¹² Reported, western city, September 1941, p. 76.

One small city has recruited 50 of them—upon the express understanding that they will be subject to call for duty in the event of major catastrophe or disaster. During the training of these men there is a likelihood of injury. The cities, for the sake of the men who have thus volunteered as well as for protection of the city against liability, would like to be assured that they are protected with workmen's compensation insurance, but \$500 for extra premiums is beyond the reach of most small cities.

South Dakota presents a somewhat different problem with reference to firemen and volunteers in the fire service. There the statutes¹² specifically authorize the members of a fire department or any city official to call bystanders to their aid in fighting fires. The workmen's compensation law brings volunteer firemen within the act. However, it also defines such positions in such terms as to include only those who are formally appointed by the fire chief and approved by the city council.¹⁴

Thus, the Attorney General has ruled that this restriction excludes persons impressed into the fire service or who volunteer informally to serve.

EMPLOYEE RELATIONSHIP

Under a broad statutory definition of "employment" might not the court say, even with a limited definition of membership to be included in established services, that such persons are employees of the municipality or other public agency? Thus, the Wisconsin Code¹⁵ brings public employees including volunteer firemen under the act. It does not specify how that employment is created. The court of that State has held that a person killed while engaged in assisting a village marshal in suppressing a disturbance of the peace was held to be employed by the village and was within the Workmen's Compensation Act.¹⁶ Compensation was allowed to the widow under the State act, the marshal's acts being held to constitute a command to assist in the execution of a criminal process under the statutes of Wisconsin, so that a refusal would have subjected the deceased to the penalties of the law. As a result, the court found that he was engaged with the marshal in performing police duties in the village and acquired the status of a police officer at the time of his death.¹⁷

This decision has been accepted in other Wisconsin cases as representing the law. In a subsequent case the court upheld a conviction for the killing of an officer where a member of a posse called to aid the United States marshal in apprehending and arresting certain draft evaders was killed while performing that duty.¹⁸ The court here pointed out that by the very nature of a posse, gotten together for immediate, urgent help to law-enforcement officers, the formalities of appointment and induction cannot be observed. Likewise in another case involving injury by gunshot wounds to a member of a posse, organized to capture two suspected killers, the victim was held to be under the Workmen's Compensation Act.¹⁹ Here the deputy sheriff was in charge of one prisoner and called upon two men, without deputizing them or swearing them in, to get others to assist them if necessary and go after two suspected persons. The plaintiff went with these two men, also without the observance of any formalities of appointment, and in complying with their demands was injured. He was allowed to recover compensation. Again, in Wisconsin it was held that a dance-hall inspector employed by the county under a county ordinance, who had powers of a deputy sheriff, had power to call a patron of a dance hall for assistance in quelling a disturbance.²⁰ In that case, a patron who was injured after having been summoned to aid the inspector without taking the oath of office or being sworn in was held entitled to compensation as an employee of the county.

The decisions of the Wisconsin court have not been limited to emergency employments as considered above. In another reported case²¹ a farmer was requested by the chairman of a town board to drive to a neighboring municipality and there get certain reinforcing rods and return with them to a bridge

¹² South Dakota Code of 1939, sec. 13, 1612.

¹³ Sec. 64.0102 (b) (1).

¹⁴ Sec. 102.07.

¹⁵ *Village of West Salem v. Industrial Comm.* (162 Wis. 57, 155 N. W. 929).

¹⁶ Compensation was granted on the basis of police pay rather than deceased's income as a plumber.

¹⁷ *Krueger v. State* (171 Wis. 566, 583, 177 N. W. 917, 923).

¹⁸ *Vilas County v. Monk* (200 Wis. 228, N. W. 591).

¹⁹ *Shawano County v. Industrial Commission* (Wis.) 263 N. W. 590).

²¹ *Town of Eagle v. Industrial Commission* (Wis.) 266 N. W. 274).

under construction, with the least possible delay. For his services the chairman said the town would pay him "whatever was right." The man's truck went into a ditch when he was on the way to get the rods. He was held to be entitled to compensation as an employee of the town for the injuries he sustained.

The liability found to exist in these cases is not the result of any peculiar status of law in Wisconsin nor is it due to any idiosyncrasy of the courts of that State. Similar conclusions have been arrived at by the courts of other States. California holds that a citizen aiding in making an arrest is within the Workmen's Compensation Act. Thus, in one case²² a sheriff wished to arrest certain prohibition era lawbreakers and was looking for a certain constable to assist him. Rather than permit the violators to escape he called upon several persons, including the deceased and commanded them to aid him without organizing a formal posse comitatus. The deceased was killed when he was taking a post to bar the lawbreaker's escape. He was held to be within the operation of the Workmen's Compensation Act and his widow was permitted to recover.

The same conclusion was reached under the law of Utah.²³ There it was held that an auto salesman called upon in a 4-day search to help in capturing an escaped prisoner although not commissioned or sworn in, was within the contemplation of the State compensation act and his wife could recover from the county for his death. After the death of the deceased, compensation was paid to his widow for 4 days' services although no previous pay authorization had been given by the county. Recovery was based upon the pay of a deputy sheriff rather than on the pay the deceased had been receiving in his private employment.

Ohio is in accord with the rule adopted in these other States. There it was held that a person who was called upon by the deputy sheriff to aid in the arrest of a dangerous criminal was an employee of the county.²⁴ He was told by the deputy sheriff that he was to act as his deputy. The statute, similar to that of many other States, authorized the sheriff to call others to his aid and imposed a penalty upon anyone refusing.²⁵ The same power was held to extend to a deputy sheriff although he was not mentioned in the act.

The General Code of North Carolina,²⁶ like that of Ohio, requires any person lawfully commanded to assist in making an arrest, retaking a prisoner, or in executing a legal process, to do so and makes refusal a misdemeanor. There a keeper of a cafe was deputized in an emergency by the town policeman to aid in serving a warrant. He was injured and his appointment was held to be sufficiently formal to make him subject to the workmen's compensation law.²⁷

The irregularity of the appointments in the above cases and the informality of the control exercised over the activities of the persons involved in them make them analogous to many situations that will undoubtedly arise in connection with civilian protection of employees and activities. This will no doubt be true in many cases of emergency action, for, despite the most careful planning, casual bystanders in such situations are certain to be impressed into various services by officials and volunteers. This possibility and the resulting exposure to injuries of these persons constitute a serious phase of the problem.

There is considerable authority to the effect that a person volunteering his services without expectation of remuneration is not protected by the Workmen's Compensation Acts.²⁸ However, in most of these cases the person involved acted on his own initiative and independent of any responsible employing agent of the alleged public or private employer. This line of cases is not applicable here since the cities, States, and Federal Government actively solicit the aid of civilian defense volunteers.

²² *County of Monterey et al. v. Rader* ((Cal. 1926), 248 Pac. 912).

²³ *Millard County v. Industrial Commission* (62 Utah 46, 217 Pac. 974).

²⁴ *Mitchell v. Industrial Commission of Ohio* (57 Ohio Appeals 310, 13 N. E. (2d) 736).

²⁵ Sec. 12837 of the General Code of Ohio reads as follows: "Whoever, when called upon by a sheriff, coroner, constable, or other ministerial officer to assist in apprehending a person charged with, or convicted of, a criminal offense, or in securing such person when so apprehended, or in conveying him to prison, neglects or refuses so to do, shall be fined not more than \$50."

²⁶ *Michie's Code*, 1935, sec. 4379.

²⁷ *Tomlinson v. Town of Norwood* (208 N. C. 716, 182 S. E. 659).

²⁸ *City of Long Beach v. Industrial Accident Commission* (4 Cal. (2d) 624, 51 Pac. (2d) 1080); *Farrington v. U. S. Railroad Administration* (225 N. Y. 664, 127 N. E. 272); *Smith v. State Industrial Accident Commission* (144 Ore. 480, 23 Pac. (2d) 904); *Nobles v. Texas Indemnity Ins. Co.* (24 S. W. (2d) 367); *Holbrook v. City of Wilkes-Barre* (300 Pa. 588, 184 Atl. 719).

COMPARISON OF WORK RELIEF EMPLOYMENT LIABILITY

The situations found to be confronting cities here compare in some respects to the situations arising out of the various work relief programs of the depression years. The cases in that field will not be found particularly helpful. However, it is noted that probably the majority of those cases held these relief clients to be the employees of the public agencies supplying the work projects upon which they were employed²⁰ despite the efforts of local officials to avoid disability to such persons and the opinions rendered by numerous attorneys general to the contrary.

The threat of liability was sufficient to influence the adoption of a provision

The threat of liability was sufficient to influence the adoption of a provision State compensation act.²¹ It is to be specially noted that the cases denying that Federal relief workers were "employees" of cities did so largely because of the lack of control by the cities.²² When there was control by the city a different result was reached.²³ In the present emergency there may be numerous cases where some protective activities will be carried on unofficially and informally and that fact may in some cases permit the avoidance of liability. However, that is not the recommended pattern for the operation of the program and it will undoubtedly prove to be the exception and not the rule. Many ordinances will be found giving not only auxiliary firemen and policemen a formal status, but the wardens as well. Thus, as an example, the black-out ordinance of Philadelphia, adopted December 16, 1941, provides at section 4 that "all police and firemen and all members of the auxiliary police and fire forces and air-raid wardens of the city are hereby authorized and directed to enforce black-out plans and defense measures and the rules and regulations pertaining thereto during such black-out and defense periods and summarily to compel compliance therewith. In cases where urgent need of action exists they may abate conditions dangerous to the public safety."

Section 5 provides a penalty for violation of the provisions of the ordinance or for any person during any period of black-out and air-raid defense, to violate "any of the rules and regulations, requirements, and directions pertaining thereto or who shall fail or refuse during any such period to comply with any instructions lawfully given by any policeman or fireman or any member of the auxiliary police or fire forces or air-raid warden of the city shall be liable to a fine of not exceeding \$100" for each violation.

Municipal officials are thus confronted with the possibility of extensive liability for injuries to auxiliary employees and persons engaged in local protective activities. Just when such liability would begin or end will be as difficult to state in general terms as it will be to determine the question of the existence of liability. In the last analysis the question will have to be determined for each individual case, although certain generalities may be ventured, such as the conclusion that persons merely attending block protection committee meetings, central instruction meetings for block organizers, or even attending voluntary police, fire, or first aid training courses, are in most cases not then public employees whether or not they ever do become such.

AVOIDING LIABILITY

Without intending to create any individual hardships or injustice, municipal officials will naturally desire to reduce this potential liability to a minimum for the protection of the public interest. In the performance of regularly authorized and usual or normal local government functions the matter will be difficult, if not impossible. In special activities, such as the functions to be performed by air-raid wardens and fire watchers liability may be avoided if the activities are carried on informally and not under the control of the regular officers of the city. That informality itself, it is generally concluded, might lead to an undesirable administrative situation.

The public policy supporting the adoption of the workmen's compensation laws makes it difficult to avoid the liability established thereunder. Section 21.5 of the United States Employees Compensation Act provides that no official

²⁰ See cases collected in Columbia Law Review, April 1936, pp. 555-614.

²¹ Laws of North Dakota, 1935, ch. 280, sec. 7.

²² *City of Los Angeles v. Industrial Accident Commission* (9 Cal. (2d) 705, 72 Pac. (2d) 540); *Hoover v. Independent School Dist.* (220 Iowa 1364, 264 N. W. 611); *Donnelly's Case* (301 Mass. 514, 24 N. E. (2d) 327); *Shelton v. City of Greenville* (169 Tenn. 87 S. W. (2d) 1016).

²³ *Hendershot v. City of Lincoln* (136 Nebr. 606, 286 N. W. 900).

superior is authorized to require an employee to agree to waive his right of compensation either before or after an injury. Several States prohibit any agreement to waive liability under the act. Thus, the Minnesota law declares: "No agreement by any employee or dependent, whether made before or after the injury or death, to take as compensation an amount less than that prescribed by law shall be valid."

The New York statute contains a similar provision and the court of that State has held that not only the express provisions of the statute but the social philosophy supporting the law prohibited a contract to limit the liability of the employer.⁴⁴ There an owner of a dredge contracted with a dredging company which owned scows and other equipment to supply and operate a dredge and certain commissary equipment. Under that contract he was to receive payment on a monthly basis and each party agreed to relieve the other of any liability arising out of the work. The dredge owner was injured subsequently, and upon suit was held to be an employee and permitted to apply to a public employee. The court said in part, "an agreement by an employee to waive his right to compensation under the workmen's compensation law is not only void as against public policy, but also under the express provisions of section 32 of that act."

Other court decisions prohibit such waiver of rights under State acts on principle alone. Thus, in the State of Washington it was held that rights under the compensation act could not be waived. There a stevedore fell and was injured while returning to work after he had temporarily suspended work to get his supper. A grant of compensation was allowed for an agreement had been made as to the employer's liability.⁴⁵

Of the character of the Workmen's Compensation Act the court said, in part: "Our act, let us be reminded, is one under which neither the employer nor the employee has any right of election as to whether he will come under and be governed by its provisions so far as extrahazardous employment is concerned. Neither can exempt himself from the burdens which it imposes nor by contract waive the benefits thereof in the sense that he can bar himself from the right to claim its benefits."

Several decisions of the Illinois courts place that State among those that hold an employer cannot relieve himself from liability by a contract with his injured employee whether made before or after the injury. Thus, in one case⁴⁶ in the application for employment the deceased agreed in writing "to assume all risks of accidents happening as a result of his own negligence while in such employment and to acquit plaintiff in error of all liability for any personal injury suffered while in such employment." This was held to be contrary to the policy of the act. Similarly, agreements made with injured employees, the courts of Illinois hold, must be considered as having been made under the act whether expressly so stated or not.⁴⁷ And the provisions of the act are to be strictly construed to extend and apply to the act.⁴⁸

Two Illinois decisions involving settlements between employers and employees deserve mention. In one case⁴⁹ an employee of the Tribune Co., after injury, was paid certain specified weekly payments. After their expiration the injury persisted and the company made a cash settlement of \$150 with him, which action was confirmed by the commission. A year or so subsequently the employee alleged a recurrence of the injury and petitioned the commission for a review of his case, and it made an award to him. The court ruled on certiorari that the employer cannot avoid liability under the Compensation Act by making a contract with his employee. A similar situation arose out of an injury to a taxicab driver.⁵⁰ There the driver made application to the Industrial Commission for an award against the cab company for the loss of an eye and the fracture of his skull. On March 1, 1923, an agreement was made with the approval of the commission for a settlement. On June 12, 1925, a new agreement was entered into as a result of an alleged increase in disability under which the last payment was made. That agreement was filed with, but not approved, by the commission. He sought further action before the commission when his disability rendered

⁴⁴ Laws of Minnesota, 1937 (ch. 64, sec. 1).

⁴⁵ *Poulin v. Violan & Co.* (154 N. Y. Supp. 426, 169 App. Div. 170).

⁴⁶ *Shaughnessy v. Northland Steamship Co.* (94 Wash. 325, 162 Pac. 546).

⁴⁷ *Chicago Ry. Co. v. Industrial Board* (270 Ill. 112).

⁴⁸ *Wabash Railway Co. v. Industrial Commission* (286 Ill. 194).

⁴⁹ *Reynolds v. Chicago City Ry. Co.* (287 Ill. 124).

⁵⁰ *Tribune Co. v. Industrial Commission* (290 Ill. 462).

⁵¹ *Checker Taxi Co. v. Industrial Commission* (343 Ill. 139, 174 N. E. 840).

It impossible for him to work and proceedings were allowed. The company sought a writ of certiorari which was denied.

The taxicab case held an employer cannot relieve himself of liability by a contract with his injured employee, and any settlement or agreement made with an employee must be considered as having been made under the Compensation Act, whether so expressly stated or not.

The question of alteration of employees' rights was recently considered by the United States Supreme Court and rejected in an analogous case involving the United States Employees' Liability Act.⁴¹ Certiorari was granted by that court to decide whether an agreement entered into between an interstate railroad and one of its employees, after he had been injured in the performance of his duties and who therefore had a right to recover damages for his injury subject to the Federal act, amounted to a bar to suit under the act. By the agreement, the employee accepted \$600 for necessary living expenses pending negotiations for retirement on condition that he would not bring suit unless he first returned the \$600. It was held that the suit was not barred even if the payment was not returned as section 5 of the act invalidates "any contract regulation or device whatsoever" that has as its purpose permitting a common carrier to exempt itself from any liability under the act. This provision was held to apply to agreements entered into after injury as well as before. The court rejected the argument that the agreement in question did not have as its purpose the creation of exemption from liability since it left the question of settlement open.

Most of the cases here are concerned with private employers. However, where municipalities are accepted and included under State compensation acts as employers the rules of these cases would appear to be applicable to them and to prohibit any contract with public employees limiting or denying liability. Even in States where municipalities are permitted to elect to come under the provisions of the State act but have not done so they could nevertheless be subject to common-law liability for injuries to their employees.

CONCLUSION

The sum total of this discussion and these analogies and precedents establishes only one thing conclusively. That is that the subject of municipal liability for volunteer civilian protection workers cannot be summarily disposed of. On the chance that municipal liability may arise, and that it may thus be avoided, a considerable number of cities are requiring these workers to sign waivers of liability. For example, Chicago is requiring a release from persons enrolling as members of the auxiliary police force. Likewise, the town of Irvington, N. J., in forming auxiliary corps of firemen recruited the men from healthy able-bodied citizens who were required to pass medical tests and to sign a "release" protecting the city against injury in line of duty, although it was questioned there whether the city would or could) refuse to take proper care of an auxiliary fireman injured in the line of duty.⁴²

The attorneys general of several States have issued opinions holding that such volunteer defense workers as a group⁴³ or special classes of them⁴⁴ are not employees for whose injuries municipalities are liable. Nevertheless the legal effectiveness of municipalities attempting to absolve themselves from liability by these methods is open to serious doubt. Moreover, even if such methods should prove effective in absolving municipalities from all liability, they would still be subject to the objection that, from the standpoint of public policy, it is unfair and improper to ask patriotic civilian volunteers to assume all the risks involved besides donating their time and services to this work. Accordingly, therefore, legislation by Congress and possibly by State legislatures as well⁴⁵ would seem to be necessary and proper to definite the extent of the governmental liability that is to exist or to establish that liability as a part of the cost of national defense. Meantime, of course, municipalities should be as fully advised as possible as to their probable liabilities in this field, even though it is anticipated that in the great majority of cases they will assume such liabilities voluntarily rather than

⁴¹ *Duncan v. Thompson* (62 Sup. Ct. 422).

⁴² *Fire Engineering*, August 1941, p. 422.

⁴³ Opinion July 18, 1941. Smith Troy, attorney general of Washington.

⁴⁴ See Opinion, South Dakota attorney general, ante.

⁴⁵ Massachusetts has expressly exempted civilian defense workers from liability under the State act. Massachusetts Acts and Resolves, 1941, ch. 719, sec. 5.

undertake to effect exemption therefrom through some such methods as those hereinabove described.

AMBROSE FULLER,
Legal Consultant, American Municipal Association.

APRIL 15, 1942.

Senator CLARK. Have you concluded, Mr. Olson?

Mr. OLSON. If I may go ahead, please.

Senator CLARK. Yes; go right ahead.

Mr. OLSON. A letter from the West Virginia League of Municipalities states, in part, as follows:

After the mid-year conference of the league on May 11-12, in the forum sessions dealing with "financing civilian defense" the matter of municipal liability for war injuries to civilian defense workers came up and, after the start, there was a sharp demand for a resolution calling for Federal action to relieve cities of this potential responsibility or the municipal governments would have to withdraw from official participation in the program because, due to over-all tax limits, West Virginia cities are unable to finance even normal essential services to citizens.

The West Virginia cities are probably in the worst position of any to accept any responsibility of any additional financial burden.

Senator TAFT. Does the League of Municipalities feel that civilian defense workers should be compensated by the Federal Government? Have not there been demands that the Office of Civilian Defense assume certain of the costs that now fall on municipalities?

Mr. OLSON. I think there has been no contention on the part of municipalities to date, that has come to my attention, that individual volunteer workers be compensated for their time. There has been a disposition on the part of a number of the larger municipalities to encourage the Federal Government and the State governments to participate in the cost of the civilian-defense organization, that is, the setting up of communications, central-control stations, and things of that sort.

Senator TAFT. To work with local defense councils?

Mr. OLSON. That is right.

Senator TAFT. How much of that is done, do you know? Does the Federal Government pay some part of the cost for the defense councils?

Mr. OLSON. I do not know that they do, except, of course, that in the State defense councils they have a lot of personnel which is employed in the field to help municipalities and counties in setting up their work.

In other words, a sort of a consulting advisory service.

Senator TAFT. I rather thought in a way, in this thing we are dealing with, a branch of a much larger problem, that that ought to be covered by legislation. That is one of the difficulties about this bill.

Mr. OLSON. I think there is a possibility that after the O. C. D. has gone a little further in its organization, those things will become more evident, as to just what should be done.

I would like to read just a few sentences here from a letter from Wisconsin, because I think that it does bring out the attitude of the municipalities on this problem.

We note that Congress is now considering bill S. 2620, and it is our hope that speedy action may be taken on this or some similar measure so that civilians may freely volunteer for emergency war tasks without having to think that if

they are injured or killed in the course thereof, that their families will lack adequate financial protection.

In other words, we believe that an individual shall be able to volunteer for service as an air raid warden, or as an auxiliary policeman or fireman, or as a member of a demolition squad, etc., with the expectation that the Federal Government will provide reasonable compensation if he is seriously injured or killed. We are not referring to minor injuries. We realize, of course, that there would have to be safeguards to prevent the abuse of any such provision.

After all, war is a Nation-wide problem and the hazards connected therewith should not be the financial responsibility of any one community simply because the enemy happens to select that point for attack. It seems to us to be much more equitable to spread this risk over the entire Nation.

I sent a telegram myself to Senator Brown representing the attitude of Michigan municipalities, and I have here also various telegrams, of which I would like to read one, from Mayor R. E. Riley, of the city of Portland, Oreg., who is also the president of the League of Oregon Cities.

As mayor of the city of Portland and as president of the League of Oregon cities, I wish to reiterate the position taken by the city and the league in urging upon Congress to assume its responsibility in affording relief to civilian defense personnel injured in the line of duty. It has been my position, supported by action of the City Council of Portland on several occasions, that civilian defense is a national problem and as such a responsibility of the Federal Government as the maintenance of the armed forces. The Pepper bill, S. 2620, is a step in the direction which the city of Portland and the rest of the municipalities of the State of Oregon through the League of Oregon Cities have been urging for the past year.

I have several telegrams here also from the mayors of some of the larger municipalities, and I will be glad to leave all of them with you for the purpose of the record of the committee.

(The letters and telegrams are as follows:)

WEST VIRGINIA LEAGUE OF MUNICIPALITIES,
June 27, 1942.

EARL D. MALLERY,
Director, *The American Municipal Association,*
Washington, D. C.

DEAR MR. MALLERY: At the midyear conference of the league on May 11-12, in the forum sessions dealing with financing civilian defense, the matter of municipal liability for war injuries to civilian defense workers came up and, at the start, there was sharp demand for a resolution calling for Federal action to relieve cities of this potential responsibility or the municipal governments would have to withdraw from official participation in the program because, due to over-all tax limits, West Virginia cities are unable to finance even normal essential services to citizens.

During discussion it was pointed out that cities were simply acting as agents of the Federal Government in conducting civilian defense programs; that protective bills were already under consideration; and that there was no need to suspect that Congress would refuse to do its duty in this Federal responsibility to its active agents.

West Virginia municipal officials have faith in Congress and believe it will act favorably upon the Pepper bill, S. 2620.

Sincerely,

HUME K. NOWLAN,
Executive Director.

THE LEAGUE OF CITIES OF THE THIRD CLASS IN PENNSYLVANIA,
Harrisburg, Pa., June 27, 1942.

EARL D. MALLERY,
Executive Director, American Municipal Association,
Washington, D. C.

MY DEAR MR. MALLERY: On behalf of the cities of the third class in Pennsylvania, having a population of 1,500,000, I would respectfully urge you to re-

quest the reinstatement in Senate bill 2620 of the sections providing for compensation to persons working under the Office of Civilian Defense as air-raid wardens, police officers, firemen, etc.

This is necessary in order that these people who are furnishing their services without charge should be properly protected in the event of injury and, under an act passed by the Pennsylvania Legislature, municipalities are relieved of liability for injuries caused to others and are not liable for injuries to the workers themselves. Furthermore, it would be unfair to require one local community to compensate the damage for injuries received by an Office of Civilian Defense worker by reason of the fact that he is at that time engaged in national defense, and his compensation should come from the larger unit of government.

Very truly yours,

WALTER E. GREENWOOD,

President, League of Cities of the Third Class in Pennsylvania.

THE OKLAHOMA MUNICIPAL LEAGUE,
Oklahoma City, Okla., June 26, 1942.

MR. EARL D. MALLERY,
*Executive Director, The American Municipal Association,
Washington, D. C.*

DEAR MR. MALLERY: It has come to our attention that a Senate subcommittee is now considering the Pepper bill (S. 2620). This measure, as introduced, contains a provision whereby civilian defense workers or their dependents would be allowed Federal Government compensation or medical benefits in the event of death or injury in the line of duty.

The Oklahoma Municipal League, representing the cities of this State, wishes to go on record as supporting this provision of the above bill, and objecting to any attempt to remove it therefrom.

As the measure itself states, and as is the general conception, it should be the policy of the Congress to promote the national war effort and to enhance the morale of civilians and of members of the armed forces "through the provision of funds and services to prevent and relieve * * * distress (caused by injuries in the line of duty) * * *, the cost to be deemed a national responsibility * * *." We believe that to consider the matter otherwise would be to forget that modern war is total war—war against civilian populations as well as against military forces. And, by the same token, the contrary opinion is to infer that civilian defense in this Nation at war is unnecessary—an opinion contradicted by the Federal Government 2 years ago.

There is no need to recount the necessity of a system of organized, Nation-wide civilian defense; there should be no need to emphasize its responsibility to the entire Nation, or the Nation's responsibility to it. It is much more a matter of national concern if the Pacific or New England coasts are attacked than it is of the State of California, or Maine, or New Jersey.

Civilian defense workers should be given an adequate measure of Federal protection at all times; to protect them only when actually performing their duties under hostile attack would be a strong implication that training in their duties was unnecessary. No more than an adequate, modern army can spring up overnight can an effective civilian defense organization come into being from nowhere. Long and intensive training is a vital part of the program. Protection should be given these volunteers just as is now given the armed forces, whether in training for or actually in combat. As we see it, it is beside the point and exceedingly injurious to the recruiting of sufficient volunteers if any distinction is made between Federal compensation for injuries incurred during training and during hostile attacks.

It is reasonable to expect, however, that cost to the Federal Government would be negligible should hostile attacks fail to materialize.

In our opinion, the Congress has in the past approved legislation, declared to be "in the interest of the national welfare," in which the Federal Government had a far smaller and more remote interest. This measure bespeaks a policy far closer to the national welfare than many another already enacted. By all means, the inclusion of defense workers in its provisions should not be deleted.

We shall appreciate your bringing this expression to the attention of the Senate subcommittee at the proper time.

Very truly yours,

DAVID FUDGE,
Acting Executive Secretary.

MISSISSIPPI MUNICIPAL ASSOCIATION,
Jackson, Miss., June 26, 1942.

HON. EARL D. MALLERY,
Executive Director, The American Municipal Association,
Washington, D. C.

DEAR MR. MALLERY: Municipal officials in Mississippi are greatly interested in the new Pepper bill (S. 2620) providing compensation and other benefits to civilians suffering injury from enemy attacks. They believe that the municipalities are utterly unable to assume such liability and are afraid that nonpassage of the Pepper bill will be disastrous to our civilian defense organization. All of these officials are anxious to do all they can to further the war effort, but they will hesitate to commit their citizens to such a liability as this.

We sincerely hope that the Congress will protect us in this matter.

With kindest personal regards,

Very sincerely yours,

MISSISSIPPI MUNICIPAL ASSOCIATION,
C. D. ROSS, *State Manager.*

MAINE MUNICIPAL ASSOCIATION,
Hallowell, Maine, June 27, 1942.

MR. EARL D. MALLERY,
Executive Director, American Municipal Association,
Transportation Building, Seventeenth and H Streets, Washington, D. C.

DEAR MR. MALLERY: Will you please present the following statement on behalf of the Maine Municipal Association to the Senate committee considering the Pepper bill, S. 2620:

Maine civilian defense volunteers are on the front line of home defense, yet are not protected by the Workmen's Compensation Act. They serve in hazardous positions without remuneration. It is only fair that they be guaranteed reasonable compensation for war injuries. Maine municipalities are unable to provide such protection.

Both the municipalities and civilian defense workers have been led to believe that the Federal Government was going to make adequate provisions covering civilian war injuries.

The passage of the Pepper bill, S. 2620, will promote better morale among civilian defense workers, who are entitled to compensation for war injuries as well as those in the armed forces. The Maine Municipal Association, on behalf of the towns, cities, and plantations in Maine, urges the passage of this bill.

Sincerely yours,

PHILIP S. HABERMANN,
Executive Secretary.

LOUISIANA MUNICIPAL ASSOCIATION,
June 26, 1942.

MR. EARL D. MALLERY,
Executive Director, American Municipal Association,
Transportation Building,
Seventeenth and H Streets NW., Washington, D. C.

DEAR MR. MALLERY: Your telegram of June 26 has just been received.

The municipalities of the State of Louisiana are opposed to any law which would make them liable in damages or otherwise for injuries suffered by civilian-defense volunteers.

If Senate bill 2620 attempts to place liability on a municipality in such instance, then we are opposed to that section of the bill or the bill as a whole.

A copy of this letter is being sent to the Louisiana delegation.

Very truly,

FRANCES H. (Mrs. Henry) JASTREMSKI,
Secretary-Treasurer.

STATEMENT OF T. F. CHROSTWAITE, PRESIDENT, STATE ASSOCIATION OF BOROUGHS,
PENNSYLVANIA

As far as Pennsylvania boroughs are concerned, you may express for us our approval on any provision that will protect municipalities from liability due to activities of any defense workers, either to themselves or through damages to persons or property by reason of their acts or neglect to act.

The boroughs of Pennsylvania are largely situated in industrial areas and therefore targets for attack. They will naturally draw enemy fire. Their efforts are not for the benefit of the boroughs themselves, but the Nation as a whole. Therefore, the Federal Government should provide compensation to civilians for war injuries, as well as compensation for injuries to all those municipal employees and volunteer workers in the protection of the local community. To do this, the resources of the Nation should be available, because the local municipalities cannot provide compensation either by themselves or through insurance. The damages to the municipality itself will be overwhelming without providing compensation to civilians and municipal employees and such auxiliaries as police, air wardens, fire, etc. The destruction of a municipal water plant would, for example, bankrupt any borough.

Accordingly, we are strongly in favor of a Federal protection, not only for civilians, but also for damages to the municipality itself and the personnel of its agencies and auxiliaries.

Very truly,

T. F. CHROSTWAITE,
President, State Association of Boroughs.

THE OHIO LEAGUE OF MUNICIPALITIES,
June 26, 1942.

Mr. EARL D. MALLERY,
*Executive Director, American Municipal Association,
Transportation Building, Washington, D. C.*

DEAR EARL: I received your telegram with reference to Senate bill 2620 providing compensation for civilians for war injuries, etc.

I will not have an opportunity to contact the cities of Ohio with reference to this bill but you may be assured that with the financial condition as it is in Ohio, the cities are certainly not in a position to assume any potential liabilities due to injuries of civilian workers. It seems to me that this expense could well be assumed by the Federal or State Government.

You may register our league as opposed to the bill if it puts the responsibility for injuries upon municipal governments.

Sincerely yours,

E. E. HAGERMAN, *President.*

LEAGUE OF MINNESOTA MUNICIPALITIES,
June 27, 1942.

Mr. EARL MALLERY,
*Executive Director, American Municipal Association,
522 Transportation Building, Washington, D. C.*

DEAR EARL: I have your telegram about a statement on the new Pepper bill. It is quite difficult to give you a categorical "Yes" or "No" answer on the bill without knowing exactly what is in it, but even if I knew, I am afraid our municipal opinions would be divided. I will try to get in touch with our Twin City attorneys and mayors for an additional slant on this. If I get anything more will wire you Monday.

However, as preliminary material, I will give you a few comments now. I think it is fair to say both the league and the attorney general's office are pushing the point of view that civil protection auxiliary workers ought to be given municipal status.

I quote from a letter from Chester S. Wilson, deputy attorney general, to the chairman of the Duluth Civilian Defense Council:

"* * * on the question of liability of the city for injuries, to which you call attention, I may say that at the meeting of municipal attorneys held in

connection with the convention, a motion was passed unanimously to the effect that municipal councils be advised that upon the adoption by a municipality of an ordinance following one of the proposed forms, civilian defense workers would be entitled to the benefits of the workmen's compensation law as municipal employees, and that even without the adoption of such an ordinance, such workers, if engaged under the supervision or direction of city authorities, would probably be entitled to similar benefits. In other words, in the opinion of the municipal attorneys, based on court decisions, it is going to be very difficult for a city to avoid liability to civilian defense workers under the workmen's compensation law unless the city absolutely repudiates the civilian defense program and refuses to permit its officials to cooperate therein. Such an attitude, of course, would practically amount to disloyalty on the part of the municipality, and would be a complete reversal of the policy of making civilian defense a municipal responsibility, to which the cities and villages of Minnesota have already committed themselves to a very large extent.

"With respect to liability of the city for injuries to third persons resulting from the negligence of civilian-defense employees, it would be premature to express an opinion thereon without a study of applicable charter and ordinance provisions and other conditions affecting the employment."

I believe all of our municipal officials would agree that the preparations for civil protection in anticipation of possible enemy action and covering both the regular and auxiliary forces (and including the extra burden of assuming workmen's compensation and public liability) should be ultimately financed out of Federal defense funds. This is not because the civil protection responsibility is a Federal responsibility but rather because the adequate carrying out of this as a municipal responsibility needs Federal aid to supplement the inflexible and limited revenue system with which most cities are handicapped.

My own view is that such Federal aid should be authorized by Congress to be made available to the municipal corporations by Federal administrative action upon a reasonable showing of need or compliance with reasonable conditions. I think we should recognize and encourage the municipal status of auxiliary workers and that payments to them in the event of injury should be made under the provisions of the various State workmen's compensation laws and then Federal reimbursements may be made to the municipal employers. I personally do not like the system of requiring all auxiliary workers to be enrolled as members of the United States Citizens' Defense Corps. As I put it in the comment on Office of Civilian Defense Regulation No. 3, this seems to me to be an excessive centralization or federalization of local government details. I recognize, of course, that any Federal-aid program has to involve some uniformity and some minimum conditions which must be met. I fear the consequences of such a system as is represented by direct Federal payments to individuals and the regimentation involved in Office of Civilian Defense Regulation No. 3. To use a simile, I would prefer the Public Works Administration approach rather than the Work Projects Administration approach.

Undoubtedly, many of our municipal officials are not worrying much about how Federal Government comes to the aid of this situation. I am sure they are all together on the one point, that a complete carrying out of their civilian defense responsibilities by the municipalities of the State will involve substantial additional expense and should have Federal assistance.

I will let you know if I run into any new slants by Monday noon.

Sincerely yours,

C. C. LUDWIG, *Executive Secretary.*

LEAGUE OF IOWA MUNICIPALITIES,
Marshalltown, Iowa, June 26, 1942.

Hon. EARL D. MALLERY,
521-526 Transportation Building,
Washington, D. C.

DEAR MALLERY: Enclosed find copy of a letter I have today written to Senators Herring and Gillette.

We are advising the cities and towns to be very sure that none of these civilian-defense organizations get connected with the cities and towns in any way so they can claim they are employees of the city, and we are doing this just because we do not want to be financially responsible in case of accidents.

We expect to continue this policy and believe that as long as these people are doing Government work, that the Government should provide for compensation in case of any injuries in their line of work.

Yours very truly,

LEAGUE OF IOWA MUNICIPALITIES,
FRANK G. PIERCE, *Executive Secretary.*

LEAGUE OF NEBRASKA MUNICIPALITIES,
Lincoln, Nebr., June 27, 1942.

MR. EARL D. MALLERY,
*Executive Director, American Municipal Association,
Transportation Building, Washington, D. C.*

DEAR EARL: Your wire of the 26th at hand, relative to the new Pepper bill (S. 2620) providing compensation for civilians for war injuries.

Compensation and liability for defense workers has been discussed at 14 different meetings and in each of the meetings it was unanimous opinion of the officials that the Federal Government should carry a blanket compensation and liability over these civil defense workers. And we have also discussed this with compensation and liability insurance companies with which the cities carry their policies with, they claim that they do not think the civilian defense workers are considered employees and would not come under the compensation and liability insurance. But these civil defense workers are appointed, as a rule, by the mayor, and it's a question as to who would be liable in a case of this kind.

As you know, our State law provides that the cities must carry compensation and liability insurance or assume the liability, and, as stated, our municipal officials in this State feel that these civil defense workers are working for the best interest of the Government and all, that the Federal Government should carry this compensation liability for all civilians.

Our officials are anxious to have something determined as to where the liability does rest, whether it is with them or with the Federal Government, but it is stated they are very much opposed to having to assume the liability.

Yours very truly,

C. E. BEALS, *Executive Secretary.*

ILLINOIS MUNICIPAL LEAGUE,
June 27, 1942.

MR. EARL D. MALLERY,
*American Municipal Association,
Transportation Building, Seventeenth and H Streets,
Washington, D.C.*

DEAR MR. MALLERY: On behalf of Illinois municipalities, kindly request passage of S. 2620, which provides compensation for civilians for war injuries but relieves municipalities of liability for injuries to civilian defense workers.

Thanking you for your cooperation in this and other matters, I am,

Very truly yours,

ILLINOIS MUNICIPAL LEAGUE,
A. D. McLARTY, *Executive Director.*

LOS ANGELES COUNTY DEFENSE COUNCIL,
Los Angeles, Calif., June 27, 1942.

MR. EARL D. MALLERY,
*Director, American Municipal Association,
Transportation Building, Washington, D. C.*

DEAR MR. MALLERY: This is to advise you that the Los Angeles County Defense Council is in favor of the adoption of Senate bill No. 2620 now pending before a subcommittee of the Senate Finance Committee.

We are particularly interested in the provisions of the bill which provide compensation for injury to enrolled and trained volunteers, such as auxiliary firemen, auxiliary policemen, those in the emergency medical service, and volunteers in the fields of public works and public utilities.

It will be greatly appreciated by us if you will state our position when you appear before this subcommittee for a hearing on the bill, as time does not permit sending a special representative or even contacting all of the members of the committee.

The Los Angeles County Defense Council has rigidly adhered to the strict requirements of the Office of Civilian Defense with respect to their enrollment, training, and certification.

It will mean much to the morale of our volunteers if legal provision is made by Congress which will assure these volunteers some compensation in the event that they are injured while performing their duties.

As a member of the State Defense Council (California) I have had close contact with the county and city defense councils in California, and believe that the viewpoint which I have expressed would conform to their view on this important subject. Any encouragement which you can give to the approval of this bill will be very much appreciated by the Los Angeles County Defense Council.

Yours very truly,

LOS ANGELES COUNTY DEFENSE COUNCIL,
HAROLD W. KENNEDY, *Executive Director*.

JUNE 27, 1942.

Senator PRENTISS M. BROWN,

Senate Office Building, Washington, D. C.

We understand you are a member of subcommittee of Committee on Finance studying S. 2620. We realize provisions of this bill are quite broad, particularly with reference to discretionary powers of Social Security Administrator. Inclusion of individual civilian protection against injury or death and property losses is, in our opinion, a matter of general social policy upon which we take no stand at this time. The cities and villages of Michigan regard the provision concerning benefits for injury, disability, and death for the citizens regularly enrolled in the Civilian Protective Service Corps as extremely important. We urge you and all the members of the subcommittee to favorably consider the passage of this important and necessary part of S. 2620.

MICHIGAN MUNICIPAL LEAGUE,
HERBERT A. OLSON, *Director*.

AUSTIN, TEX., *June 29, 1942.*

EARL D. MALLERY:

We very much favor and urge Federal protection of enrolled civilian defense workers as covered in S. 2620.

LEAGUE OF TEXAS MUNICIPALITIES,
E. E. MCADAMS.

SAN FRANCISCO, CALIF., *June 27, 1942.*

EARL MALLERY: Pepper bill S. No. 2620 providing compensation for enrolled services, Office of Civilian Defense, coming before Senate subcommittee Monday, June 29. Senator Clark, chairman. Important this bill pass as not covered by any State law. Kindest regards.

ANGELO J. ROSSI, *Mayor*.

RALEIGH, N. C., *June 26, 1942.*

EARL D. MALLERY: North Carolina cities and towns consider passage of Pepper bill (S. 2620) providing compensation civilians for war injuries vitally necessary to their welfare. Instances involving liability of cities to civilian-defense workers already evident in this State. Urge you to do everything possible to secure passage of this bill.

DAVETTA L. STEED,
Acting Executive Secretary, North Carolina League of Municipalities.

SEATTLE, WASH., June 28, 1942.

EARL MALLERY: Washington cities wholeheartedly favor Federal protection civilian-defense workers. Problem altogether too great to be assumed locally. Injuries resulting from war situation deemed a Federal responsibility. Please give new Pepper bill or any other feasible legislation providing compensation all possible support.

CHESTER BIESEN,
Association of Washington Cities.

COLUMBIA, S. C., June 29, 1942.

EARL D. MALLERY: Municipal Association of South Carolina request approval of bill (S. 2620) covering civilian-defense workers.

J. N. CALDWELL,
Executive Secretary, Municipal Association of South Carolina.

ATLANTA, GA., June 27, 1942.

EARL D. MALLERY: Poll of key officials shows Georgia municipalities favor measures to compensate civilians for war injuries. They feel responsibility for payments rests with Federal Government rather than local units and urge retention section providing such benefits to civilian-defense workers under Pepper bill S. 2620.

ZACH ARNOLD,
Secretary, Georgia Municipal Association.

PETALUMA, CALIF., June 28, 1942.

EARL D. MALLERY: The officials of Petaluma, Calif., including local defense council are extremely interested in Federal legislation providing insurance for civilian-defense workers injured while engaged in defense work. Understand that such provision contained in new Pepper bill (S. 2620) pending before Senate subcommittee. Please urge approval that provision by said subcommittee.

J. S. WOODSON,
Mayor, City of Petaluma.

COLUMBIA, S. C., June 29, 1942.

EARL D. MALLERY: Request your recording my approval Senate bill 2620 providing compensation civilians for war injuries.

R. M. JEFFERIES,
Governor of South Carolina.

CROWN POINT, IND., June 29, 1942.

EARL D. MALLERY: Indiana cities strongly oppose any section in new Pepper bill that would make cities in any way liable for injuries to civilian defense workers. Such law would work injustice to cities, cause a multiplicity of lawsuits, and place heavy burden upon local taxpayers. Please use every effort to defeat any such section.

W. VICENT YOUKEY,
Executive Secretary, Indiana Municipal League.

PALO ALTO, CALIF., June 27, 1942.

EARL D. MALLERY: Several problems have arisen in Palo Alto relative to compensation and medical and death benefits for civilians engaged in defense work. These people don't come under workmen's compensation laws of California and are therefore without any protection in the event of injury while engaged in this work. We strongly urge support of legislation providing for necessary protection to civilian defense workers.

J. B. BLOIS, *Mayor.*

LOS ANGELES, CALIF., June 27, 1942.

EARL MALLERY: Critical situation likely to develop in California cities unless legislation is adopted providing compensation benefits for injured volunteers in protective services of the Citizens Defense Corps. The morale and efficiency of thousands of volunteers in protective services is already being affected due to inability of city officials to assure volunteers that they and their families will be cared for in event of injury or death of the volunteer. Unless protection is provided we can expect large scale withdrawals from Citizens Defense Corps of trained personnel the loss of which will impair efficient operation of civilian-defense program through the State.

HOWARD GARDNER,
Acting Executive Secretary, League of California Cities.

LITTLE ROCK, ARK., June 29, 1942.

EARL MALLERY: Arkansas cities training thousand Civilian Defense Corps volunteers in air raid protection measures, a national concern. As Pepper bill provides, these public-spirited workers entitled to special recognition for hazardous protection services over war-hazard compensation for ordinary citizens. Arkansas cities unable to carry load for indemnifying injuries these workers and strongly favor provisions Pepper bill for benefits for Defense Corps protective workers.

HENRY A. RITGEROD,
*Director, Arkansas Municipal League, and Assistant State Coordinator,
Citizens Defense Corps Division, Arkansas State Defense Council.*

BALTIMORE, MD., June 29, 1942.

Relative to United States Senate deleted title 1 and 2 of then Pepper bill S. 2412 I believe that legislation should be enacted to provide benefit for certified civilian defense workers injured in the performance of their duties which I understand is now being considered and has the support of your organization. I heartily endorse the passage of such legislation.

HOWARD W. JACKSON, *Mayor.*

LAWRENCE, KANS., June 29, 1942.

EARL D. MALLERY: Approve measure removing possibility of city liability in civilian defense.

JOHN G. STUTZ,
Executive Director, League of Kansas Municipalities.

OAKLAND, CALIF., June 28, 1942.

EARL D. MALLERY: Oakland located in highly exposed area subject to enemy attack. Effective operation of civilian defense council critically handicapped because of lack of legislation providing compensation medical and death benefits in event civilians are injured while engaged in defense work. These civilian volunteers are just as important as members of the armed forces ready to give their lives in defending the homes of our people. Appreciate your urgent support of S. 2620.

J. F. HASSLER, *City Manager.*

BERKELEY, CALIF., June 27, 1942.

EARL D. MALLERY: System of compensation and medical and death benefits for enrolled civilian defense workers is a necessity. System should provide for injuries incurred both during black-outs and actual enemy action. These workers function under extremely dangerous conditions and must be afforded the protection of such legislation. The need for such legislation is immediate. In this area on the Pacific coast we have had numerous black-outs during which our civilian defense volunteers have been in action. Some deaths and numerous injuries have occurred. We urge immediate action by Congress to provide compensation and medical and death benefits for civilian defense volunteers.

CHESTER C. FISK, *City Manager.*

FRESNO, CALIF., June 28, 1942.

EARL D. MALLERY: As mayor of the city of Fresno and chairman of the Fresno Civilian Defense Council I strongly urge the passage of some legislation that will protect volunteers engaged in civilian defense work. Fresno defense workers have been very conscious of the liability angle involved in civilian defense and many have refused to participate on this account. Therefore, will you urge on behalf of the city of Fresno in the strongest manner possible, that some action be taken at once.

Z. S. LEYMEL,

Mayor and Chairman, Fresno City Civilian Defense Council.

VALLEJO, CALIF., June 27, 1942.

EARL MALLERY: City Council, Vallejo, Calif., endorses S. 2620 and considers adoption of utmost importance to civil defense program for both workers and municipalities.

JOHN STEWART, *Mayor.*

STOCKTON, CALIF., June 28, 1942.

EARL D. MALLERY: Stockton is interested in Pepper bill S. 2620. Advise proper Senate committee of our position.

W. B. HOGAN, *City Manager.*

BISMARCK, N. DAK., June 28, 1942.

EARL D. MALLERY: League of North Dakota Municipalities urges adopted Federal legislation covering injuries to enrolled civilian defense workers.

MYRON H. ATKINSON,

Executive Secretary, League of North Dakota Municipalities.

ENID, OKLA., June 26, 1942.

EARL D. MALLERY: Provision of Pepper bill S. 2620 providing for benefits to civilian defense workers must not be stricken.

C. L. WALKER, *Mayor, Enid, Okla.*

GLENDALE, CALIF., June 27, 1942.

EARL D. MALLERY: Understand hearing to be held June 29 on bill providing workman's compensation insurance for enrolled volunteer members of civilian defense. Such provision is absolutely essential for maintenance of required manpower morale and efficiency.

EDWIN A. INGHAM,

City Manager, Glendale, Calif.

CRISFIELD, MD., June 29, 1942.

EARL D. MALLERY: The certified civilian defense workers should by all means be protected. I whole-heartily concur in this matter.

WILLIAM E. WARD,

Mayor, Crisfield, Md.

TRENTON, N. J., June 29, 1942.

EARL D. MALLERY: Many cities of New Jersey are located in a concentrated war production area requiring large enrollment of civilian defense workers, air-raid wardens, reserve police, firemen, and others serving under regulations of the director of the Office of Civilian Defense through local defense councils. Liability to the civilian defense worker for injury in the performance of his duty should not be a local responsibility. Provisions of Senator Pepper's bill 2620 gives the needed civilian protection to encourage full development civilian defense program. New Jersey State League of Municipalities urges passage Senator Pepper's 2620 as a progressive war measure.

JAMES J. SMITH,

Executive Secretary, New Jersey State League of Municipalities.

Mr. OLSON. I would like to say that having heard from 35 of the leagues throughout the Nation—

Senator CLARK. State leagues?

Mr. OLSON. State leagues.

Having heard from individual mayors of many of the larger cities, I would say that the attitude of all of them is the same as represented in the part that I have quoted from this correspondence. I would like to say that the municipalities in general certainly subscribe to the proposition which Dean Landis stated yesterday in this committee hearing, that special consideration be given to these people who are regularly enrolled in the Civilian Defense Corps.

I would like to urge that the committee give favorable consideration to at least this part of the legislation.

Senator CLARK. Are you finished?

Mr. OLSON. Yes.

Senator CLARK. Senator Danaher, any questions?

Senator DANAHER. One, please, sir.

Do you see any objection to amending the definition of "civilian defense worker" to make him an employee, while actually engaged in the performance of his duty as such worker?

Mr. OLSON. Well, if this matter is handled by Federal rules and regulations, those rules and regulations can create his status and provide for benefits under those rules.

We have a situation in Michigan that is probably comparable to the thing that you are thinking of. In Michigan we have a provision in the compensation laws governing benefits for injuries to volunteer firemen. That is the only category that is covered, I believe, in our State compensation laws. I believe those provisions are that a volunteer fireman who is injured shall receive benefits under the State compensation laws as if he had been receiving a certain salary per year.

I do not know what that salary is, \$1,500, \$1,800, or \$2,000. Then that ties it in with the State compensation law. But we have no other provisions in our Michigan compensation laws for any of the other types of services that are now being engaged in, in this civilian defense program.

Senator DANAHER. There is this thought going through my mind in addition, that if, in fact, he be regarded as an employee while so engaged under the regulations under which the Office of Civilian Defense is set up, and the categories which are promulgated by Dean Landis, the administration of title I would be simplified and unified rather than the dispersion of all the administrative phases of the civilian defense workers' obligations all over the field, as it is now possible.

Mr. OLSON. It would help. There would still be some difficult administrative problems to determine, as was pointed out in some of the testimony yesterday, relative to when a person is on duty and when he went off duty, but that would clarify it to some extent.

Senator DANAHER. Well, you know of no objection to it, legally?

Mr. OLSON. No.

Senator DANAHER. On behalf of your association to such amendment?

Mr. OLSON. I do not believe we would have any objection to that at all.

Senator DANAHER. Thank you.

Senator CLARK. Any other questions, Senator?

Senator DANAHER. No.

Senator CLARK. Thank you, Mr. Olson.

Mr. Bassett.

STATEMENT OF E. C. BASSETT, BROTHERHOOD OF RAILROAD TRAINMEN

Senator CLARK. Will you state your name?

Mr. BASSETT. E. C. Bassett. Statistician of the Brotherhood of Railroad Trainmen, Cleveland, Ohio, the grand lodge.

I am appearing here today, Mr. Chairman, at the request of my president, President A. F. Whitney. He wired our national legislative representative to appear here and express our approval of this legislation.

The national legislative representative is out of the city, and I am here acting in his stead, and I just want to say to the committee that our organization heartily approves this legislation. I have not made any study of it at all; I have not had time to, but we are in favor of this legislation.

Senator CLARK. You are in favor of the principle of the measure?

Mr. BASSETT. Yes, sir. We hope that something comes out of it.

Senator CLARK. Any questions, Senator?

Senator DANAHER. No.

Senator CLARK. Thank you, Mr. Bassett.

STATEMENT OF JACK KYLE, NATIONAL EDUCATIONAL DIRECTOR, REGULAR VETERANS' ASSOCIATION

Will you state your name for the record, Mr. Kyle?

Mr. KYLE. Jack Kyle, national educational director, Regular Veterans' Association.

Mr. Chairman and members of the committee, I am representing an organization that represents the veterans of the Regular Establishment.

We favor the enactment of S. 2620, with certain amendments. The Regular Veterans' Association, I believe, was the first and only organization to sponsor such legislation. At our suggestion, Mr. Voorhis of California introduced H. R. 6525, and Senator Downey, at our further suggestion, introduced S. 2320. Both bills are now pending in the respective judiciary committees.

We think this bill is very well worked out, but we do not think it should be enacted to provide higher rates of compensation for those injured, or for the dependents of those who lose their lives, than the rates paid to veterans of the regular establishment.

The bill provides a maximum of \$85. Under the present laws administered by the Veterans' Administration a totally disabled veteran of the regular establishment, gets a maximum of \$75. These are allowed for the most part, to career soldiers, sailors, marines or

coast guard men. They are less even than the World War veteran gets.

For a permanent and total disability the World War veteran gets \$100 a month and the veteran of the peacetime establishment gets \$75. Upon death a veteran's beneficiary gets \$100 and the free issuance of a flag. This bill provides funeral expenses in no specific amount. I think this should not exceed amounts now payable to veterans for funeral expenses.

The rates too, are somewhat higher for widows and dependents of those who may lose their lives, higher than those for the Regular Establishment.

In the bill that we have been interested in, a provision in those bills that the rates of compensation paid will in no case exceed those authorized under Public Law 257, Seventy-sixth Congress. Those are the rates applicable to veterans of the Regular Establishment.

With amendments, Mr. Chairman, we would wholeheartedly approve the bill and urge its enactment, if we can harmonize these benefits so they will not exceed those of the Regular Establishment pensioners. It is a very fine bill, and we urge its enactment if amended by our suggested amendments.

Senator CLARK. Any questions, Senator Danaher?

Senator DANAHER. No, thank you.

Senator CLARK. Thank you, Mr. Kyle.

Mr. Chairman, I would like to offer a few further remarks.

I note that under S. 2620, this bill, that all Government hospitals would be thrown open to those injured. This may not be practicable. If we have anything like the number of casualties in this war, as we had in World War I, practically all Government hospital facilities may be taxed to capacity with veterans. It might, therefore, be better to insert a provision that the injured civilians shall be hospitalized in privately owned hospital at Government expense. State, county, and city hospitals might also be utilized for these purposes.

Just one other thing. I urge the committee to insert a provision that the \$50 allowance provided for an attendant be extended to veterans of the Regular Establishment. Under the provisions of existing law they are not so entitled.

I hope, Mr. Chairman, that this subcommittee will protect the veterans of the Regular Establishment as well as their dependents.

Thank you, Mr. Chairman.

Is there anyone else present who desires to be heard?

Mr. MAY. Mr. Chairman, may I supplement my statement for the Federal Security Agency that I made yesterday by submitting three tables to the committee, which I think would be helpful to them in considering the rates?

In working on this bill, we, of course, analyzed the rates that are now payable under Federal and State legislation. For your interest, therefore, you may want these tables to compare the rates under this bill with the Veterans' Administration and other acts of Congress.

Senator CLARK. They may be included.

(The tables referred to are as follows:)

TABLE 1.—Comparison of monthly payments to survivors under four specified plans

Family composition	Veterans World War II ¹	Minimum benefits payable under—		Benefits payable on basis of average monthly wage of—						Civilian war benefits and war relief bills			
				\$100		\$175 ⁴		\$250 ⁵		Title I.—S. 2620		S. 2412 (Longshoremen's and Harbor Workers' Act)	
		United States employees compensation ²	Old-age and survivors insurance ³	United States employees compensation	Old-age and survivors insurance (without increment)	United States employees compensation	Old-age and survivors insurance (without increment)	United States employees compensation	Old-age and survivors insurance (without increment)	Minimum ⁶	Maximum	Benefits payable on average monthly wage of—	
												\$100	\$162.50
Widow under 65 without children	\$38-\$45	\$30.62		\$35.00		\$81.25		\$61.25		\$30.00	\$45.00	\$35.00	\$57.88
Widow 65 and over without children	45	30.62	\$10.00	35.00	\$18.75	61.25	\$24.37	61.25	\$30.00	30.00	45.00	35.00	57.88
Widow and 1 child	48-60	39.37	12.50	45.00	31.25	78.75	40.62	78.75	50.00	40.00	60.00	45.00	74.13
Widow and 2 children	56-73	48.12	17.50	55.00	43.75	96.25	56.87	96.25	70.00	50.00	75.00	55.00	90.83
Widow and 3 children	64-83	56.87	20.00	65.00	50.00	113.75	65.00	113.75	80.00	60.00	85.00	65.00	106.63
Widow and 4 or more children	72-83	58.33	20.00	66.67	50.00	116.66	65.00	116.66	80.00	66.67	85.00	66.67	108.33
No widow but—													
1 child	20	21.87	10.00	25.00	12.50	43.75	16.25	43.75	20.00	20.00	30.00	15.00	24.38
2 children	33	30.62	10.00	35.00	25.00	61.25	32.50	61.25	40.00	30.00	45.00	30.00	48.75
3 children	46	39.37	15.00	45.00	37.50	78.75	48.75	78.75	60.00	40.00	60.00	45.00	73.13
4 children	54	48.12	20.00	55.00	50.00	98.25	65.00	96.25	80.00	50.00	75.00	60.00	97.50
5 children	62	56.87	20.00	65.00	50.00	113.75	65.00	113.75	80.00	60.00	85.00	65.00	108.33
6 children	70	58.33	20.00	66.67	50.00	116.66	65.00	116.66	80.00	66.67	85.00	66.67	108.33
7 children	78	58.33	20.00	66.67	50.00	116.66	65.00	116.66	80.00	66.67	85.00	66.67	108.33
8 or more children	83	58.33	20.00	66.67	50.00	116.66	65.00	116.66	80.00	66.67	85.00	66.67	108.33
1 parent	45	21.87	10.00	25.00	12.50	43.75	16.25	43.75	20.00	20.00	30.00	25.00	40.63
2 parents	50	35.00	10.00	40.00	25.00	70.00	32.50	70.00	40.00	30.00	45.00	050.00	81.25
1 grandparent												25.00	40.63
2 grandparents												50.00	81.25
Grandchild, brother, sister (each)												15.00	24.38
Maximum family benefit	7-83	58.33	20.00	66.67	50.00	116.68	65.00	116.66	80.00	66.67	85.00	66.67	108.33

¹ Act of July 19, 1939, benefits payable in the absence of insurance limitations.

² In computing survivors' compensation under the United States Employees' Compensation Act the monthly pay is considered not less than \$87.50 unless the compensation thus computed would exceed the actual monthly pay, in which case the monthly compensation is the full amount of the pay.

³ The minimum monthly primary benefit to any one individual under the old-age and survivors insurance program is \$10 and to any group of survivors is not more than twice such primary amount or \$20.

⁴ All wages in excess of \$175 a month are disregarded in computing monthly benefits under the United States Employees Compensation Act.

⁵ All wages in excess of \$3,000 a year (\$250 a month) are disregarded in computing monthly benefits under the old-age and survivors insurance program.

⁶ The minimum monthly benefit payable under title I of the civilian war benefits and war relief bill to survivors in the United States. Payments under this title to individuals outside the United States may be lower. The minimum benefit is payable to survivors of nongainfully employed individuals and of gainfully occupied individuals earning \$45 or less.

⁷ Under certain condition, parent's benefits are payable in addition to this over-all maximum for widow, child or children.

⁸ The over-all maximum for widow, children, and parents. The over-all maximum for old-age and survivors insurance with increments is \$85 per month.

TABLE 2.—Comparison of monthly payments for total and permanent-partial disability under three specified plans

Percent disability	World War II veterans' benefits ¹	United States employees' compensation based on average monthly wage of—								
		Civilian war benefits and war relief bills								
		Title I, S. 2620				S. 2412				
		Benefit amount based on average monthly wage of—								
		\$100 †	\$150	\$200 ‡	\$400	\$45 or less †	\$100	\$127.50 or over ‡	\$100	\$162.50 or over ‡
Total.....	\$ 100	\$66.67	\$100.00	‡ \$116.66	\$116.66	‡ \$30	\$66.67	‡ \$85.00	\$66.67	‡\$108.33
90	90	60.00	90.00	116.66	116.66	27	60.00	76.50	(10)	(10)
80	80	53.33	80.00	106.66	116.66	24	53.33	68.00	(10)	(10)
70	70	46.66	70.00	93.33	116.66	21	46.66	59.50	(10)	(10)
60	60	40.00	60.00	80.00	116.66	18	40.00	51.00	(10)	(10)
50	50	33.33	50.00	66.66	116.66	15	33.33	42.50	(10)	(10)
40	40	26.66	40.00	53.33	106.66	12	26.66	34.00	(10)	(10)
33½ ††	(11)	22.22	33.33	44.44	88.88	10	22.22	28.33	(10)	(10)
30	30	20.00	30.00	40.00	80.00	.....	.....	.....	(10)	(10)
20	20	13.33	20.00	26.66	53.33	.....	.....	.....	(10)	(10)
10	10	6.66	10.00	13.33	26.66	.....	.....	.....	(10)	(10)

¹ Act of Mar. 20, 1933, as amended, and veterans regulations.

² The minimum monthly amount for total disability under the United States Employees' Compensation Act is \$8.33 unless the employee's monthly pay is less than \$8.33 in which case his monthly compensation is the full amount of his pay.

³ The maximum monthly amount for total and partial disability under the United States Employees' Compensation Act is \$116.66. The corresponding amount of wages is \$175 per month.

⁴ Assumed wage of nongainfully employed.

⁵ Assumed maximum wage.

⁶ This schedule applies only to disabilities not specifically compensable by law. Additional or alternative payments are made for certain specific disabilities. Total monthly payments up to \$250 are paid for specific total disabilities.

⁷ Minimum payable.

⁸ Maximum benefit payable per month. Maximum total payable \$7,500.

⁹ An additional \$35 a month is paid to partially disabled individuals for loss of use of hands or feet.

¹⁰ No minimum benefit amount specified under this title. In cases of specific permanent-partial disability, amounts equal to 66⅔ percent of average weekly wages are paid for varying periods of time depending on the nature of the disability. The maximum period compensated is 280 weeks and the minimum, 3½ weeks. This compensation is granted in addition to compensation for temporary total disability which is also paid at the rate of 66⅔ percent of the disabled individual's average monthly wage for the duration of his total disability. In cases of nonspecified permanent disability, compensation is payable at the rate of 66⅔ percent of the difference between previous average wages and current earning capacity.

¹¹ Inserted for comparative purposes because title I of the civilian war injury bill compensates for partial disability if permanent and in excess of one-third of total disability. Under veterans' benefits, partial disability is usually rated in 10-percent intervals.

WAR INJURY AND DEATH BENEFITS FOR CIVILIANS 101

Average benefit payments under State unemployment insurance laws for total unemployment, by State, January to March 1942

Social Security Board region and State	Average benefit payment	Social Security Board region and State	Average benefit payment
Average (51 States).....	\$12.37	Region VII—Continued.	
Region I:		South Carolina.....	8.16
Connecticut.....	11.76	Tennessee.....	9.31
Maine.....	7.41	Region VIII:	
Massachusetts.....	10.93	Iowa.....	10.27
New Hampshire.....	9.13	Minnesota.....	12.24
Rhode Island.....	11.40	Nebraska.....	10.92
Vermont.....	10.28	North Dakota.....	10.67
Region II: New York.....	12.11	South Dakota.....	9.06
Region III:		Region IX:	
Delaware.....	9.05	Arkansas.....	7.00
New Jersey.....	13.06	Kansas.....	10.77
Pennsylvania.....	11.38	Missouri.....	12.06
Region IV:		Oklahoma.....	11.84
District of Columbia.....	12.66	Region X:	
Maryland.....	12.62	Louisiana.....	9.60
North Carolina.....	6.84	New Mexico.....	9.46
Virginia.....	8.67	Texas.....	8.75
West Virginia.....	10.54	Region XI:	
Region V:		Arizona.....	11.85
Kentucky.....	8.18	Colorado.....	10.71
Michigan.....	15.68	Idaho.....	12.53
Ohio.....	12.44	Montana.....	11.47
Region VI:		Utah.....	14.26
Illinois.....	13.65	Wyoming.....	14.40
Indiana.....	13.02	Region XII:	
Wisconsin.....	11.89	California.....	14.99
Region VII:		Nevada.....	13.44
Alabama.....	8.33	Oregon.....	13.88
Florida.....	10.79	Washington.....	13.23
Georgia.....	8.91	Territories:	
Mississippi.....	8.63	Alaska.....	14.65
		Hawaii.....	9.95

Reports and Analysis Division, Bureau of Employment Security, Social Security Board.

Senator CLARK. The Chair desires to read into the record three telegrams.

(The telegrams read by Senator Clark are as follows:)

HELENA, MONT., June 30, 1942.

HON. WALTER F. GEORGE,
Chairman, Senate Finance Committee,
Senate Office Building, Washington, D. C.:

Strongly urge that full reimbursement provision to reimburse State funds by Federal Government in payment of benefits under war-injuries bill, considered by your committee today, be retained in the bill. Montana State insurance fund would be impaired if anything but full reimbursement is provided in the bill.

SAM C. FORD,
Governor of Montana.

BOISE, IDAHO, June 30, 1942.

Senator GEORGE,
Washington, D. C.:

Urge that a full reimbursement provision be retained as in the original Pepper bill.

CHASE A. CLARK, Governor.

SALT LAKE CITY, UTAH, June 29, 1942.

Senator WALTER F. GEORGE,
Senate Finance Committee,
Washington, D. C.:

Utah feels it absolutely necessary that full reimbursement provision be retained in the Pepper war-injuries bill.

COMMISSION OF FINANCE OF UTAH,
J. FRED PINGREE, Commissioner.

Senator CLARK. The committee will adjourn, subject to call.

(Whereupon, at the hour of 12 m., the committee adjourned, subject to call.)

The following letter to the subcommittee chairman from the national commander of the Civil Air Patrol is in connection with inquiries made by the committee members appearing on page 62:

OFFICE OF CIVILIAN DEFENSE,
Washington, D. C., July 3, 1942.

Hon. BENNETT CHAMP CLARK,
Chairman, Subcommittee of Committee on Finance,
United States Senate, Washington, D. C.

MY DEAR SENATOR CLARK: With reference to the inquiry made at the hearing on July 2, 1942, of a representative of the War Department as to the status of Civil Air Patrol and the desirability of providing compensation for its members with respect to injury and death in the performance of duty, the following is an outline of the purpose and functions of Civil Air Patrol.

The Patrol was organized and established under the Office of Civilian Defense in December 1941 for the purpose of mobilizing the civil aviation personnel and equipment of the Nation not otherwise actively engaged full-time in governmental service or commercial or air transportation activities, that such might be available and effective for auxiliary service to the armed and civil defense forces of the United States.

Civil Air Patrol now has more than 50,000 members trained and skilled in the performance of aviation activities and who have made available substantially more than 10,000 planes for use in Civil Air Patrol service. These members have met rigid citizenship requirements and have successfully passed a careful check made by the Federal Bureau of Investigation as to criminal records or subversive activities. These members have been and are taking extensive training courses, requiring many hundred hours of work under directives issued by national headquarters in order to fit them for their particular tasks. They have willingly and gladly devoted their energy and their personal funds to this job. Likewise, on a purely voluntary basis, they have performed services of almost every conceivable type and nature for Government agencies and defense plants.

No doubt the most tangible contribution to date has been the performance of missions at the request of the War Department. In particular, submarine patrol bases have been established along the coast of the United States. These are operated and directed solely by Civil Air Patrol members in accordance with the general requirements laid down by the Army. The operation of these bases requires that members ordered to duty must cut their personal ties at home and proceed to the particular base where they work 12 to 14 hours per day for a minimum period of 30 days, and in most instances they have offered their services for the duration. During this period no payments are made to them for their services as such. However, they are supplied from War Department funds with amounts sufficient to cover the cost of subsistence and operation of their aircraft.

Services of other types, such as courier and ferry missions and also aerial target towing, have been performed for the War Department under similar arrangements and in this way have relieved Army planes for other assignments. Other activities include pipe-line patrol, courier, black-out observation flights, etc., for various Government agencies, as well as the transportation of personnel, small parts, blueprints, etc., for defense plants located in all parts of the country, all of which, of course, contribute substantially to speeding up and maintaining the war effort.

The members of Civil Air Patrol are in each instance directly responsible, through channels, to the national commander of Civil Air Patrol. With the exception of allowances paid to them in certain instances, as set forth above, they are unpaid volunteers in the strictest sense of the term, devoting their time and energies to service for their country and subjecting themselves to discomforts, unusual hazards, and financial sacrifices.

In view of these facts and of the important contributions which they are making, it seems proper that compensation for their injury or death and for hospitalization expenses should be borne by the Federal Government.

Respectfully yours,

EARLE L. JOHNSON,
Major, Army Air Forces,
National Commander.

(The following letter is in connection with the testimony of the Director of the Office of Civilian Defense, appearing on p. 26:)

OFFICE OF CIVILIAN DEFENSE,
Washington, D. C., July 8, 1942.

HON. WALTER F. GEORGE,
Chairman, Committee on Finance, United States Senate,
Washington, D. C.

MY DEAR SENATOR GEORGE: At the hearing held by the subcommittee of the Committee on Finance with respect to S. 2620 on July 1, 1942, Senator Taft requested that the committee be furnished with information regarding the accidents resulting in the deaths and serious injuries reported to have been sustained by civilian defense workers in the performance of their duty.

I testified at the hearing that, based on the information then received, 7 civilian defense workers had been killed and 32 seriously injured. Revised information subsequently received indicates that the number of civilian defense workers killed was 6, and those seriously injured was somewhat less than the 32 previously reported. Details with respect to 17 serious injuries have been received.

The following are the circumstances relating to the 6 deaths and the 17 serious injuries:

1. Marlboro Township, N. J.: One air-raid warden killed on way to post in automobile collision.
2. South Gate, Calif.: Air-raid warden, aged 57, killed during a black-out while endeavoring to stop speeding automobile.
3. Depoe Bay, Oreg.: Auxiliary policeman, aged 52, killed during a black-out in an attempt to stop speeding automobile.
4. Los Angeles, Calif.: Air-raid warden, aged 35, died from heart attack while enforcing black-out regulations during an air-raid incident on February 24, 1942.
5. Lincoln University, Pa.: Messenger, aged 16, dispatched by air-raid warden to request auxiliary policeman to report to post; while performing mission on bicycle during air-raid drill, was killed by automobile of auxiliary policeman.
6. Wilmington, N. C.: Chief air-raid warden was proceeding, during practice black-out, to post with other air-raid wardens in car, including two on running board. Car was driving without lights and while avoiding accident with approaching car with dimmed lights, a third automobile collided with air-raid wardens' car, killing one air-raid warden on running board and seriously injuring the other.
7. Granby, Conn.: Collision between automobiles of civilian defense workers during practice black-out. Air-raid warden, aged 22, was patrolling his sector in one of the automobiles; he sustained broken kneecap and bruises and was hospitalized for 2 weeks. In the other car an auxiliary policeman, aged 44, was returning to his post after placing other auxiliary policemen at key posts; he sustained crushed kneecap, fractured ribs, and other injuries, and was hospitalized for 6 weeks. One thousand dollars was raised by voluntary contributions in the community for these persons.
8. Utica, N. Y.: Auxiliary fireman burned while setting off aerial bomb.
9. Lake Placid, N. Y.: Auxiliary fireman and auxiliary policeman driving to posts in separate cars collided during black-out; one fractured skull.
10. New York, N. Y.: Air-raid warden on duty during black-out run over by automobile while crossing street to investigate whistle signal.

11. Washington, D. C. : Auxillary policemen, aged 20, suffered fractured skull while assisting in the arrest of two men ; present condition undetermined.

12. Washington, D. C. : Air-raid warden, while leaving post to go on patrol during practice black-out, fell into a driveway, suffering fractured elbow and other injuries.

13. Leonia, N. J. : Air-raid warden suffered broken leg and concussions.

14. Elizabeth, N. J. : Air-raid warden suffered fractured ankle.

15. Morristown, N. J. : Air-raid warden suffered hip injury.

16. South Bound Brook, N. J. : Air-raid warden hospitalized.

If there is any further information which your committee desires from us in this respect, we will be pleased to furnish it.

Faithfully yours,

JAMES M. LANDIS, *Director.*