
THIRD LIBERTY-BOND BILL.

APRIL 3, 1918.—Ordered to be printed.

Mr. SIMMONS, from the Committee on Finance, submitted the following

REPORT.

[To accompany H. R. 11123.]

The Committee on Finance, to whom was referred the bill (H. R. 11123) to amend an act approved September 24, 1917, entitled "An act to authorize an additional issue of bonds to meet expenditures for the national security and defense, and, for the purpose of assisting in the prosecution of the war, to extend additional credit to foreign governments, and for other purposes," having had the same under consideration, report it back to the Senate with sundry amendments, and as amended recommend that the bill do pass.

The committee desires to call attention to certain amendments to the bill which have been made by the committee. The more important of these amendments are as follows:

(1) The committee recommends that section 5 of the House bill amending section 7 of the act of September 24, 1917, be struck out. This section of the House bill has proved the subject of much debate, and in order to expedite the passing of the bond bill it is proposed that the subject matter of this section be left to be dealt with in a separate bill if it should be found expedient to do so.

(2) The House bill in section 7 provided in effect that the bond-purchase fund established thereby should commence only on April 1, 1918, even as to the 4 per cent bonds already issued and dated November 15, 1917. The Senate committee has amended the House bill so as to give the bonds issued last November, known as the second liberty loan and the conversion fours issued upon conversion of bonds of the first liberty loan, the benefit of the bond-purchase fund from the date of issue, just as in the case of bonds subsequently issued. It is believed that this is no more than fair and equitable to the holders of the outstanding bonds.

A full explanation of the provisions of the bill is contained in the report of the Ways and Means Committee to the House (Rept. No. 428), which substantially embodies the testimony given by the Secre-

tary of the Treasury before that committee, and which, with an elimination as to section 5 of the House bill, is hereto attached.

The Committee on Ways and Means, to whom was referred the bill (H. R. 11123) to amend an act approved September 24, 1917, entitled "An act to authorize an additional issue of bonds to meet expenditures for the national security and defense, and, for the purpose of assisting in the prosecution of the war, to extend additional credit to foreign governments, and for other purposes," having had the same under consideration, report it back to the House without amendment and recommend that the bill do pass.

At the present time our expenditures for the fiscal year ending June 30, 1918, are estimated to be \$16,116,591,347.72 and our estimated receipts for the like period from all sources now provided by law are estimated to be \$12,549,539,022, thus leaving a deficit at the close of the fiscal year of \$3,567,052,325.72. It is also deemed necessary to provide for additional credits to our allies of \$1,500,000,000, to enable the Government to extend them credit at the rate of \$500,000,000 per month during the months of July, August, and September of the next fiscal year. There will therefore be required an additional bond authorization of \$5,067,052,325.72 if the expenditures for the fiscal year 1918 are as great as the estimates and if we provide for the additional credit of \$1,500,000,000 for our allies during the first three months of the next fiscal year, which seems necessary.

Your committee believes that the additional bond authorization of \$4,461,054,540 carried by this bill, together with the authority granted the Secretary of the Treasury to issue short-term certificates of indebtedness, will be sufficient to provide the necessary funds for the present fiscal year and to extend credit to our allies as above indicated.

THE PROPOSED BOND BILL.

SECTION 1.—BOND AUTHORIZATION.

This section amends section 1 of the bond act of September 24, 1917, to increase the bond authorization under that act from \$7,538,945,460 to \$12,000,000,000. In other words, this proposed bill provides an additional authorization of \$4,461,054,540. There are \$3,666,233,850 of bonds authorized and available to be issued during the fiscal year 1918, under the authorization of September 24, 1917, so that the total amount of bonds available to be issued during the fiscal year 1918, under the act of September 24, 1917, as amended by this bill will be \$8,127,288,390. It must be borne in mind that this amount does not include \$63,945,460 of bonds authorized to be issued and applied in the fiscal year 1919 to redeem the loan of 1908-1918.

The act of April 24, 1917, as amended by the act of September 24, 1917, authorized the issue of \$2,000,000,000 of bonds. The act of September 24, 1917, authorized the issue of \$7,538,945,460 of bonds, in addition to the \$2,000,000,000 authorized by the act of April 24, 1917.

The proposed bill authorizes the issue of \$4,461,054,540 of bonds. If this bill becomes a law in its present form, the total bond authorizations since the declaration of war will amount to \$14,000,000,000.

Under the act of April 24, 1917, \$1,986,615,316.81 of bonds have been issued, and under the act of September 24, 1917, \$3,808,766,150 of bonds have been sold. Of this amount \$3,807,724,858.73 had been paid into the Treasury on March 27, 1918. The total bonds sold to date under the acts of April 24, 1917, and September 24, 1917, aggregate \$5,795,381,466.81.

Section 1 of the proposed bill amends section 1 of the bond act of September 24, 1917, as follows:

1. By increasing the bond authorization from \$7,538,945,460 to \$12,000,000,000, or \$4,461,054,540. For the third liberty loan the Secretary of the Treasury proposes to issue \$3,000,000,000 of bonds, reserving the right to allot over-subscriptions. The proposed increase in the issue will make it possible to allot all subscriptions in full upon the third liberty loan and leave a substantial margin of bonds for a future issue.

2. By increasing the maximum interest upon the bonds to 4½ per cent.

SECTION 2.—CREDITS TO FOREIGN COUNTRIES.

This section amends the last sentence of section 2 of the bond act of September 24, 1917, by increasing the appropriation for loans to the allies from \$4,000,000,000 to \$5,500,000,000, or \$1,500,000,000.

The existing appropriation of \$4,000,000,000, together with the appropriation of \$3,000,000,000 in the act of April 24, 1917, was calculated to provide the requirements of the allies in this country to the end of the current fiscal year; that is, the year ending June 30, 1918. Such requirements of the allies will be within the estimates. The proposed additional appropriation would provide for their requirements at the same rate for the months of July, August, and September.

In the acts of April 24, 1917, and September 24, 1917, we appropriated \$7,000,000,000 for loans to the allies, and this bill proposes to add to that amount \$1,500,000,000, thus authorizing total loans to the allies amounting to \$8,500,000,000.

The following table shows the credits and loans made to foreign countries to and including March 26, 1918:

Loans to foreign Governments to and including Mar. 26, 1918.

Acts of Apr. 24, 1917, and Sept. 24, 1917.]

Country.	Credits established.	Loans made.	Balances under established credits.
Belgium	\$104,600,000	\$85,600,000	\$18,700,000
Cuba	15,000,000	15,000,000
France	1,440,000,000	1,405,000,000	35,000,000
Great Britain	2,520,000,000	2,480,000,000	40,000,000
Italy	550,000,000	480,000,000	70,000,000
Russia	325,000,000	187,729,750	137,270,250
Serbia	6,000,000	4,200,000	1,800,000
Total	4,960,600,000	4,642,829,750	317,770,250

NOTE.—In addition to the above, a credit of 250,000,000 francs or approximately \$44,000,000 in favor of the Greek Government has been agreed to but not yet formally established, and a credit of \$8,668,666 was arranged in favor of the Roumanian Government, the precise status of which and the drafts thereunder is not definitely determined.

SECTION 3.—BOND CONVERSION.

This section amends section 4 of the bond act of September 24, 1917, by adding two new paragraphs which provide that the holders of bonds bearing interest at a higher rate than 4 per cent shall not have the privilege of conversion, but that the provisions of section 7 of the act of September 24, 1917, relating to tax exemption shall extend to them.

In order to prevent trouble in connection with the conversions which will result from the issue of 4½ per cent bonds, and because of the impossibility of making these conversions promptly at the date of the issue of the new bonds of the third liberty loan, it is proposed in this section to treat all conversions made within the six months' period prescribed for conversions by the Secretary of the Treasury as though they had been made on May 15 in the case of the bonds of the second liberty loan, or on June 15 in the case of the conversion bonds of the first liberty loan. Inasmuch as the holders of the bonds of both of these issues have everything to gain and nothing to lose by the conversion, it may be assumed that all of them will wish to make the conversion and to make it promptly. By virtue of this section they would lose nothing by waiting a month or two to present their bonds for conversion. This provision will greatly relieve the burden that would be thrown upon the banks and trust companies of the country, the Treasury Department, and the Bureau of Engraving and Printing if all conversions had to be made contemporaneously with the issue of the bonds of the new loan.

There are out now more than 20,000,000 separate bonds, and one can imagine what the conversion of those into new issue will mean, and therefore it is deemed important not to restrict the Secretary of the Treasury in such a way that those conversions must be placed upon a given day or within a limited period of time.

The 4 per cent bonds are now convertible into a subsequent issue bearing a higher rate, and the 3½ per cent are also convertible. This proposed 4½ per cent bond will not be convertible.

SECTION 4.—THE ISSUE OF CERTIFICATES OF INDEBTEDNESS.

This section amends the last sentence of section 5 of the bond act of September 24, 1917, by increasing the limit upon the amount of certificates of indebtedness that may be outstanding at any one time from \$4,000,000,000 to \$8,000,000,000.

The amount of Treasury certificates now outstanding is about \$3,200,000,000. The existing authorization of \$4,000,000,000 will, therefore, be exhausted by the middle of April. While there is no reason to anticipate that so large an amount as \$8,000,000,000 of Treasury certificates will be required to provide for the necessities of the Government before another loan can be advantageously offered, nevertheless it is apparent that the Treasury ought to be placed in a position where it can provide for the current needs of the Government from month to month for a reasonable period in advance. These certificates can not run for more than a year, and the money raised by the issue of them can not be spent except for purposes approved by Congress.

These certificates of indebtedness are issued only to bridge over the interval between the liberty loans, and as soon as the liberty loan is placed Treasury certificates are retired, or they are issued in anticipation of taxes which are payable in June, and the moment the taxes are paid in these certificates are retired, so that they are not an outstanding indebtedness all the time; they are merely means employed, and an essential means, of temporarily financing the needs of the Treasury.

In view of the above, it is evident that in speaking of our authorized bonded debt, it is not proper to add to the \$14,000,000,000 of bonds authorized since the declaration of war, the certificates of indebtedness authorized, since they can not be issued for a longer period than one year, and since the only purpose that they serve is to bridge over the periods between liberty loans or the payment of income and excess-profits taxes.

SECTION 6.—PERMISSION TO DEPOSIT INCOME AND EXCESS PROFITS TAXES WITH QUALIFIED DEPOSITARY BANKS AND TRUST COMPANIES.

This section amends section 8 of the bond act of September 24, 1917, to provide for the deposit of the income and excess profits taxes with qualified depositary banks and trust companies in the same manner as the proceeds of liberty bonds. Your committee believes that the enactment of this provision will go a long way toward relieving the fear of a money disturbance which the banks feel in connection with the large payments of these taxes, which must be made on or about June 15. The machinery for dealing with the deposit of liberty-bond payments has been completed, and about 4,000 banks and trust companies have qualified as depositaries.

SECTION 7.—ESTATE TAXES PAYABLE WITH 4½ PER CENT BONDS.

This section provides that a new section 14 shall be added to the act of September 24, 1917, so that 4½ per cent bonds shall be acceptable in payment of United States estate or inheritance taxes at par and accrued interest if owned by a decedent for at least six months prior to the date of his death. Your committee believes that this provision will be a very substantial attraction to induce the purchase of these bonds, and that it will give assurance to every bondholder that in case of his death his estate will contain assets which the United States will accept at par, whatever be the market conditions at the time in payment of the taxes upon the estate.

Your committee believes that this provision will also have a very beneficial effect upon the general market for Government bonds, because it will then keep in the market a constant demand for them.

SECTION 8.—TO STABILIZE THE MARKET FOR GOVERNMENT BONDS.

This section also provides for the addition of another new section (sec. 15) to the act of September 24, 1917, to provide a means to create a sinking fund to buy Government bonds issued or converted since September 24, 1917, in order to stabilize the market for Government bonds. Your committee believes that this Government must

do what each of the warring countries have done in one form or another, and prepare itself to support the market for its bonds.

This new section provides that the Secretary of the Treasury shall set aside, out of any money in the Treasury not otherwise appropriated, a sum not exceeding one-twentieth of the amount of bonds issued or converted since September 24, 1917, and before April 1, 1918; and as and when any more bonds are issued that he shall set aside a sum not exceeding one-twentieth of the amount of such bonds issued.

This section further provides that whenever, by reason of purchases of bonds, the amount so set aside falls below the sum which the Secretary of the Treasury deems necessary, that he may set aside such amount as he shall deem necessary, but not more than enough to bring the entire amount so set aside at such time up to one-twentieth of the amount of bonds issued or converted since September 24, 1917.

This section appropriates the amount so set aside for this purpose to be available until the expiration of one year after the termination of the war.

This section also provides that the par amount of bonds of any series issued before April 1, 1918, which may be purchased in the 12 months' period beginning April 1, 1918, and in each 12 months' period thereafter, shall not exceed one-twentieth of the amount of bonds of such series outstanding at the beginning of such 12 months' period, and that in the case of any series of bonds issued after April 1, 1918, the par amount of bonds of such series which may be purchased in the 12 months' period beginning on the date of such issue, and in each 12 months' period thereafter, shall not exceed one-twentieth of the amount of the bonds of such series outstanding at the beginning of such 12 months' period. The average cost of the bonds of any series purchased in any such 12 months' period can not exceed par and accrued interest.

If all the $3\frac{1}{2}$ per cent bonds were converted to $4\frac{1}{2}$, as the $3\frac{1}{2}$ and 4 per cent bonds now sold aggregate \$5,796,000,000, the most that could be set aside for the purpose of this sinking fund at the present time would be \$289,800,000.

SECTION 7.—PERMISSION TO ISSUE BONDS AND CERTIFICATES OF INDEBTEDNESS IN FOREIGN MONEYS.

This section also provides for the addition of another new section (sec. 16) to the act of September 24, 1917, to permit the issue of bonds payable in foreign moneys. This provision, it is believed, will make it possible for the Secretary of the Treasury to take steps to rectify the position of dollar exchange in those neutral countries where the dollar is at a disadvantage to-day.

The theory is that if we can sell some Government bonds in foreign countries, especially in those neutral countries where the balance is against us and where our exchange position is disadvantageous, we may be able to correct it or modify it to our advantage.

This section also permits the Secretary of the Treasury to sell bonds or certificates of indebtedness, payable in foreign moneys, without offering them as a popular loan in the United States, and to deposit in foreign countries with depositaries the proceeds from any

such bonds or certificates. Your committee believe that this provision will greatly facilitate the negotiations which the Treasury Department must enter into in order to relieve foreign exchange problems.

SECTION 8.—SHORT TITLE OF THE ACT.

This section provides that the short title of the act shall be "Third liberty bond act."

APPENDIX A.—Summary of estimated receipts and disbursements for the fiscal year 1918.

Balance in the Treasury June 30, 1917, free of all current obligations.....		\$1,066,983,361.00
Ordinary receipts.....	\$3,856,800,000.00	
Panama Canal receipts.....	6,000,000.00	
Public debt receipts (exclusive of war-savings certificates and bonds authorized but not yet issued).....	4,357,607,312.00	
Total estimated receipts.....		8,220,407,312.00
		9,287,390,673.00
Ordinary disbursements.....	\$9,568,029,726.72	
Panama Canal disbursements.....	24,338,889.00	
Public debt disbursements.....	234,222,732.00	
Special disbursements.....	6,190,000,000.00	
Total estimated disbursements.....		16,116,591,347.72
Estimated deficit in general fund June 30, 1918.....		6,829,200,674.72
Deficit as above.....		6,829,200,674.72
Necessary balance in general fund June 30, 1918.....		500,000,000.00
Total estimated necessary issue of bonds and war-savings certificates during the remainder of the current fiscal year, based upon departmental estimates of expenditures....		7,329,200,674.72
Estimated receipts in fiscal year 1918 from war-savings certificates and bonds already authorized but not yet issued (exclusive of \$63,945,460 to be applied to the redemption in the fiscal year 1919 of the loan of 1908-1918).....		4,329,131,710.00
Estimated authorization of bonds necessary, exclusive of cost of issue.....		3,000,068,964.72
To provide loans to the allies, first 3 months of next fiscal year....		1,500,000,000.00
Cost of issuing said bonds.....		9,000,137.93
Estimated authorization of additional bonds necessary, including expense of issue.....		4,509,069,102.65

FISCAL YEAR 1918—ESTIMATED RECEIPTS.

Ordinary receipts:		
From customs.....		\$185,000,000
From internal revenue—		
Miscellaneous.....	\$973,000,000	
Excess-profits tax.....	1,226,000,000	
Income tax—		
Corporations.....	635,000,000	
Individuals.....	66,000,000	
		3,400,000,000
From sales of public lands.....		1,800,000
From miscellaneous sources (including \$40,000,000 increased postage).....		270,000,000
Total estimated ordinary receipts.....		3,856,800,000
Panama Canal, estimated receipts from tolls, etc.....		6,000,000

THIRD LIBERTY-BOND BILL.

Public debt;

First Liberty Loan of 1917 (less amount thereof received in 1917).....	\$520,280,222	
Second Liberty Loan of 1917.....	3,808,766,150	
One-year Treasury notes.....	23,540,000	
Deposits to retire Federal reserve bank notes and national-bank notes	4,000,000	
Deposits for postal savings bonds.....	1,020,940	
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Estimated public debt receipts.....		\$4,357,607,312
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Total estimated receipts (exclusive of war-savings certificates, Treasury certificates of indebtedness, and bonds authorized but not yet issued).....		8,220,407,312
Estimated receipts from war-savings certificates, fiscal year 1918.....	\$663,200,000	
Additional bonds authorized but not yet issued (exclusive of \$63,945,460, to be applied to the redemption in the fiscal year 1919 of the loan of 1908-1918).....	\$3,666,233,850	
Less postal savings bonds issued Jan. 1, 1918.....	302,140	
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		3,665,931,710
		<hr/>
Total estimated receipts from war-savings certificates and bonds authorized but not yet issued, less postal savings bonds of Jan. 1, 1918.....		4,329,131,710
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Grand total receipts.....		12,549,539,022
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APPENDIX B.—Statement of appropriations for 1918, of estimates of appropriations pending and proposed, and estimated expenditures in 1918.

	Appropriations, 1918.	Estimates pending.	Estimates proposed.	Total.	Estimated expenditures.
Legislative:					
Senate and House of Representatives.....	\$7,350,643.57			\$7,350,643.57	\$7,225,000.00
Library of Congress and Botanic Garden.....	746,905.00	\$5,000.00		751,905.00	750,000.00
Public printing and binding.....	7,456,915.00	1,974,208.26		9,431,123.26	9,306,022.77
Miscellaneous.....	424,915.00			424,915.00	300,000.00
Total.....	15,979,378.57	1,979,208.26		17,958,586.83	17,581,022.77
Executive:					
Executive Office.....	193,780.00			193,780.00	190,000.00
Bureau of Efficiency.....	65,000.00	50,000.00		115,000.00	122,000.00
Civil Service Commission.....	380,910.00			380,910.00	1,650,910.00
National Security and Defense.....	100,000,000.00			100,000,000.00	156,186,978.28
Alien Property Custodian.....		279,000.00		279,000.00	1,450,000.00
War Trade Board.....		1,018,331.00		1,018,331.00	3,033,831.00
Government for Danish West Indies.....	100,000.00			100,000.00	100,000.00
Trading with the enemy act.....	450,000.00			450,000.00	(²)
Tariff Commission.....	300,000.00			300,000.00	250,000.00
Miscellaneous.....	33,000.00			33,000.00	20,000.00
Total.....	101,522,690.00	1,347,331.00		102,870,021.00	61,088,719.28
State Department:					
Salaries and expenses.....	601,960.00	117,000.00		718,960.00	1,740,300.00
Foreign intercourse.....	5,860,746.66	1,327,856.72		7,188,603.38	12,265,603.38
Permanent appropriations.....	106,000.00			106,000.00	106,000.00
Total.....	6,568,706.66	1,444,856.72		8,013,563.38	9,111,603.38
Treasury Department:					
Salaries and expenses.....	4,249,821.67	329,445.00		4,579,266.67	14,400,000.00
Customs Service—					
Regular.....	9,955,000.00	300,000.00		10,255,000.00	10,471,752.00
Permanent.....	17,710,400.00			17,710,400.00	18,000,000.00
Internal Revenue Service—					
Regular.....	14,714,270.00			14,714,270.00	14,700,000.00
Permanent.....	3,052,600.00			3,052,600.00	3,052,600.00
Public Health Service.....	4,283,770.00	957,200.00	\$2,000,000.00	7,220,970.00	5,466,500.00
Coast Guard.....	6,731,086.00	30,500.00		6,761,586.00	6,731,086.00
Engraving and printing.....	4,203,400.00	500,000.00		4,703,400.00	4,703,400.00

¹ Includes payments from allotments from "National security and defense."

² The balance of the appropriation of \$100,000,000 for "National security and defense" has been allotted to other departments and bureaus; expenditures from allotments are included in the expenditures of the various departments and offices.

³ This appropriation was allotted to departments and offices, and is included in their estimated expenditures.

Statement of appropriations for 1918, of estimates of appropriations pending and proposed, and estimated expenditures in 1918—Continued.

	Appropriations, 1918.	Estimates pending.	Estimates proposed.	Total.	Estimated expenditures.
Treasury Department—Continued.					
Independent Treasury.....	\$655,740.00			\$655,740.00	\$650,000.00
Mints and assay offices.....	1,215,080.00	\$900,800.00		2,115,880.00	2,115,000.00
War Risk Insurance Bureau.....	221,400,000.00	2,245,656.00		223,645,656.00	71,737,800.00
Farm Loan Bureau.....	280,000.00			280,000.00	255,000.00
Public buildings, including maintenance.....	20,005,768.38	7,401,500.00		27,407,268.68	19,361,000.00
Miscellaneous.....	2,551,673.38			2,551,673.38	2,500,000.00
Total.....	310,968,609.73	12,665,101.00	\$2,000,000.00	325,633,710.73	164,145,138.00
Director General of Railroads.....	500,000,000.00			500,000,800.00	200,000,000.00
War Finance Corporation.....		500,000,000.00		500,000,000.00	200,000,000.00
Independent offices:					
United States Shipping Board.....	1,040,517,500.00			1,040,517,500.00	1,034,273,040.97
Food and Fuel Administrations.....	152,500,000.00	2,000,000.00		154,500,000.00	107,235,000.00
Interstate Commerce Commission.....	5,486,666.66		150,000.00	5,616,666.66	5,616,000.00
Smithsonian Institution and National Museum.....	583,000.00	5,674.00		588,674.00	588,674.00
Federal Trade Commission.....	772,920.00			772,920.00	1,520,000.00
Federal Board for Vocational Education.....	1,860,000.00			1,860,000.00	1,660,950.00
Council of National Defense.....	500,000.00	300,000.00		800,000.00	1,130,000.00
Other boards and commissions.....	1,239,792.32	316,923.29		1,556,715.61	1,325,000.00
Total.....	1,203,439,878.98	2,622,597.29	150,000.00	1,206,212,476.27	1,153,348,664.97
War Department:					
Salaries and expenses.....	8,765,312.00	5,248,897.25		14,014,209.25	12,664,920.17
Quartermaster Corps.....	3,012,083,304.48	382,616,153.49	900,000,000.00	4,294,699,457.97	2,763,753,680.00
Provost Marshal General, registration and selection for military service.....	6,658,413.00	8,476,490.00		15,134,903.00	15,134,903.00
Ordnance Department.....	3,202,995,040.00	551,190,450.00		3,754,185,490.00	2,040,034,185.00
Medical Department.....	130,830,000.00	22,500.00		130,852,500.00	98,857,846.25
Signal Service, including Aviation.....	744,383,766.00	200,000,000.00	250,000,000.00	1,194,383,766.00	458,941,417.45
Engineer Department.....	349,037,000.00	70,175,000.00		419,212,000.00	307,067,231.00
Rivers and harbors.....	38,295,850.00			38,295,850.00	30,000,000.00
National Guard.....	13,512,000.00			13,512,000.00	700,000.00
Military Academy.....	1,374,646.18			1,374,646.18	393,534.42
Miscellaneous military.....	5,747,783.00	2,000.00		5,749,783.00	2,582,460.80
Miscellaneous, civil.....	12,654,601.80	3,305,022.99	10,000.00	15,969,624.79	12,199,671.38
National security and defense.....					10,335,000.00
Total.....	7,526,337,716.46	1,221,086,513.73	1,150,010,000.00	9,897,384,230.19	5,752,664,908.56
Navy Department:					
Salaries and expenses.....	1,834,278.00	436,435.00		2,270,713.00	2,170,713.00
Aviation.....	62,233,000.00			62,233,000.00	51,000,000.00

Enlistment, transportation, and training.....	21,090,641.84	4,100,000.00		25,190,641.84	19,700,000.00
Emergency fund.....	215,000,000.00			215,000,000.00	165,550,000.00
Ordnance.....	393,137,506.50	19,983,500.00		413,121,006.50	332,458,500.00
Public works.....	68,188,755.01	43,606,935.00		111,795,690.01	172,240,000.00
Expenses of the fleet.....	145,746,280.00			145,746,280.00	136,000,000.00
Medicine and Surgery.....	9,645,478.00			9,645,478.00	6,000,000.00
Pay of the Navy.....	126,732,548.57			126,732,548.57	124,000,000.00
Supplies, fuel, etc.....	85,980,355.85			85,980,355.85	52,900,000.00
Naval Academy.....	1,007,949.20	55,000.00		1,062,949.20	1,055,000.00
Marine Corps.....	43,440,148.78	9,930,000.00		53,370,148.78	44,930,000.00
Naval Militia.....	1,863,117.70			1,863,117.70	1,800,000.00
Increase of the Navy.....	417,762,323.00			417,762,323.00	351,720,787.00
Miscellaneous.....	3,210,073.00	150,000.00		3,360,073.00	4,375,000.00
Total.....	1,596,931,455.45	78,261,870.00		1,675,193,325.45	1,365,800,000.00
Interior Department:					
Salaries and expenses.....	5,162,845.00	16,000.00		5,178,845.00	5,200,000.00
Public Lands Service.....	2,406,000.00			2,406,000.00	2,750,000.00
Reclamation Service.....	8,227,000.00			8,227,000.00	8,250,000.00
Geological Survey.....	1,850,520.00	250,000.00	100,000.00	2,200,520.00	1,850,000.00
Bureau of Mines.....	1,167,070.00	150,000.00		1,317,070.00	1,500,000.00
Alaskan Railway.....	14,500,000.00			14,500,000.00	11,500,000.00
Colleges for agriculture.....	2,500,000.00			2,500,000.00	2,500,000.00
Miscellaneous, beneficiaries, national parks, etc.....	2,136,917.57	36,448.10		2,173,365.67	2,170,000.00
Permanent appropriations.....	742,500.00			742,500.00	742,500.00
Indian Service.....	18,821,631.97	254,000.00		19,075,631.97	21,184,000.00
Pensions.....	160,060,000.00	23,060,000.00		183,060,000.00	183,060,000.00
Total.....	217,574,484.54	23,706,448.10	100,000.00	241,380,932.64	240,706,500.00
Post Office Department:					
Salaries and expenses.....	1,943,260.00	15,000.00		1,958,260.00	1,922,000.00
Department of Agriculture:					
Salaries.....	5,555,360.00			5,555,360.00	5,406,000.00
Bureau of Animal Industry.....	7,214,956.00			7,214,956.00	5,154,450.00
Bureau of Plant Industry.....	2,774,250.00	6,000,000.00		8,774,250.00	4,752,250.00
Forest Service.....	5,374,475.00	775,000.00		6,149,475.00	4,949,475.00
States Relations Service.....	5,052,580.00			5,052,580.00	4,030,000.00
Weather Bureau.....	1,555,240.00			1,555,240.00	1,551,820.00
Bureau of Roads.....	11,606,240.00			11,606,240.00	6,000,000.00
Bureau of Markets.....	1,520,755.00			1,520,755.00	1,472,745.00
Eradication of cotton bollworm.....	250,000.00			250,000.00	250,000.00
Food survey, etc.....	11,346,400.00			11,346,400.00	9,000,000.00
Miscellaneous.....	4,639,290.60			4,639,290.60	3,605,496.00
Purchase and sale of nitrate of soda.....	10,000,000.00			10,000,000.00	9,000,000.00
Total.....	66,880,546.60	6,775,000.00		73,654,546.60	55,172,312.00

¹Includes payment from allotments from "National security and defense."

Statement of appropriations for 1918, of estimates of appropriations pending and proposed, and estimated expenditures in 1918—Continued.

	Appropriations, 1913.	Estimates pending.	Estimates proposed.	Total.	Estimated expenditures.
Department of Commerce:					
Salaries and expenses.....	\$307,500.00	\$7,000.00		\$314,500.00	\$307,000.00
Bureau of Standards.....	1,362,900.00	630,450.00		1,993,350.00	2,330,400.00
Census Bureau.....	1,383,460.00			1,383,460.00	1,407,000.00
Coast and Geodetic Survey.....	1,401,970.00	33,015.82		1,434,985.82	1,806,012.82
Lighthouse Service.....	6,639,180.00	370,000.00		7,009,180.00	8,376,000.00
Bureau of Fisheries.....	1,195,500.00	102,500.00		1,298,000.00	1,502,500.00
Miscellaneous.....	1,375,365.00	17,000.00		1,392,365.00	1,617,000.00
Total.....	13,605,935.00	1,159,965.82		14,765,900.82	17,314,962.82
Department of Labor:					
Salaries and expenses.....	1,116,886.00	329,208.34		1,446,094.34	11,390,180.98
Detention of interned aliens.....	1,060,000.00			1,060,000.00	1,830,000.00
Immigration Service.....	2,773,300.00			2,773,300.00	3,153,205.00
Employment Service.....	250,000.00	1,325,000.00		1,575,000.00	1,960,000.00
New services.....		485,451.64		485,451.64	1,497,033.75
Miscellaneous.....	312,650.75			312,650.75	300,000.00
Housing Government employees.....		50,000,000.00		50,000,000.00	25,000,000.00
Total.....	5,452,836.75	52,139,659.98		57,592,496.73	32,130,409.73
Department of Justice:					
Salaries and expenses.....	1,975,420.00	15,750.00	\$5,000.00	1,996,170.00	1,963,470.00
United States courts.....	7,662,396.00	192,876.77	533,000.00	8,388,272.77	8,311,272.77
Miscellaneous.....	1,536,400.00	600,000.00	1,750.00	2,138,150.00	2,306,210.00
Permanent appropriations.....	175,500.00			175,500.00	175,500.00
Total.....	11,349,716.00	808,626.77	539,750.00	12,698,092.77	12,756,452.77
District of Columbia:					
Salaries and expenses.....	15,318,430.85	900,078.40		16,218,509.25	15,000,000.00
Interest on the public debt, including interest on Liberty bonds and certificates of indebtedness.....	235,789,617.00			235,789,617.00	235,789,617.00
Cost of bond issues (to June 30, 1913).....	18,525,125.44			18,525,125.44	18,525,125.44
Increase of compensation.....	15,000,000.00			15,000,000.00	15,000,000.00
Panama Canal.....	23,593,290.00	745,590.00		24,338,880.00	24,338,880.00
Total.....	292,906,041.44	745,590.00		293,651,631.44	293,651,631.44
Public debt: Certificates of indebtedness outstanding July 1, 1917.....	285,632,732.00			285,632,732.00	285,632,732.00
One-year Treasury notes.....	23,540,000.00			23,540,000.00	23,540,000.00

Retirement of bank notes.....	25,000,000.00			25,000,000.00	25,000,000.00
Miscellaneous redemptions of debt.....	50,000.00			50,000.00	50,000.00
Total.....	334,222,732.00			334,222,732.00	334,222,732.00
Special:					
Purchase of obligations of foreign Governments (less \$85,000,000 paid in fiscal year 1917).....	6,115,000,000.00			6,115,000,000.00	6,115,000,000.00
Purchase of farm-loan bonds.....	100,000,000.00			100,000,000.00	75,000,000.00
Total.....	6,215,000,000.00			6,215,000,000.00	6,190,000,000.00
Grand total.....	18,436,013,419.03	1,965,616,847.07	1,152,799,751.00	11,494,430,016.10	16,116,591,347.72

Includes payments from allotments from "National security and defense."

This figure includes the estimated expense of loans authorized but not yet issued, but does not include the cost of any issues yet to be authorized.

NOTE.—In certain cases where the estimated expenditure exceeds the total estimated appropriations, the difference is due to expected payments from balances of appropriation brought forward from prior years.

TREASURY DEPARTMENT, *March 23, 1918.*