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MEDICAL CARE FOR FISHING BOAT OWNERS

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HEARING BEFORE A SUBCOMMITTEE OF THE COMMITTEE ON INTERSTATE AND FOREIGN COMMERCE HOUSE OF REPRESENTATIVES

EIGHTY-SEVENTH CONGRESS

SECOND SESSION

ON

H.R. 2262

A BILL TO AMEND SECTION 322 OF THE PUBLIC HEALTH SERVICE ACT TO PERMIT CERTAIN OWNERS OF FISHING BOATS TO RECEIVE MEDICAL CARE AND HOSPITALIZATION WITHOUT CHARGE AT HOSPITALS OF THE PUBLIC HEALTH SERVICE

H.R. 3797, H.R. 8029, H.R. 10921, H.R. 11920

BILLS TO PROVIDE MEDICAL CARE FOR CERTAIN PERSONS ENGAGED ON BOARD A VESSEL IN THE CARE, PRESERVATION, OR NAVIGATION OF SUCH VESSEL

S. 367

AN ACT TO PROVIDE MEDICAL CARE FOR CERTAIN PERSONS ENGAGED ON BOARD A VESSEL IN THE CARE, PRESERVATION, OR NAVIGATION OF SUCH VESSEL

AUGUST 13, 1962

Printed for the use of the
Committee on Interstate and Foreign Commerce

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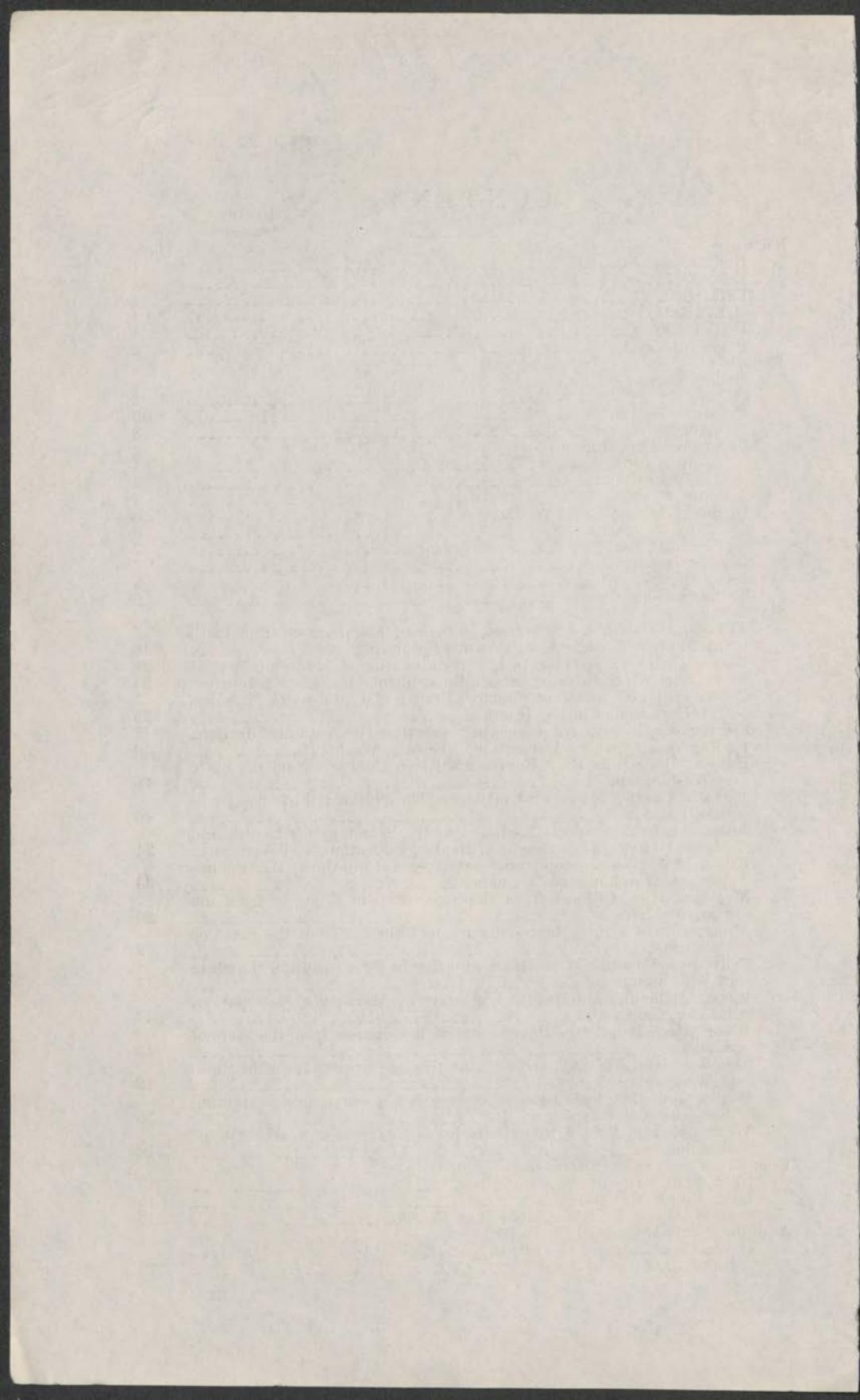
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MEDICAL CARE FOR FISHING BOAT OWNERS

MONDAY, AUGUST 13, 1962

HOUSE OF REPRESENTATIVES,
SUBCOMMITTEE ON HEALTH AND SAFETY OF THE
COMMITTEE ON INTERSTATE AND FOREIGN COMMERCE,
Washington, D.C.

The subcommittee met, pursuant to call, at 10 a.m., in room 1334, New House Office Building, Hon. Kenneth A. Roberts (chairman of the subcommittee) presiding.

Mr. ROBERTS. This morning the Subcommittee on Health and Safety is holding hearings on five House bills and one Senate bill, all of which aim at including owner-operators of fishing boats among the categories of persons who are entitled to hospital and medical care granted by the U.S. Public Health Service.

The first bill is H.R. 2262, which was introduced by our colleague, Clem Miller, of California; H.R. 3797 introduced by our colleague, Mr. Rivers, of Alaska; H.R. 8029 introduced by our colleague, Mrs. Hansen, of Washington; H.R. 10921 introduced by Mr. Pelly, of Washington, and H.R. 11920 by Mr. McIntire, of Maine. Also the Senate bill S. 367, which was introduced by Senator Bartlett, whom all of you remember as our former colleague in the House of Representatives.

Following these bills will be the agency reports.
(The bills and reports referred to follow:)

[H.R. 2262, 87th Cong., 1st sess.]

A BILL To amend section 322 of the Public Health Service Act to permit certain owners of fishing boats to receive medical care and hospitalization without charge at hospitals of the Public Health Service

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That subsection (a) of section 322 of the Public Health Service Act (42 U.S.C. 249) is amended by striking out "and" at the end of paragraph (6), by striking out the period at the end of paragraph (7) and inserting in lieu thereof "; and", and by adding at the end thereof the following new paragraph:

"(8) Persons who own vessels registered, enrolled, or licensed under the maritime laws of the United States, who are engaged in commercial fishing operations, and who accompany such vessels on such fishing operations and a substantial part of whose services in connection with such fishing operations are comparable to services performed by seamen employed on such vessel or on vessels engaged in similar operations."

[H.R. 3797, H.R. 8029, H.R. 10921, H.R. 11920, 87th Cong., 1st sess.]

A BILL To provide medical care for certain persons engaged on board a vessel in the care, preservation, or navigation of such vessel

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 2(h) of the Public Health Service Act (42 U.S.C. 201(h)) is amended by striking out "any person employed on

board" and inserting in lieu thereof "any person employed or engaged on board".

Sec. 2. Section 322(a) (1) of such Act (42 U.S.C. 249(a) (1)) is amended by inserting immediately after "employed" the following: "or engaged".

[S. 367, 87th Cong., 2d sess.]

AN ACT To provide medical care for certain persons engaged on board a vessel in the care, preservation, or navigation of such vessel

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That subsection (h) of section 2 of the Public Health Service Act (42 U.S.C. 201(h)) is amended to read as follows:

"(h) The term 'seamen' includes any person employed of self-employed on board in the care, preservation, or navigation of any vessel, or in the service, on board, of those engaged in such care, preservation, or navigation, including persons employed or self-employed as fishermen on board commercial fishing vessels."

Sec. 2. Section 322(a) (1) of such Act (42 U.S.C. 249(a) (1)) is amended by inserting immediately after the word "employed" the following: "or self-employed".

Passed the Senate June 8, 1962.

FELTON M. JOHNSTON, *Secretary.*

EXECUTIVE OFFICE OF THE PRESIDENT,
BUREAU OF THE BUDGET,
Washington, D.C., May 1, 1962.

HON. OREN HARRIS,
*Chairman, Committee on Interstate and Foreign Commerce,
House of Representatives, Washington, D.C.*

DEAR MR. CHAIRMAN: This will acknowledge your letters of February 9 and March 6, 1961, requesting the views of the Bureau of the Budget regarding H.R. 2262 and H.R. 3797, bills to permit certain owners of fishing boats and others engaged on board a vessel to receive medical care and hospitalization without charge at hospitals of the Public Health Service.

Section 322(a) of the Public Health Service Act authorizes that Service to provide free medical care to merchant seamen employed on board vessels registered, enrolled, or licensed under the maritime laws of the United States. The purpose of H.R. 2262 is to extend that authority to owners of such vessels who are engaged in commercial fishing operations and who accompany the vessels on fishing operations where a substantial part of their services are comparable to services performed by the seamen employed on board. H.R. 3797 would extend the authority to persons engaged on board registered, enrolled, or licensed vessels which would apparently include self-employed seamen such as owner-operators of small vessels and others who are not regularly employed members of the crew but who may be engaged in some service related to the care, preservation, or navigation of the vessel.

The President, as indicated in his health message to Congress of February 27, 1962, has asked the Secretary of Health, Education, and Welfare to develop a plan for providing more readily accessible hospital care to merchant seamen. This is a matter of concern to several parts of the executive branch, including the Department of Commerce in view of its responsibility for maritime programs. Pertinent to these considerations are questions of eligibility for free medical care of various categories of seamen under present-day circumstances, particularly those not engaged in foreign or coastwise trade.

It is planned to complete this work within the next few months and the executive branch will then be in a position to advise more fully on the legislation before your committee. Pending completion of these considerations, the Bureau of the Budget believes that it would be inappropriate to extend free medical care to any additional groups and recommends that neither H.R. 2262 nor H.R. 3797 be enacted at this time.

Sincerely yours,

PHILLIP S. HUGHES,
Assistant Director for Legislative Reference.

EXECUTIVE OFFICE OF THE PRESIDENT,
BUREAU OF THE BUDGET,
Washington, D.C., June 18, 1962.

HON. OREN HARRIS,
Chairman, Committee on Interstate and Foreign Commerce,
House of Representatives, Washington, D.C.

DEAR MR. CHAIRMAN: It is our understanding that your committee has under consideration S. 367, a bill to provide medical care for certain persons engaged on board a vessel in the care, preservation, or navigation of such vessel. This bill, as passed by the Senate, is similar in some respects to H.R. 2262 and H.R. 3797, also pending before your committee and concerning which the Bureau of the Budget furnished a report under date of May 1, 1962.

The Senate Committee on Commerce in recommending S. 367 stated that the purpose of the bill was "to restore to self-employed U.S. fishermen eligibility for medical care in hospitals, outpatient clinics and other medical facilities of the Public Health Service in the event of illness or injury incurred while engaged in their hazardous but essential occupation." While the bill would accomplish this purpose it would also add to the definition of seamen persons employed as fishermen aboard commercial fishing vessels. Fishermen who also perform seamen duties are now eligible for medical care from the Public Health Service but it is our understanding that fishermen who do not perform seamen duties have never been eligible for such care.

A second aspect of this matter that causes us concern is the indication in the Senate committee report that the committee based its recommendation in part on an assumption that the tonnage tax provides revenues from fishing vessels which should be regarded as an offset to the cost of medical care. In that connection, we respectfully cite for your committee's consideration the provision of title 46, United States Code, section 122, which exempts all licensed, registered, or enrolled fishing vessels from the tonnage tax.

For the reasons given in our May 1, 1962, report, the Bureau of the Budget strongly recommends that S. 367 and the bills covered by that report not receive favorable consideration by your committee pending completion of the consideration which the executive branch is giving to the question of eligibility for free medical care for various categories of seamen.

A copy of this letter has been furnished the chairman of the Senate Committee on Commerce.

Sincerely yours,

ELMER B. STAATS, Deputy Director.

EXECUTIVE OFFICE OF THE PRESIDENT,
BUREAU OF THE BUDGET,
Washington, D.C., August 13, 1962.

HON. OREN HARRIS,
Chairman, Committee on Interstate and Foreign Commerce, House of Representatives, Washington, D.C.

DEAR MR. CHAIRMAN: I understand your committee will hear witnesses today on H.R. 2262 and other proposals to extend eligibility for free medical care to certain groups of personnel in the fishing industry. It is our understanding that the primary purpose of the legislation before the committee is to restore to owner-operators of fishing vessels medical care which they received prior to a ruling of the General Counsel of the Department of Health, Education, and Welfare in 1954. The legislation would, however, appear to extend free medical care to other groups employed on board vessels.

The purpose of my letter is to express the concern that the enactment of legislation at this time might provide an expression of legislative intent that Congress intends to extend and expand medical care for all seamen in advance of a study of this matter currently underway by the Department of Health, Education, and Welfare and the Bureau of the Budget. This study was undertaken at the request of the President in his health message to the Congress on February 27, 1962, in which he stated as follows:

"Over the past several years funds for the operation of the Public Health Service hospitals have been substantially increased to improve the quality of

medical care for merchant seamen and other beneficiaries. A start has also been made on enabling these hospitals to conduct medical research. I have directed the Secretary of Health, Education, and Welfare to develop a plan for providing more readily accessible hospital care for seamen and for improving the physical facilities of those Public Health Service hospitals which are needed to provide such care."

Our study is primarily directed to two objectives:

- (a) To provide the basis for legislative recommendations with respect to the coverage and extent of medical care for merchant seamen in the national interest;
- (b) How this care can be most effectively provided, taking into account the availability of various types of Federal, State, and local hospital facilities.

If it is not possible for the committee to defer action on this legislation until the next session, it is our sincere hope that the committee will recognize that the President may be submitting recommendations which could be contrary to the legislative proposals now before the committee.

Sincerely yours,

ELMER B. STAATS, *Acting Director.*

GENERAL COUNSEL OF THE DEPARTMENT OF COMMERCE,
Washington, D.C., July 7, 1961.

HON. OREN HARRIS,
*Chairman, Committee on Interstate and Foreign Commerce,
House of Representatives, Washington, D.C.*

DEAR MR. CHAIRMAN: This letter is in reply to your request of February 9, 1961, for the views of this Department with respect to H.R. 2262, a bill to amend section 322 of the Public Health Service Act to permit certain owners of fishing boats to receive medical care and hospitalization without charge at hospitals of the Public Health Service.

This bill appears to be concerned primarily with matters within the purview of the Department of Health, Education, and Welfare.

Consideration of the bill as it might affect the functions of this Department, indicates that our interest is too remote to justify offering comments with respect thereto.

The Bureau of the Budget advised there would be no objection to the submission of this report from the standpoint of the administration's program.

Sincerely,

ROBERT E. GILES.

THE SECRETARY OF COMMERCE,
Washington, D.C., May 29, 1962.

HON. OREN HARRIS,
*Chairman, Committee on Interstate and Foreign Commerce,
House of Representatives, Washington, D.C.*

DEAR MR. CHAIRMAN: This is in further reply to your request for views of this Department with respect to H.R. 3797, a bill to provide medical care for certain persons engaged on board a vessel in the care, preservation, or navigation of such vessel.

Section 322(a) of the Public Health Service Act (42 U.S.C. 249(a)(1)) authorizes that Service to provide medical, surgical, and dental treatment and hospitalization without charge at hospitals and other stations of the Service to seamen "employed" on vessels of the United States registered, enrolled, and licensed under the maritime laws thereof, other than canal boats engaged in the coasting trade. Section 2(h) of the Public Health Service Act (42 U.S.C. 201(h)) presently defines the term "seamen" as including any person "employed" on board in the care, preservation, or navigation of any vessel, or in the service, on board, of those engaged in such care, preservation, or navigation.

H.R. 3797 would extend that authority to persons "engaged" on board such vessels. The bill would apparently include self-employed seamen such as owner-operators of small vessels and others who are not regularly employed members of the crew but who may be "engaged" in some service related to the care, preservation, or navigation of the vessel.

The President, as indicated in his health message to Congress of February 27, 1962, has asked the Secretary of Health, Education, and Welfare to develop a plan for providing more readily accessible hospital care to merchant seamen. This is a matter of concern to the Department of Commerce in view of our responsibility for maritime programs. Pertinent to these considerations are questions of eligibility for free medical care of various categories of persons "employed" or "engaged" on board a vessel under present-day circumstances.

This work should be completed within the next few months and the Department of Commerce will then be in a position to advise more fully on the legislation before your committee. Pending completion of these considerations, this Department believes it would be inappropriate to extend free medical care to any additional groups and recommends that H.R. 3797 not be enacted at this time.

The Bureau of the Budget advises there is no objection to the submission of this report from the standpoint of the administration's program.

Sincerely yours,

EDWARD GUDEMAN,
Under Secretary of Commerce.

THE SECRETARY OF COMMERCE,
Washington, July 6, 1962.

HON. OREN HARRIS,
*Chairman, Committee on Interstate and Foreign Commerce,
House of Representatives, Washington, D.C.*

DEAR MR. CHAIRMAN: This is in reply to your request for the views of this Department with respect to S. 367, a bill to provide medical care for certain persons engaged on board a vessel in the care, preservation, or navigation of such vessel.

Under date of May 29, 1962, this Department expressed its views in connection with H.R. 3797, a bill which is similar in purpose and text to S. 367. Since those views are equally applicable to the subject bill, they are restated herein for your ready reference.

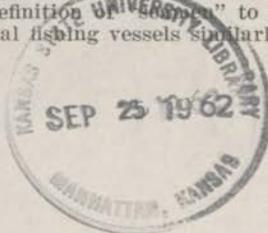
Section 322(a) of the Public Health Service Act (42 U.S.C. 249(a)(1)) authorizes that Service to provide medical, surgical, and dental treatment and hospitalization without charge at hospitals and other stations of the Service to seamen "employed" on vessels of the United States, registered, enrolled, and licensed under the maritime laws thereof, other than canalboats engaged in the coasting trade. Section 2(h) of the Public Health Service Act (42 U.S.C. 201(h)) presently defines the term "seamen" as including any person "employed" on board in the care, preservation, or navigation of any vessel, or in the service, on board, of those engaged in such care, preservation, or navigation.

S. 367, as amended, would extend that authority to persons "engaged" on board such vessels. The bill would apparently include self-employed seamen, such as owner-operators of small vessels and others who are not regularly employed members of the crew but who may be "engaged" in some service related to the care, preservation, or navigation of the vessels.

The President, as indicated in his health message to Congress on February 27, 1962, has asked the Secretary of Health, Education, and Welfare to develop a plan for providing more readily accessible hospital care to merchant seamen. This is a matter of concern to the Department of Commerce in view of our responsibility for maritime programs. Pertinent to these considerations are questions of eligibility for free medical care of various categories of persons "employed" or "engaged" on board a vessel under present-day circumstances.

This work should be completed within the next few months and the Department of Commerce will then be in a position to advise more fully on the legislation before your committee. Pending completion of these considerations, this Department believes it would be inappropriate to extend free medical care to any additional groups and recommends that S. 367 not be enacted at this time.

In addition to the foregoing views, this Department would like to comment upon the fact that the bill, besides restoring to self-employed seamen the eligibility for free medical care which they had prior to 1954 in facilities of the Public Health Service, would also amend the definition of "seamen" to make persons employed as fishermen aboard commercial fishing vessels similarly eli-



MEDICAL CARE FOR FISHING BOAT OWNERS

gible for free medical care at Public Health Service facilities. Such latter group has not previously been eligible for such care.

The Bureau of the Budget advises there is no objection to the submission of this report from the standpoint of the administration's program.

Sincerely yours,

EDWARD GUEDEMAN,
Under Secretary of Commerce.

DEPARTMENT OF HEALTH, EDUCATION, AND WELFARE,
May 14, 1962.

HON. OREN HARRIS,
*Chairman, Committee on Interstate and Foreign Commerce,
House of Representatives, Washington, D.C.*

DEAR MR. CHAIRMAN: This letter is in response to your request of March 6, 1961, for a report on H.R. 3797, a bill to provide medical care for certain persons engaged on board a vessel in the care, preservation, or navigation of such vessel.

The bill would amend sections 2(h) and 322(a) (1) of the Public Health Service Act, as amended, so as to extend the medical care benefits available in Public Health Service hospitals, outpatient clinics, and other established Service medical facilities to persons "engaged" on board a vessel in the care, preservation, or navigation of such vessel. Under the present provisions of the Public Health Service Act, eligibility for treatment is limited to persons "employed" on board vessels.

The effect of this amendment would be to extend eligibility for Federal medical care to two groups not eligible under present law: (1) self-employed seamen—e.g., owner-operators of small vessels, including those engaged in certain excursions or noncommercial fishing operations, and (2) passengers, guests, or others on board a registered, enrolled, or licensed vessel who are not regular members of the crew but who may perform some useful service related to the care, preservation, or navigation of the vessel.

The legislative history of this program suggests that the participation of the Federal Government in providing medical care to merchant seamen rests primarily on a national interest in assuring the effectiveness of the labor force required for an adequate American merchant marine. A self-employed owner who performs duties related to the care, preservation, or navigation of a documented vessel of the United States is, in effect, fulfilling the same purpose as the employed seamen on board the vessel. Since such persons are in fact applying their maritime skills, they are essentially adding to the maritime labor force. Although statistics are not available on the self-employed seamen who would come within the provisions of the proposed legislation, it is believed that neither the number nor cost would significantly affect the present program.

Public policy, however, would not be served by extending Federal medical care benefits to passengers, guests, and others aboard a documented vessel by reason of some incidental services they may provide in the course of their presence aboard the vessel. It is, therefore, suggested that such persons be excluded from these benefits by revising the amendatory language of H.R. 3797 to substitute "self-employed" for the term "engaged."

Enactment of this bill would pose no serious difficulties for this Department as a provider of service; however, the fundamental issue of provision of medical care to merchant seamen, as a matter of public policy, is not here in question. The purpose of the bill is to remove an apparent inequity in present practice by amending the act to include a certain class of seamen who formerly enjoyed the privilege of receiving medical care in Public Health Service hospitals, and not to expand the program in any substantial manner. Speaking solely as a provider of services, this Department has no objection to the passage of the bill, modified as suggested above; on the larger question of public policy involving the furnishing of medical care for merchant seamen in Public Health Service hospitals in general, we are unable to comment until completion of discussions with other departments and agencies now taking place.

We are advised by the Bureau of the Budget that there is no objection to the presentation of this report and that the Bureau has submitted a separate report of its views on the bill to your committee.

Sincerely,

ABRAHAM RIBICOFF, *Secretary.*

DEPARTMENT OF HEALTH, EDUCATION, AND WELFARE,
Washington, July 20, 1962.

HON. OREN HARRIS,
Chairman, Committee on Interstate and Foreign Commerce,
House of Representatives, Washington, D.C.

DEAR MR. CHAIRMAN: This letter is in response to your request of June 19, 1962, for a report on S. 367, a bill to provide medical care for certain persons engaged on board a vessel in the care, preservation, or navigation of such vessel.

The bill would amend sections 2(h) and 322(a)(1) of the Public Health Service Act, as amended, so as to extend the medical care benefits available in Public Health Service hospitals, outpatients clinics, and other established service medical facilities to two groups not eligible under existing law: (1) self-employed seamen (e.g., owner-operators of small vessels); and (2) fishermen, whether employed or self-employed, who are not directly engaged in the care, preservation, and navigation of the vessel.

The legislative history of this program suggests that the participation of the Federal Government in providing medical care to merchant seamen rests primarily on a national interest in assuring the effectiveness of the labor force required for an adequate American merchant marine. A self-employed owner who performs duties related to the care, preservation, or navigation of a documented vessel of the United States is, in effect, fulfilling the same purpose as the employed seaman on board the vessel. Since such persons are, in fact, applying their maritime skills, they are essentially adding to the maritime labor force. Although statistics are not available on the self-employed seamen who would come within the provisions of the proposed legislation, it is believed that neither the number nor cost would significantly affect the present program. (These seamen, in fact, received such medical care until 1954, at which time, pursuant to an opinion of counsel, they were excluded from the program.)

Individuals on a fishing vessel engaged solely in fishing or processing operations have never been considered eligible for medical care in Public Health Service hospitals.

Enactment of this bill, as amended, would pose no serious problems for this Department as a provider of services. On the larger questions of public policy, involving the furnishing of medical care for self-employed seamen, and for fishermen, in Public Health Service hospitals in general, we defer to the departments and agencies charged with program responsibility.

We are advised by the Bureau of the Budget that while there is no objection to the presentation of this report from the standpoint of the administration's program, the Budget Bureau recommends against enactment of the bill.

Sincerely,

WILBUR J. COHEN, *Assistant Secretary.*

DEPARTMENT OF THE INTERIOR,
OFFICE OF THE SECRETARY,
Washington, D.C., August 10, 1962.

HON. OREN HARRIS,
Chairman, Committee on Interstate and Foreign Commerce,
House of Representatives, Washington, D.C.

DEAR MR. HARRIS: Your committee has requested a report on H.R. 2262, a bill to amend section 322 of the Public Health Service Act to permit certain owners of fishing boats to receive medical care and hospitalization without charge at hospitals of the Public Health Service. S. 367, a bill to provide medical care for certain persons engaged on board a vessel in the care, preservation, or navigation of such vessel, has passed the Senate and is also pending before your committee. H.R. 3797, H.R. 8029, H.R. 10921, and H.R. 11920 are also pending before your committee.

Section 322 of the Public Health Service Act (42 U.S.C. 249) authorizes the Public Health Service to provide medical care and treatment of certain persons, including seamen "employed" on vessels of the United States. The proposed legislation would expand the authority to include persons employed or self-employed as fishermen on board commercial fishing vessels.

An important characteristic of the fishing industry is the prevalence of numerous small businessmen. These men are primarily fishermen, who, through

considerable enterprise, have acquired ownership of, or interest in, the craft with which they carry on their occupation. They go to sea and usually fish alongside the fishermen who are paid wages, or, in the case of joint ownership, the several partners will work together going to and from the fishing grounds and in the actual fishing operations.

Owner-fishermen generally perform the same duties and engage in the same activities as do the hired fishermen. They face the same dangers and are subject to the same injuries and illnesses which befall fishermen working for wages. In addition, they must assume the business risks of an entrepreneur, although their personal financial position may be more precarious than that of their employees. In such instances the owner-fisherman could ill afford the expense of private medical facilities.

In addition to the owner-fishermen problem, fishermen are presently considered to be eligible to receive medical and dental treatment at Public Health Service hospitals only if they can be classified as "seamen" employed on vessels of the United States, registered, enrolled, and licensed under the maritime laws. A fisherman requesting treatment as a seaman is often required to furnish records indicating his occupation on board the fishing vessel, such as "engineer," "deck-hand," et cetera. Generally, this presents no problem, as fishermen normally perform a variety of duties which qualify them as seamen. In those instances, however, where members of the crew are engaged solely in fishing or processing operations on board the vessel they probably would not qualify as "seamen" for the purpose of receiving the benefits of section 322. The proposed legislation would qualify them.

In view of the above considerations, owner-fishermen and all persons employed as fishermen on board U.S. registered, enrolled, and licensed commercial fishing vessels could be considered for eligibility for the medical and dental services that are provided for seamen. At the present time, an estimated 32,000 persons in this category are eligible, and the proposed legislation would qualify approximately 11,000 more.

A study now underway involves a reexamination of the question of free medical care for various categories of seamen under present-day circumstances. While the proposed legislation might be enacted now in order to remedy an inequity under the present system, if the present system should be modified substantially as a result of the study, the position of owner-fishermen and other fishermen would, of course, be reevaluated under the modified system.

The Bureau of the Budget has advised us that there is no objection to the submission of this report to your committee, but that it believes it would be inappropriate to extend free medical care to any additional group before the study has been completed.

Sincerely yours,

JOHN A. CARVER, Jr.,
Assistant Secretary of the Interior.

DEPARTMENT OF THE NAVY,
OFFICE OF THE SECRETARY,
OFFICE OF LEGISLATIVE AFFAIRS,
Washington, D.C., August 2, 1961.

HON. OREN HARRIS,
Chairman, Committee on Interstate and Foreign Commerce, House of Representatives, Washington, D.C.

MY DEAR MR. CHAIRMAN: Your request for comment on H.R. 3797, a bill to provide medical care for certain persons engaged on board a vessel in the care, preservation, or navigation of such vessel, has been assigned to this Department by the Secretary of Defense for the preparation of a report thereon expressing the views of the Department of Defense.

This bill would amend sections 2(h) and 322(a)(1) of the Public Health Service Act so as to include among the persons entitled to medical care in Public Health Service facilities persons engaged on board American merchant vessels in the care, preservation or navigation of the vessel. These sections as presently worded limit this medical care to persons "employed" in these activities.

As this bill does not relate to persons entitled to medical care in military medical facilities, the Department of Defense does not desire to comment on its merits.

This report has been coordinated within the Department of Defense in accordance with procedures prescribed by the Secretary of Defense.

The Bureau of the Budget advises that, from the standpoint of the Administration's program, there is no objection to the presentation of this report for the consideration of the committee.

Sincerely yours,

W. S. SAMPSON,
Captain, U.S. Navy, Deputy Chief
 (For the Secretary of the Navy).

THE GENERAL COUNSEL OF THE TREASURY,
 Washington, July 14, 1961.

Hon. OREN HARRIS,
Chairman, Committee on Interstate and Foreign Commerce, House of Representatives, Washington, D.C.

MY DEAR MR. CHAIRMAN: Reference is made to the request of your committee for the views of this Department on H.R. 3797, to provide medical care for certain persons engaged on board a vessel in the care, preservation, or navigation of such vessel.

The proposed legislation would extend the benefits of the Public Health Service Act to certain persons not now entitled to such benefits because they have not been considered as "employed" on board vessels. The broader term "engaged" used in the bill would include individuals serving on board who contribute to the vessel's operation.

Since the subject matter of the bill is not of primary interest to the Treasury Department, no comment is offered on its general propriety.

The Department has been advised by the Bureau of the Budget that there is no objection from the standpoint of the administration's program to the submission of this report to your committee.

Very truly yours,

ROBERT H. KNIGHT,
General Counsel.

Mr. ROBERTS. This legislation is not of earth-shaking importance, but it is vital to the fishing industry and to commercial fishermen.

There is no need for my going into this legislation any further, because our witnesses are in a much better position than I am to explain the legislation.

Our first witness will be the Honorable Clem Miller, of California.

STATEMENT OF HON. CLEM MILLER, A REPRESENTATIVE IN CONGRESS FROM THE STATE OF CALIFORNIA

Mr. MILLER. Mr. Chairman, I believe that the most important purpose I can serve in testimony on this bill at the present time is to make clear what we authors are seeking to accomplish. We are seeking to reestablish an equity amongst seamen of those eligible for hospital care. The policy of free medical care for seamen has a long, long history which goes back almost to the founding of our Republic. Our bill has nothing to do with policy considerations.

And I might say, Mr. Chairman, that there might be disagreement among those of use who have authored this legislation in one respect or another, but I am sure that we are in agreement as to the basic thing to be accomplished.

It has to do only with eligibility within that well-defined policy. That is all we are doing, nothing more.

We are not seeking to add any new categories. We are not seeking to broaden the purview of the act nor its purposes. We accept and

endorse the purposes of the act. So, let us be absolutely clear. We intend, and I have discussed this with other authors of the legislation, we intend only to make eligible for protection of the law, certain classes of seamen who have been historically eligible until an unfavorable administrative ruling of 1954.

Now, why are we so concerned that this bill should succeed? It is because the 1954 ruling has been unjust in its effect. These fishing boat captains, these seamen have been excluded because they were caught up in a ruling about yachtsmen and others clearly ineligible. This was very understandable relating to those who were abusing the law, but it also unfairly caught up our seamen.

The purpose of the Public Health Service Act is to give protection to those who may be called upon to serve their country in times of emergency and to shore up a skill and a profession that is most necessary, particularly at that time of emergency. Since the fishing boat captains we are here considering fit this category in every respect, they should be included in coverage.

It makes no sense to exclude them, they share in every detail, the hardships, the difficulties of those now explicitly covered. At the same time they bear the further burden of supplying the vessels called into service, frequently for inadequate or negligible recompense.

These are the owners, or the part owners of commercial fishing boats. These men we seek to cover are seamen. They must be seamen, and good ones, if they are to engage in their occupation of fishing. These men engage in the work of fishermen. Out of this confusion between "employment" and "engagement" has arisen semantical difficulties which must be resolved. So, to say it again, one cannot be a fisherman, unless he "engages" in seamanship. Navigating our oceans in these crafts of low tonnage is not done by fishermen, it is done by seamen of high order of skill. I would state for the record that these fishing boat captains know more of seamanship than those about whose eligibility there is no question. These men keep alive the nautical skills far more than a deckhand.

I can see why the semantical difficulties arise. Critics in the Department of Commerce are befuddled over terms like "employment" and "engaged." If a man is "employed" as a fisherman, can he be "engaged" as a seaman? It is a confusion over the words used as a term of "hire" as distinct from "working at." I think our testimony, the testimony on the Senate side, and the report of this committee can be made unequivocally explicit that we are seeking to cover men who "work at" seamanship, as the bill states, those who are—

employed or self-employed on board in the care, preservation, or navigation of any vessel.

This should make explicit exactly what we mean to do. It should further implement our testimony that we do not intend to expand coverage of the bill. This has been recognized by Health, Education, and Welfare in its letter of May 14 to the chairman of this committee, Mr. Harris, quoted approvingly in the Senate Report 1502, which accompanies the bill.

Unfortunately, this same report throws a cloud upon this intent when it says, in part:

Also made eligible for such care by the committee amendment would be persons employed or self-employed as fishermen on board commercial fishing vessels, even in cases where their employment may not be directly related to the care, preservation, or navigation of the vessel.

Bureau of the Budget, in its letter of June 18, to Chairman Harris, picks up this point and gives emphasis to it. The letter states in part:

* * * it is our understanding that fishermen who do not perform seaman duties have never been eligible for such care.

I would agree that this is the case, and I would reiterate that we do not seek to include them if they do not engage in seaman duties.

It should be noted that the language of the Senate report quoted above says that employment may not be "directly" related. Previously in my testimony, I have indicated that the persons considered here cannot engage in fishing unless they know seamanship.

More important perhaps, is that the language of the Senate bill makes our contention on coverage quite clear and explicit. Note the language beginning on line 8 of that bill of eligibles as "including persons employed or self-employed as fishermen on board commercial fishing vessels." This clause is subordinate to the preceding language that pertains to the "care, preservation, or navigation of any vessel," in other words, seamanship.

Since these persons for whom we seek coverage are "employed" or "engaged" as fishermen as a job title, they must therefore be so described in the bill, but they perform the function, they work at seamanship, and it is as seamen that they are included within the purview of this act.

Now, I would like to address myself to the other objection raised to this bill by the Bureau of the Budget. It is the familiar Bureau gambit—delay. It asks in the June 18 letter to Chairman Harris that the bill—

not receive favorable consideration by your committee pending completion of the consideration which the executive branch is giving to the question of eligibility for free medical care for various categories of seamen.

In this connection, we feel it should be kept in mind what our objective is—to reestablish equity and fairness and to reinstate a category that has traditionally been included. It is a bill of limited objective. Its effect is limited to an estimated 6,000 seamen as eligible, and compared with the costs of the program, represents a negligible addition.

It may well be that the Executive will seek reconsideration of the entire program. It may be that Congress will act on this recommendation. That is another subject for another day, another Congress.

In a letter of May 1 to Chairman Harris, the Bureau says this executive department study will be released "within the next few months." That was on May 1. It is now mid-August. The report has not yet been released. Were it to be released tomorrow, there is no chance for congressional committees to consider a fundamental, far-reaching consideration of the problem in the time remaining until adjournment. We are here concerned with the program as it now exists, and to establish the fairest base within that program. If a succeeding Congress in its wisdom seeks to alter the program that is something else again. It does not seem to me that the Bureau of the Budget should use some problematical future as a device for refusing present equity. The bill should be considered on its merits. In our opinion, within the present framework, it merits our approval. I sincerely hope that it will be favorably reported by committee.

As to the form of the bill, I will conclude by saying that all of us who are authors of the bill agree on the stated purposes, and will unite to that end. I will agree that the language of the Senate bill as adopted accomplishes this end. I believe that the record of the Senate hearings makes it plain what we seek to do. It makes plain that we do not intend to broaden the coverage. Even were the term broadened to include fishermen who do not perform seamen tasks, it is estimated this would add not more than 1,000 eligibles. I am sure that the testimony in our hearing here today will support the conclusion that we do not intend to broaden the coverage. I do know that Federal agencies charged with the administration of this act are pleased by this clarification of definition. Those private and public associations concerned with maritime affairs are delighted with the further definition afforded by this bill.

I hope that the committee will favorably report this bill.

Mr. ROBERTS. Thank you, Mr. Miller.

Is your bill identical to the bill the Senate side introduced by Senator Bartlett?

Mr. MILLER. Mr. Chairman, it is not. And I take no pride in authorship in H.R. 2262 which I have introduced. I feel that since S. 367 has passed the Senate, realizing the shortness of time that remains, I for my part am willing to endorse the exact terminology and phraseology of S. 367.

I believe that it does the job completely, adequately, and that properly construed, it does not extend the coverage and jurisdiction. I see no reason why a good clear record here cannot support that conclusion.

Mr. ROBERTS. Would you have any idea of how many persons would be covered under S. 367?

Mr. MILLER. About 7,000, Mr. Chairman. Under our bill we cover about 6,000. S. 367, as construed by the Senate report, adds a terminology of "fishermen who do not engage in seamanship," and it is estimated that of that there will be approximately 1,000.

Mr. ROBERTS. Do I assume that this would cover fishermen on all coasts of the United States?

Mr. MILLER. That is correct. It would have nothing to do with geography, it would have to do with classification of work.

Mr. ROBERTS. I thank you very much.

The next witness will be the Honorable Thor C. Tollefson.

STATEMENT OF HON. THOR C. TOLLEFSON, A REPRESENTATIVE IN CONGRESS FROM THE STATE OF WASHINGTON

Mr. TOLLEFSON. There are a number of witnesses that wish to appear this morning, and in order to conserve time, may I say that I have read the statement of my colleague, Congressman Miller, and I have heard his testimony this morning, and I have read the testimony which will be supplied by the Labor Management Maritime Committee, which substantially supports the same position taken by Congressman Miller.

I concur in the statement made by Congressman Miller and concur also in the testimony which will be given by the Labor Management

Maritime Committee. I trust this committee will act favorably upon the measure which seeks to, shall I say, correct an administrative decision made in 1954. And roughly speaking, we seek through this legislation to restore to this Public Health Service those people that were under it prior to 1954, and were eliminated by the administrative decision.

Mr. ROBERTS. Thank you very much.

Our next witness will be the Honorable Ralph J. Rivers.

STATEMENT OF HON. RALPH J. RIVERS, A REPRESENTATIVE-AT-LARGE FROM THE STATE OF ALASKA

Mr. RIVERS. May I first extend my thanks for the scheduling of this hearing upon S. 367. I appear as a witness in favor of this bill, which is similar to my own bill, H.R. 3797, also under consideration by this committee. The purpose of this legislation is to enable fishing vessel owner-operators who work aboard their vessels to receive the same medical benefits as are afforded by the Public Health Service to seamen employed on board in the care, preservation, or navigation of any vessel.

The need for this legislation arose in 1954 when the Surgeon General of the United States ruled in respect to medical benefits that the Public Health Service Act applies only to fishermen holding a contract of employment on a fishing vessel. The Surgeon General based his decision on the definition of the term "seamen" which is set out in the Public Health Service Enabling Act. There, a "seaman" is defined as "* * * any person employed on board in the care, preservation, or navigation of any vessel * * *." From this definition the Surgeon General reasoned that unless a seaman held a contract of employment, he was precluded from being a beneficiary of the Public Health Service benefits. Thus an owner-operator working aboard a vessel on a self-employed basis is denied access to Public Health Service facilities.

In Alaska alone there are 2,500 small fishing boat owners who earn less than \$4,000 per annum. With such small income they are as much in need of care in Public Health Service facilities as are their employees. Indeed, prior to 1954 no distinction was made as to whether persons working aboard the vessel owned or held a part interest in the vessel. Such owners lead as migratory a life as their crews, ranging just as far away from their home ports, with the same lack of access to medical care in their home communities. Thus, the very reason which first led to Federal Public Health Service care of fishermen still applies the same as ever to these owner-operators of small fishing vessels who work aboard their vessels. The legislation now under consideration would restore to self-employed fishermen the eligibility for care in Public Health Service facilities which they enjoyed prior to 1954.

S. 367, however, goes beyond such owner-operators engaged in the care, preservation, or navigation of the vessels involved, and would include those persons aboard having nothing to do with the care, preservation, or operation of the vessel, such as those engaged solely in setting and housing the nets and handling or processing the fish. To

bring this about, S. 367 would cover not only "seamen" participating in the care, preservation, or navigation of the vessel, but those—

in the service, on board, of those engaged in such care, preservation, or navigation, including persons employed or self-employed as fishermen on board commercial fishing vessels.

It is primarily this expansion of coverage which arouses the opposition of the Bureau of the Budget as reflected in its letter of June 18, 1962, addressed to Mr. Harris, chairman of the full committee, in which the Bureau points out that fishermen who do not perform seamen's duties have never been eligible for such care. Thus, a policy question is involved, which, in my opinion, should be settled by this Congress. Inasmuch as there are only about 1,000 individuals fishing aboard these vessels who have nothing to do with the care, preservation, or navigation of the vessels, and since there is often a fine line to draw as to just what constitutes sufficient seamanship duties to entitle a man to be treated as a seaman under the purview of the present act, I favor clearing up the entire matter and simplifying the administrative work involved by enacting S. 367 as presently written. I also note that those aboard in the nonseaman category range just as far from the home port as do the seamen and should, therefore, be covered, plus the fact that the Department of Health, Education, and Welfare states in its report that there will be no significant increase in the financial burden if this group is added.

And I might interject, Mr. Chairman, that the bill I introduced is limited to expanding this coverage to bring back under these benefits the owner-operators of these fishing vessels. But Senate bill S. 367, which was amended on the Senate side since it was first introduced, in my opinion does expand that coverage. So you see that I differ somewhat with Congressman Clem Miller on that. He thinks that by interpretation S. 367 does not expand the coverage set forth in his bill and in my bill, but I think S. 367 does add words that would expand the coverage.

I might add, though, that as to such policy question as is involved before this committee, that I am in perfect accord with the committee determining that policy question in accordance with the idea of the more limited coverage as contended by Congressman Miller, and that is to simply restore the masters and the owners who actually participate in the fishing and in the operations of the vessel to the benefits which they enjoyed prior to 1954.

I do support this legislation. As to the desire of the Bureau of the Budget to further study the whole matter of medical aid for seamen, I suggest that if the clear-cut solution contained in S. 367 is adopted, there will be little left to study except the scale of benefits.

As an indication of the support of this legislation by Alaskans, I submit for inclusion in the record following my testimony, letters addressed to me from the following persons: Frank Luhr, Petersburg, Alaska; Sam Idem, Petersburg, Alaska; Myrth B. Sarvela, Sitka, Alaska. I also submit House Resolution 6 of the Alaska State Legislature.

In closing, Mr. Chairman, I wish to think you and the other members of the committee for giving me such kind attention and consideration.

Mr. ROBERTS. Thank you, Mr. Rivers. I appreciate very much your appearance and the explanation of the difference in your viewpoint and that of Mr. Miller. It will certainly be considered by the committee. We are grateful for your appearance.

(Communications to Mr. Rivers supporting the legislation follow:)

REPRESENTATIVE RALPH RIVERS,
House of Representatives,
Washington, D.C.

PETERSBURG.

DEAR REPRESENTATIVE RIVERS: I have been a salmon troller and fished my own boat, the *Laura Ann*, for quite a number of years. I am naturally interested in the legislation restoring the marine hospital benefits to the vessel owners as it was until 1954.

I am hoping you will support the S. 367 bill on marine hospital service.

Sincerely,

FRANK A. LUHR.

PETERSBURG, ALASKA, *April 9, 1962.*

Representative RALPH RIVERS,
House of Representatives, Washington, D.C.

DEAR MR. RIVERS: I have been a fisherman in the Petersburg area for many years. I own the boat *Miss Norma* and operate as skipper and crew. I am very much in favor of the legislation restoring the marine hospital benefits to the owners-operators as it was originally set forth in the law.

I urge you to support S.367, the bill on marine hospital service.

Very truly yours,

SAM IDEM.

ABOARD THE "MYRTH," SITKA, ALASKA, *June 20, 1962.*

HON. E. L. BARTLETT,
Senator, Alaska,
U.S. Senate, Washington, D.C.

DEAR BOB: Thanks for your letter of June 12 and the report on S. 367. It is gratifying to learn that our efforts helped in this cause. The fishermen will be grateful to you and Senator Magnuson for your interest in our behalf.

I also believe that the fishery resource probably received a measure of publicity on this bill and goodness knows we need something in Washington, D.C., to awaken the Congress to the value of this national resource to the Nation.

If you have any suggestions of what we, the fishermen, can do to assist the passage of this bill in the House please advise me and we will get to work.

Salmon trolling is slim. There seems to be few fish but the price of \$0.75 for red kings helps the pocketbook.

Best wishes.

Sincerely,

MYRTH B. SARVELA.

DEAR MR. RIVERS: If there is anything that the wives of commercial fishermen can do further to get this bill through the House, please let us know. The report that Senator Bartlett sent me dated June 5 seems to have made all the appeals necessary to have the House realize that the situation as it stands today is unjust.

Sincerely,

MYRTH B. SARVELA.

(House Resolution 6 of the Alaska State Legislature follows:)

IN THE HOUSE

By Messrs. Hansen, Ditman, Jarvela and Deveau

HOUSE RESOLUTION 6

IN THE LEGISLATURE OF THE STATE OF ALASKA, SECOND LEGISLATURE,
FIRST SESSION

Relating to medical care for owner-operators of fishing vessels

Be it resolved by the house in second legislature, first session assembled:

Whereas there has been a longstanding need for Federal legislation providing medical care for owner-operators of fishing vessels who are engaged on board in the care, preservation, or navigation of such vessels; and

Whereas Senator Warren G. Magnuson, of the State of Washington, and Senator E. L. Bartlett, of Alaska, along with Representative Ralph J. Rivers of Alaska, have introduced identical bills on this subject in both Houses of Congress: Be it

Resolved by the house of representative in the second legislature, first session assembled, That Senators Warren G. Magnuson and E. L. Bartlett and Representative Ralph J. Rivers are complimented on their introduction of this vital legislation and assured of the support of the people of Alaska in their effort to have the legislation approved by the 87th Congress; and be it further

Resolved, That copies of this resolution be sent to the sponsors of the medical care legislation and the chairmen of the Committees on Foreign and Interstate Commerce of the House and Senate of the Congress of the United States.

Passed by the House February 20, 1961.

WARREN A. TAYLOR,
Speaker of the House.

Attest:

ESTHER REED,
Chief Clerk of the House.

Certified true, full, and correct.

ESTHER REED,
Chief Clerk of the House.

Mr. ROBERTS. Any questions?

Mr. SCHENCK. Is there any estimate of the additional cost?

Mr. RIVERS. In the HEW report it says that there is only about 1,000 of these people who work aboard these fishing vessels not directly related to navigation, but simply for the fishing purposes, and that the increased coverage would result in a very negligible amount of extra cost to the Government.

Now, as Congressman Miller said, if you take in all the skippers presently excluded—the owner's, I should say—who are working aboard the vessels, there would be about 6,000. If you take S. 367 as I view it, you would be adding about an additional thousand people who can barely justify having anything to do with the navigation or the care of the vessel.

And so his figures coincide with mine.

Mr. ROBERTS. Thank you, Mr. Rivers.

Our next witness will be our former colleague on this committee, Congressman Pelly, of Washington.

We are very glad to have you, Congressman. We appreciate the fine service you gave to the House when you served on this committee.

**STATEMENT OF HON. THOMAS M. PELLY, A REPRESENTATIVE IN
CONGRESS FROM THE STATE OF WASHINGTON**

Mr. PELLY. Thank you, Mr. Chairman and members of the subcommittee. I never fail to come before this committee without feeling a nostalgia, seeing those with whom I served years ago still doing a fine job.

I would like to give a short statement this morning, but before doing so I would like to concur with what my colleagues who testified before me said with regard to the language and the provisions of the bill.

We just want to restore the public health services to those who had them taken away by Executive order.

I appreciate this opportunity to appear in support of legislation, mine and other Members' bills to amend sections 2(h) and 322(a)(1) of the Public Health Service Act so as to extend hospital, medical, and dental benefits to persons who are on board fishing and other small vessels which are registered, enrolled, and licensed under the maritime laws of the United States and who are engaged in the care, preservation, or navigation of such vessel.

In effect, I favor restoring eligibility for Federal medical care in Public Health Service hospitals to certain seamen eliminated from their traditional benefits due to their reclassification as owners or part owners of fishing boats under executive ruling in 1954.

Historically merchant seamen have been provided medical care by the Federal Government in the national interest. However, owner-masters of fishing vessels in 1954 and since, by Executive order, have been denied the use of Government maritime medical care and facilities and this service has been reserved solely for seamen employed aboard ship, even though such fishing vessel owners perform the duties of seamen as defined in 42 U.S.C. 201(h).

Mr. Chairman, I am aware that in the President's health message to Congress on February 27, 1962, statement was made that the Secretary of Health, Education, and Welfare had been requested to develop a plan for providing more readily accessible hospital care for merchant seamen. As I understand, the administration takes the position that pending the completion of this study which will include questions of eligibility for free medical care for various categories of seamen, the matter of restoring benefits to fishing vessel owners should be delayed.

As a sponsor of this legislation, Mr. Chairman, I see no justification for the latter recommendation; on the contrary, I strongly urge that the matter of reestablishing eligibility as it was prior to the 1954 administrative ruling be considered now and this discrimination removed now. At such time as the President makes any recommendations based on the study that is underway then the whole matter of medical service through public health maritime hospitals can be considered. The one point I hope to make, Mr. Chairman, is that I feel an injustice has been done and discrimination exists which should be removed. In this connection, I look on it as the responsibility for the Congress to correct the situation. In other words, I think a mistake has been made and that the law should be amended to remove the inequity. The position of the Bureau of the Budget is like a dentist letting a suffer-

ing patient delay having an aching tooth treated because one of these days he will be having all his teeth checked. The issue as far as I am concerned is to restore medical and hospital care to the category of seamen-owner-operators of fishing vessels as denied since the administrative action of 1954. A separate issue completely is one of accessibility of facilities and other broad matters of overall policy.

I urge the committee to report a bill favorably and in conclusion, thank the committee for allowing me to present my views.

Mr. ROBERTS. Thank you, Mr. Pelly, for your good statement. We welcome you back to this committee, and would be glad to have you come back to see us from time to time.

Mr. ROBERTS. Thank you very much.

The next witness is the Honorable Julia Butler Hansen. It is a pleasure to welcome you to our subcommittee hearings.

**STATEMENT OF HON. JULIA BUTLER HANSEN, A REPRESENTATIVE
IN CONGRESS FROM THE STATE OF WASHINGTON**

Mrs. HANSEN. It is a pleasure to appear.

My statement will be very short. I want particularly to compliment my colleagues Congressman Miller, Congressman Rivers, Congressman Pelly, and Congressman Tollefson, who have appeared in support of this legislation.

I may say that I represent a district where the fishing operators are the owners, and they fish in the waters of Grays Harbor, they fish in the Columbia River, and they fish in the waters of Alaska. It has been a source of great pride to these men that they consider themselves as seamen-fishermen. For anyone who thinks that they do not operate as seamen or vice versa, I would suggest sharing some of the experiences on their fishing boats. I have been aboard their boats many times, and it is a coordinated operation; you can't separate seaman from fishing.

But this discontinuation of their medical services in 1954 was a severe inequity.

I have a prepared statement for you, but I thought you would like to have personal remarks. I am strongly in support of H.R. 8029, which is identical to the other gentleman's bill, and I do urge that this inequity be corrected at this session of Congress.

Thank you very much, Mr. Chairman.

Mr. ROBERTS. Thank you, Mrs. Hansen.

Without objection, your statement will be included in the record.

(The statement of Mrs. Hansen follows:)

**STATEMENT BY HON. JULIA BUTLER HANSEN, A REPRESENTATIVE IN CONGRESS
FROM THE STATE OF WASHINGTON**

Mr. Chairman, I wish to make the following statement in support of my bill, H.R. 8029, which is identical to House bills introduced by Representatives Ralph J. Rivers, Clem Miller, Thomas M. Pelly, and Clifford G. McIntire, who recognize, as I do, the need to include owner-operators of fishing boats as recipients of Public Health Service hospital and medical care.

It is the clear purpose of this legislation to remove the unfortunate effect of the 1954 administrative ruling which denied self-employed fishermen an eligibility for public health benefits that existed for 56 years.

This denial has created an inequity between benefits enjoyed by wage-earners and the owner-operators who share the hazards of their occupation to the same degree.

Enactment of this legislation would contribute an incentive for employee fishermen to acquire their own vessels and a safeguard against one of the economic risks of business beset by uncertainties.

The sentiment of the many fishermen in my district is best expressed in this typical letter from Mr. Fay Cowles, of Westport, Wash. Mr. Cowles wrote:

"You are to be commended for introducing a bill to reinstate us fishermen to Public Health Service. We were entitled to this service for years, and I believe it is the intention of Congress for us to have the service.

"Please work for your bill and you will have the gratitude and support of the entire fishing industry."

This, I believe, is the intention of Congress and the present position of the Department of Health, Education, and Welfare.

I have been advised, on the other hand, of certain objections of the Bureau of the Budget.

One of these objections is based on a contention by the Bureau that this legislation would "add to the definition of 'seamen' persons employed as fishermen aboard commercial fishing vessels."

This objection arises from a misunderstanding of the responsibilities of persons employed aboard fishing vessels. All such persons do perform seamen duties.

The second Budget Bureau objection is also based on a misunderstanding. Advocates of this measure clearly understand, contrary to BOB interpretation, that the cost of medical care is not provided by tonnage tax. Congressman Miller emphasized in his testimony before the Senate committee that tonnage tax revenues are no longer specifically earmarked for seamen's medical care. The cost of such care since 1905 has been met by regular appropriations to the Public Health Service.

Other witnesses will provide detailed information as to the costs and administration of this bill which I understand do not present a significant burden in either case.

This statement is intended to convey my wholehearted support of the legislation before you and the support of the fishermen of southwest Washington.

Thank you.

Mr. ROBERTS. The next witness this morning is the Honorable Jack Westland. We are pleased to have your statement.

STATEMENT OF HON. JACK WESTLAND, A REPRESENTATIVE IN CONGRESS FROM THE STATE OF WASHINGTON

Mr. WESTLAND. Mr. Chairman, thank you for this opportunity to appear before your subcommittee in support of S. 367 and similar bills which would restore to self-employed American fishermen their eligibility for certain medical benefits through the Public Health Service.

I am pleased that S. 367 was passed by the Senate without dissenting vote on June 8, 1962. In fact, the history of this legislation indicates there has been little if any opposition. During hearings by the Senate Committee on Commerce nobody appeared in opposition. This is legislation that has bipartisan support.

Mr. Chairman, those of us who are familiar with the fisheries of the Pacific Northwest and Washington State know that the self-employed fishermen, in other words fishermen who own their own boats, in practice carry out duties and functions similar to those engaged in by employed crew members. I point this out because the administrative ruling that excluded them from eligibility was based on language in the law requiring eligible seamen to be employed on board in the care, preservation, or navigation of a vessel. Yet, we know that these self-employed fishermen are engaged in the care, preservation, and naviga-

tion of their vessels and are subject to the same perils at sea as their crews. I say that the self-employed fisherman is essentially fulfilling the same purpose as an employed seaman on board a vessel.

Fishing is a dangerous job. Anyone who has sailed the waters in the Aleutian area, crossed the gulf of Alaska, weathered sudden winds and riptides of the Inland Passage, or has witnessed a blow in Puget Sound—even in the relative comfort of a large commercial vessel—immediately recognizes the dangers involved in fishing in these waters. Mr. Chairman, these are the waters which fishermen of my district must enter to earn their livelihood.

Such hazardous work necessarily means that insurance rates are high for these self-employed fishermen. Mr. George Johansen, secretary of the Alaska Fishermen's Association, has pointed out it is often difficult for some boatowners and self-employed fishermen to survive the economic blows sustained when they become ill or have an accident.

Mr. Chairman, the precedent for this legislation is self-evident. For 156 years, between 1798 and 1954, self-employed fishermen did receive benefits of medical care through the Public Health Service. Then, after all these years, an administrative ruling put an end to their eligibility. I think it is time for Congress to restore that eligibility and I hope this subcommittee agrees.

Mr. ROBERTS. Thank you for your fine statement.

Next we have our colleague from Maine, Hon. Clifford G. McIntire. We are pleased to have your statement, sir.

STATEMENT OF HON. CLIFFORD G. McINTIRE, A REPRESENTATIVE IN CONGRESS FROM THE STATE OF MAINE

Mr. McINTIRE. Thank you Mr. Chairman. I am pleased to be here this morning.

I think the justification for my legislation, H.R. 11920, and companion legislation has been extremely well documented in Senate Report No. 1541, as relating to S. 367.

The pertinent legislation, as that report clearly certifies, is designed to correct an inequity by canceling out an administrative finding that bars owner-operators of fishing boats from being recipients of Public Health Service and hospital and medical care.

In effect, then, the ruling now in effect discourages fishing vessel ownership, for under its provisions a fisherman would be penalized for becoming the owner of a boat by being required to surrender up a health service to which he was entitled prior to his ownership.

This administrative ruling is inconsistent with the best interests of the American fishing industry, for it destroys an incentive ingredient highly vital to the dynamic expansion of our fishing industry.

Mr. Chairman, a mere administrative ruling should never be permitted to stand superior to the spirit and intent of the law. In this respect, it is of great importance to note that for 156 years—from 1798 to 1954—owner-operators of fishing craft were extended health services under the Public Health Service Act. These benefits would still be in effect were it not for the administrative ruling in question.

I would like to say that my State of Maine is a maritime State, with the fishing industry being a vital part of the State's economy. The

legislation before this committee certainly would not perform miraculously to cure all of the problems that presently visit with the fishing industry of my State or the Nation. It would, however, remove one of the stumbling blocks that stand to interfere with the fishing industry's forward progress.

The problems of the American fishing industry are many, some of them enmeshed in a depth of complexities. The legislation before this committee, however, seeks to resolve an impediment that stands out in clear view. I, therefore, implore this committee to adopt this legislative remedy.

Mr. Chairman, inasmuch as the spirit of S. 367 is consistent with my legislation, H.R. 11920, I heartily urge this committee to extend its approval to this legislation which was passed by the Senate on June 8, 1962.

Mr. Chairman, I deeply appreciate having the privilege of submitting my statement to this committee for its serious consideration.

Mr. ROBERTS. Thank you, Mr. McIntire, for your statement.

We now have Senator Bartlett with us. Senator, welcome to the subcommittee.

STATEMENT OF HON. E. L. (BOB) BARTLETT, A U.S. SENATOR FROM THE STATE OF ALASKA

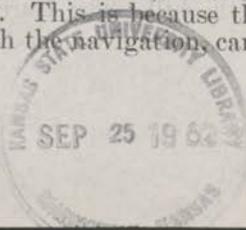
Senator BARTLETT. Mr. Chairman, I appreciate this opportunity to present a statement in support of S. 367, a bill introduced by Senator Magnuson and cosponsored by me, which would restore to owner-operators of fishing vessels and to other self-employed seamen medical care benefits under the Public Health Service Act which were denied by a Public Health Service ruling in 1954.

For 164 years, since 1798, we have provided hospital care for seamen. Since 1798, and even before that time, our seamen have played a vital role in manning the ships which play such an important part in our national defense. In his February 27, 1962, message on the health program, President Kennedy, himself, reaffirmed our 164-year tradition of providing such hospital care.

For 156 years, from 1798 up to 1954, our owner-operators of fishing vessels have been regarded as seamen and have been eligible for medical care. In 1954, the Public Health Service published rules designed to exclude from medical care benefits for such persons as guests and passengers. This ruling, however, had the adverse and perhaps unintended effect of excluding from medical care benefits the owner-operators of fishing vessels. The purpose of S. 367 is to restore to these owner-operators the eligibility for medical care which they enjoyed for 156 years, and which might have been inadvertently denied to them through the 1954 Public Health Service ruling.

The arguments and justifications for this bill were thoroughly explored in the hearings which were held by the Senate Commerce Committee on May 2, 1962. As a result, the bill was reported on June 5 and passed the Senate on June 8.

In the hearings, it was discovered that, in addition to owner-operators, there are employed upon fishing vessels about 1,000 fishermen who are not officially regarded as seamen. This is because they do not, officially, perform work connected with the navigation, care, and



preservation of the vessel. The committee decided to include such individuals in the provisions of S. 367.

This bill has wide support, Mr. Chairman, from fishermen throughout the Nation as well as from the maritime industry. The only opposition to S. 367 stems from the Bureau of the Budget which has given three reasons for opposing passage of the bill.

First, the Bureau's report on S. 367 states that the bill should be held up until the whole problem of medical care for seamen can be studied.

Second, it is claimed that the Commerce Committee's report was based on the mistaken assumption that the tonnage tax provides revenues from fishing vessels which should be regarded as an offset to the cost of medical care.

Third, it is claimed that fishermen who do not perform seamen duties on board a vessel should not be included in medical care coverage.

I would like to briefly state my views on each reason which the Bureau of the Budget offers in opposition to S. 367.

1. The report of the Bureau of the Budget on S. 367 recommended that the bill not be enacted at this time because of the fact that the President has asked the Secretary of Health, Education, and Welfare to develop a plan for providing more readily accessible health care for merchant fishermen, that this is a matter of concern for several departments of the executive branch, including the Commerce Department, and, that the executive branch will be in a position to advise more fully on the legislation when the studies are completed within the next few months.

Mr. Chairman, more than a few months have passed since this report on S. 367 was made and the problem, I assume, is still being studied. It will, perhaps, be under study after Congress adjourns. It will, perhaps, be under study next year.

In this connection, I would like to point out that this bill was introduced on January 11, 1961, at the very beginning of the 87th Congress. Moreover, identical bills or bills of similar intent have been introduced every year since 1955.

We already know what the problem is, Mr. Chairman. Our owner-operators of fishing vessels, for 156 years, from 1798 to 1954, were eligible for medical care, but they were denied such care because of the Public Health Service ruling in 1954. This ruling was made in order to stop abuse of the medical-care privilege by such persons as owners of pleasure craft and housewives on houseboats, not originally intended by Congress as beneficiaries of medical care. The intent of the ruling was not to exclude from eligibility the owner-operators of fishing vessels who have for 156 years been eligible for medical care.

The purpose of S. 367 is to correct the adverse effects of the 1954 ruling. Further studies, in my view, are not necessary to accomplish this.

2. On June 18, 10 days after the Senate passed S. 367 on June 8, the Bureau of the Budget wrote to the chairman of the House Interstate and Foreign Commerce Committee to present additional opposition to the bill. The Bureau stated the reason given in its original

report on S. 367, that is the need to await the completion of the studies of the whole problem of medical care for seamen. In addition, the Bureau of the Budget stated two new reasons for opposing the passage of S. 367. The Bureau was concerned about the—

indication in the Senate committee report that the committee based its recommendation in part on an assumption that the tonnage tax provides revenues from fishing vessels which should be regarded as an offset to the cost of medical care.

In a letter on June 26, I replied to the Bureau as follows:

* * * the committee was fully aware of the fact that fishing vessels, generally speaking, are exempt from the tax * * *. Our prime purpose in reciting the facts with reference to the tonnage tax was to bring out the point that maritime labor and maritime industry, which does pay the tax, had no objection to this bill which would add to the cost of the seamen's medical aid program.

3. In the same letter to the chairman of the House Interstate and Foreign Commerce Committee, the Bureau of the Budget expressed concern over the fact that in the amended Senate bill, there was included, in addition to seamen employed upon fishing vessels, persons employed as fishermen upon such vessels. The committee intended to include such persons employed or self-employed as fishermen on board commercial fishing vessels, even in cases where their employment may not be directly related to the care, preservation, or navigation of the vessel. According to the Department of the Interior's estimates, only about 1,000 fishermen would be involved.

Mr. Chairman, in Alaska, and in the Pacific Northwest generally, the effects of the 1954 ruling have been particularly harsh upon the smaller owner-operator, the person whose income is small, whose documented vessel is small, yet who does the same work, who faces the same hazards, and who has the same needs for medical care as the rest of his crew, which is entitled to hospitalization. Moreover, it is this small owner-operator who, first, forms the backbone of our commercial fishing fleet; and, second, has played such a vital defense role in the past wars in which the United States has become involved; for instance, in our defense of Alaska and particularly the Aleutians in World War II. Third, our owner-operators are important in possible future conflicts; for instance, during war situations in which air and land transport between Alaska and the lower 48 States may be interrupted, and in which we may be even more dependent upon the ocean for our food supply.

As I stated in my testimony supporting S. 367, before the Senate Commerce Committee, it is apparent that under the Public Health Service ruling, with a suitable, clever, and time-consuming reorganization of his business, a currently ineligible owner or coowner could become eligible for Public Health Service Act medical benefits.

However, our owner-operators of fishing vessels have neither the time nor the resources to engage in protracted reorganizations of their business operations just to cope with Public Health Service rulings. They are too busy attempting to wrest a living from the harsh and unpredictable ocean.

Mr. Chairman, the prime purpose of S. 367 is to restore to owner-operators of fishing vessels the Public Health Service medical care which was denied to them through an administrative ruling in 1954. The passage of S. 367 will serve to correct the adverse effects of the

1954 Public Health Service ruling and will provide reaffirmation of congressional intent that the United States continue the time-proven, 156-year tradition of providing medical care to owner-operators of fishing vessels.

I respectfully urge that the committee give S. 367 its favorable consideration.

Mr. ROBERTS. Thank you for your fine statement, Senator.

The next witness will be Mr. Boisfeuillet Jones, special assistant to the Secretary for Health and Medical Affairs, Department of Health, Education, and Welfare.

STATEMENT OF BOISFEUILLET JONES, SPECIAL ASSISTANT TO THE SECRETARY FOR HEALTH AND MEDICAL AFFAIRS, DEPARTMENT OF HEALTH, EDUCATION, AND WELFARE

Mr. JONES. Mr. Chairman, the Department of Health, Education, and Welfare presented a report on this bill on July 20, and we stand on this report. The report has not been produced in volume, but it is available to the members of the committee. It is brief, and I shall read it if you so desire.

Mr. ROBERTS. I think if you would it would be helpful.

Mr. JONES (reading):

DEAR MR. CHAIRMAN: This letter is in response to your request of June 19, 1962, for a report on S. 367, a bill to provide medical care for certain persons engaged on board a vessel in the care, preservation, or navigation of such vessel.

The bill would amend sections 2(h) and 322(a)(1) of the Public Health Service Act, as amended, so as to extend the medical care benefits available in Public Health Service hospitals, outpatient clinics, and other established Service medical facilities to two groups not eligible under existing law: (1) Self-employed seamen (e.g. owner-operators of small vessels); and (2) fishermen, whether employed or self-employed, who are not directly engaged in the care, preservation, and navigation of the vessel.

The legislative history of this program suggests that the participation of the Federal Government in providing medical care to merchant seamen rests primarily on a national interest in assuring the effectiveness of the labor force required for an adequate American merchant marine. A self-employed owner who performs duties related to the care, preservation, or navigation of a documented vessel of the United States is, in effect, fulfilling the same purpose as the employed seaman on board the vessel. Since such persons are, in fact, applying their maritime skills, they are essentially adding to the maritime labor force. Although statistics are not available on the self-employed seamen who would come within the provisions of the proposed legislation, it is believed that neither the number nor cost would significantly affect the present program. (These seamen, in fact, received such medical care until 1954 at which time, pursuant to an opinion of counsel, they were excluded from the program.)

Individuals on a fishing vessel engaged solely in fishing or processing operations have never been considered eligible for medical care in Public Health Service hospitals. Enactment of this bill, as amended, would pose no serious problems for this Department as a provider of services. On the larger questions of public policy involving the furnishing of medical care for self-employed seamen, and for fishermen, in Public Health Service hospitals in general, we defer to the departments and agencies charged with program responsibility.

We are advised by the Bureau of the Budget that while there is no objection to the presentation of this report from the standpoint of the administration's program, the Budget Bureau recommends against enactment of the bill.

Sincerely,

Signed by the Assistant Secretary for Legislation.

Mr. ROBERTS. I have no questions.

Thank you, Mr. Jones, for your appearance here.

Any questions?

Mr. ROGERS of Florida. I just wondered, Mr. Jones, if you do have any figures at all as to the number of individuals on fishing vessels engaged solely in the fishing-processing operations who have not previously been covered.

Mr. JONES. Mr. Rogers, we are not in a position to supply those figures accurately. We have heard and are using generally the figure of about 1,000. There are apparently not a great number, but there are some. We have somewhere in the neighborhood of 30,000 fishermen or seamen-fishermen on board vessels who are now covered. Those who are fishermen without engaging in the operations, care, or navigation of the boat, would be a relatively small number, probably in the neighborhood of a thousand.

Mr. ROGERS of Florida. Thank you very much.

Mr. ROBERTS. Thank you very much.

Our next witness is Harold E. Crowther, Assistant Director, Bureau of Commercial Fisheries, Department of the Interior.

STATEMENT OF H. E. CROWTHER, ASSISTANT DIRECTOR, BUREAU OF COMMERCIAL FISHERIES, U. S. DEPARTMENT OF THE INTERIOR

Mr. CROWTHER. Mr. Chairman, the Department of Interior report on this bill was delivered to the committee this morning.

If you do not wish to read the Department's report, I would like to read a prepared statement.

I appreciate this opportunity to appear before your committee and make a statement on proposed legislation to amend the Public Health Service Act to permit certain owners of fishing vessels to receive medical care and hospitalization without charge at hospitals of the Public Health Service. Your committee originally requested a report from the Department of the Interior on H.R. 2262. Since that request, S. 367 has been passed by the Senate and is before your committee. H.R. 3797, H.R. 8029, H.R. 10921, and H.R. 11920 are also before you. S. 367 contains all of the suggestions of this Department that are discussed below.

Under the Public Health Service Act, as amended, seamen employed on vessels of the United States, registered, enrolled, and licensed under the maritime laws thereof, other than canalboats engaged in the coasting trade, are entitled to medical, surgical, and dental treatment and hospitalization without charge at hospitals and other stations of the Service. Persons employed on board documented fishing vessels of the United States are eligible for medical care as American seamen if they are substantially engaged in the care, preservation, or navigation of the vessel or if they are employed in the service on board of those engaged in such care, preservation, or navigation. However, certain fishermen are not entitled to these services.

Four of the bills would amend section 2(h) of the Public Health Service Act by adding the words "or engaged" after the word "employed" so that the term seamen is redefined as follows:

The term "seamen" includes any person employed or engaged on board in the care, preservation, or navigation of any vessel, or in the service on board of those engaged in such care, preservation, or navigation.

We seriously question, however, whether the addition of the words "or engaged" to the definition of seamen accomplishes the real intent of the legislation. The word "engaged" might cover persons who are on board fishing vessels primarily as passengers and might be occupied in some minor task on the vessel of no significant consequence to its operations. I do not believe it is the intent of the sponsors of this legislation that such passengers be provided the services intended to be authorized by the legislation. The use of the words "or self-employed" instead of the words "or engaged" would be more appropriate. This would clearly include the operating vessel owners who formerly received, without charge, the hospitalization and medical, surgical, and dental treatment, until the free treatment of such persons was stopped in 1954.

In addition to extending the benefits of the Public Health Service Act to commercial fishermen who are owner-operators of fishing craft and who are now excluded from treatment without charge, it would also clarify the position fishermen operating under the "lay" system hold as beneficiaries under the act. These fishermen, while not owners or coowners, are not always considered to be "employed" in the strict sense of rendering services in an employment relationship under a contract of hire, as are other seamen. They are remunerated by taking a share of the catch and may, in some instances, be considered to be coadventurers.

Fishermen who are owners or coowners of fishing vessels are not now entitled to medical benefits from the Public Health Service because they are not performing their duties in an employment situation. This is true even though they accompany their vessels on fishing operations, and a substantial part of their services in connection with such fishing operations are comparable to the services performed by employed fishermen on such vessels.

These vessel owners are primarily fishermen, differing from the members of the crew only in that they have acquired ownership of, or interest in, the craft with which they carry on their occupation. They usually go to sea and fish alongside the fishermen who are paid wages, or, in the case of joint ownership, the several partners will work together going to and from the fishing grounds and in the actual fishing operations.

In order to follow their calling these owner-fishermen, as other fishermen, are obliged to go to sea, often for long periods. They may, of course, become sick or be injured when away from their home port and be obliged to seek medical relief in places where they are unknown and where there are no facilities for their aid except those which may be furnished by the U.S. Public Health Service. In many instances the financial position of the owner-fisherman, who must assume the business risks of an entrepreneur, is as precarious as that of his employees. Enactment of these bills would permit the fishermen who are owner-operators to have the benefits of the Public Health Service Act now received by fishermen who are crew members.

In addition to owner-fishermen, fishermen are not eligible for free treatment at, or admission to, Public Health Service hospitals. A fisherman requesting such treatment or admission is often required to furnish records indicating his seaman's occupation on board the

fishing vessel, such as engineer, deck hand, and so forth. Generally, this presents no problem. When not engaged in fishing or related activities, fishermen perform a variety of duties which qualify them as seamen. There may be instances, however, where certain individuals on a fishing vessel would be engaged solely in fishing or related activities on board the vessel, such as setting and hauling in the nets, heading the catch, and so forth, and would be ineligible to receive free hospital services. The proposed legislation would qualify them.

Approximately 123,000 fishermen were engaged in commercial fishing activities during 1960. Of this number 80,000 owner-fishermen and fishermen served on undocumented boats of limited fishing range and were not eligible for free medical benefits from the Public Health Service. About 32,000 served aboard documented vessels and could have been considered eligible. Should the proposed legislation become law, approximately 11,000 additional persons on documented vessels would be eligible.

Thank you, Mr. Chairman.

Mr. ROBERTS. That last sentence of your statement as to the 11,000 additional persons who would be eligible, that would not apply to the Rivers bill, would it? ?

Mr. CROWTHER. To what, sir?

Mr. ROBERTS. To the Rivers bill.

Mr. CROWTHER. No, sir.

Mr. ROBERTS. The Rivers bill would not expand it that far?

Mr. CROWTHER. No, sir. These are the fishermen who go to sea, sir.

Mr. ROBERTS. All right. Thank you very much.

Any questions?

Mr. SCHENCK. I just wanted to ask Mr. Crowther, as I understand it, this does not cover the owner-operated fishing boat that goes out on private fishing parties such as down the Chesapeake Bay, for instance, and in various coastal waters who hire their boats for a day to people who want to fish or to go deep sea fishing?

Mr. CROWTHER. It is our interpretation that it does not, sir. It includes only commercial fishermen, and only on documented vessels, that is, on vessels of over 5 net tons. So in our interpretation it would not include party boats.

Mr. ROBERTS. Is part of the requirement of a documented vessel that it be 500 or more tons?

Mr. CROWTHER. Just 5 net tons, not 500.

Mr. SCHENCK. That is a relatively small boat, is it?

Mr. CROWTHER. It excludes boats used by about 80,000 fishermen. As my statement said here, about 80,000 fishermen are on fishing craft of that size or smaller. In other words, we have many fishing craft which are under 5 net tons. So as far as fishing craft goes it is not a particularly small vessel.

Mr. SCHENCK. What is the length of a 5-ton fishing vessel?

Mr. CROWTHER. I would defer that to some of our commercial fishing representatives who are here.

This gentleman says that a fishing vessel that is 36 feet long with a net beam of 11 feet would be approximately 5 tons. The net tonnage of vessels differs considerably, because it depends on how much space is taken up by other than hold space. So the length of a 5-ton vessel and the beam can vary greatly.

For instance, the vessels that are carried aboard the big tuna fishing boats are up for consideration as to whether or not they are 5 net tons. They are small vessels, but they have much open space inside which is considered when determining net tonnage.

Mr. ROGERS of Florida. We have heard the figures 1,000 used. And now you say 11,000 would actually be covered?

Mr. CROWTHER. Yes, sir. The figure 11,000 came during the testimony before the Senate committee. When I was asked to estimate how many fishermen would not be included as owner-fishermen, I estimated approximately 1,000. Since the Senate committee hearings we have made as careful an evaluation as we can, and find that approximately 9,900 vessel owners would be considered eligible, and adding the 1,000 would bring us approximately to the 11,000 figure.

Mr. ROGERS of Florida. What was the 1,000? I am sorry.

Mr. CROWTHER. The 1,000 are the fishermen who are not owners, but who are not now covered—

Mr. ROGERS of Florida. Just fishermen?

Mr. CROWTHER. Yes, under the Public Health Service Act—fishermen not engaged in the care, preservation, and navigation of the vessel are not eligible for hospitalization.

Mr. ROGERS of Florida. What is required for registration? When does the boat have to be registered with the maritime?

Mr. CROWTHER. When it is 5 net tons or over, sir.

Mr. ROGERS of Florida. And as long as it is in commercial fishing and it is 5 tons or more it must be registered?

Mr. CROWTHER. Yes, sir.

Mr. ROGERS of Florida. What about pleasure craft?

Mr. CROWTHER. I can't speak on that, sir.

Mr. ROGERS of Florida. Is there anything to exclude pleasure craft?

Mr. CROWTHER. In here?

Mr. ROGERS of Florida. Suppose it has to be registered, and they use it for fishing, say a man owns a boat for pleasure, and then it has to be registered, and then he lets his captain fish with it when he is not using it himself, would that be covered under this law?

Mr. CROWTHER. Did I understand, Mr. Rogers, that you are referring to a pleasure type boat that is used for fishing? By our interpretation it would not be eligible under this bill.

Mr. ROGERS of Florida. What would keep it from being eligible under this?

Mr. CROWTHER. I believe the bill refers to owners of commercial fishing vessels. The pleasure craft referred to would be documented as a yacht and not as a fishing vessel. Vessels operated in the commercial fishing industry are documented as commercial fishing vessels.

Mr. ROGERS of Florida. Commercial fishing vessel?

Mr. CROWTHER. Right.

Mr. ROGERS of Florida. Thank you very much.

Thank you, Mr. Chairman.

Mr. ROBERTS. Thank you, Mr. Crowther.

Our next witness will be Mr. Earl W. Clark, codirector, Labor-Management Maritime Committee.

STATEMENT OF EARL W. CLARK, CODIRECTOR, LABOR-MANAGEMENT MARITIME COMMITTEE

Mr. CLARK. Mr. Chairman, with the permission of the committee, I should like to read into the record the statement of the AFL-CIO Maritime Committee which the American Merchant Marine Institute filed with the Senate when S. 367 was being heard there.

Mr. ROBERTS. Without objection it may be done.

Mr. CLARK. The Labor-Management Maritime Committee representing some of the major American-flag steamship lines and seagoing labor unions, the AFL-CIO Maritime Committee consisting of the largest segment of maritime unions within the AFL-CIO, and the American Merchant Marine Institute comprising a broad membership in the maritime industry, desire to jointly support the general intent and purpose of S. 367. We believe that Public Health Service hospital and medical care should be made available to a certain class of fishermen presently denied such care because they are owners or part owners of fishing vessels.

It should be pointed out that, prior to 1954, these fishermen (who were owners or part owners of vessels) were receiving such hospital and medical care but were excluded during that year following a legal opinion by the General Counsel of the Department of Health, Education, and Welfare.

We understand the occasion for such ruling arose in 1955 out of a claim for medical care by certain parties occupying residential yachts and houseboats. The claims were based on the general language of the law. The attempt in the cases in point were to include even a housewife, who was in fact engaged in the care or preservation of the vessel under the literal wording of the act.

Mr. ROBERTS. Excuse me for interrupting. Where are you reading in the statement?

Mr. CLARK. I am on page 2. I have just concluded page 2, the bottom of page 2.

Mr. ROBERTS. In this statement here?

Mr. CLARK. There are two statements, Mr. Chairman.

The one I am now reading was filed before the Senate Committee on Commerce and which I transmitted earlier to Chairman Harris. And then there is the statement which supplements this which I believe is the statement you have in hand. If you do not have this statement I believe it is here.

Mr. ROBERTS. I have it now.

You may proceed.

Mr. CLARK. It seems obvious that such persons were not intended to fall under the classification of seamen as set forth in 42 U.S.C. 201(h).

In November of 1953, the Public Health Service referred the matter to the General Counsel of that agency for review and advice. His opinion resulted in the issuance of regulations which had the broad effect of barring, among others, the fishermen owners or part owners of small fishing vessels to whom such medical and hospital care had been traditionally extended.

The new regulations were first published in the Federal Register on March 24, 1954, revised and republished on May 26, 1954, and became effective June 26, 1954.

While no one could quarrel with the necessity for proper interpretation of the law and its appropriate application to the type of cases giving rise to the new regulations, the net effect upon certain of those in the fishing trade was unfortunate.

Seamen employed on vessels registered, enrolled, or licensed under the maritime laws of the United States are now entitled to Public Health Service care. This is clearly established in 42 U.S.C. 249 (a) (1). Many of these are fishermen. However, by administrative regulation, those fishermen who own or have an interest in their fishing boats are now excluded.

The fact that a fisherman enjoys ownership or part ownership of a small fishing boat in which he pursues his occupation, does not appear to change the complexion of his occupation as a fisherman. Furthermore, his occupation is for the most part comparable to the many other types of seamen. In fact, many of these fishermen-seamen have been readily adjusted to other types of seamen's duties during wartime or in periods of national emergency. Certainly their normal duties on board a vessel are not changed by virtue of the fact that they have an interest in some fishing boat.

We subscribe to modification of the law to the extent that it can be interpreted to also include owner-operators of fishing boats—registered, licensed, or enrolled under the laws of the United States—as recipients of Public Health Service hospital and medical care. We believe, however, amendment as proposed by S. 367 is so broad that it could be interpreted to apply to other than fishing boatowners as, for example, independent contractors.

This sentence, Mr. Chairman, refers to the original language, I think, in which the discussion was to use the word "engaged." That has now been taken out.

Furthermore, if the definition of seaman is broadened, as supposed, it might possibly be extended to other laws. The reference here is not to the bill as finally passed by the Senate, but the bill as originally introduced with the words "engaged in."

In order to amend the law to accomplish the true intent embodied in the proposal which you are considering, we suggest and recommend that section 1 of S. 367 be amended to read in some such manner as follows:

That section 2(h) of the Public Health Service Act (42 U.S.C. 201(h) is amended by striking out "any person employed on board" and inserting in lieu thereof "any person employed or self-employed on board" and by inserting immediately after the word vessel, the following: "(including persons employed or self-employed as fishermen on board commercial fishing vessels)."

You will note that our suggestion as to the position of that bracketed clause is different that the position in which you find it when the bill was finally read out. They moved it to the end of this subsection rather than at the point in which we had it. At the end it follows the words "in the service." It is hard to imagine an owner or a part owner of a vessel as being in the service of some line.

The intent here was not to accomplish any other purpose than to identify those fishermen who were engaged in the care and preserva-

tion and navigation. And therefore we had it following immediately after those words "care, preservation, and navigation" to identify such fishermen as falling within the three categories of the bill which identify the seamen's duties.

Now, Mr. Chairman, that was the end of our statement before the U.S. Senate which I have, with your permission, read into the record here.

If I may, now, I should like to turn to the second statement which amplifies this problem, since passage of the bill by the Senate.

We have filed with this committee, the position taken by our organizations on S. 367 when it was being heard by the Committee on Commerce in the Senate.

Our position remains the same. We support legislation to restore medical and hospital care to owners, or part owners, of fishing boats who, prior to 1954, received such care in the Public Health Service hospitals. This owner, or part owner, class of persons were ruled ineligible by administrative action following an opinion by legal counsel in the Department of Health, Education, and Welfare.

Such persons generally perform the duties of seamen as defined in 42 U.S.C. 201(h) and are engaged in the care, preservation, and navigation of fishing vessels. The fact that they are owners, or part owners, of the vessel does not change this basic occupational characteristic.

At this point I should like to say that Congressman Clem Miller, I think, understands this problem right down to the grassroots of it. He has made a very good statement here today on this very point, that what we are trying to cover is the class of people who were excluded in 1954, nothing else.

We took the position that any legislation to restore medical and hospital care to this class of persons should maintain the integrity of the term "seamen" as now provided under governing law. It should not open the floodgates to recipients of various and sundry types unrelated to the basic nature of the seamen occupation.

In short, persons who only fish should be excluded. Only those persons whose duties fall within the accepted category of seamen should be covered, namely, those performing the duties of care, preservation, and navigation of vessels.

The fact that such persons are also engaged in fishing activities should not adversely affect their status as recipients of medical and hospital care.

With this in mind, we recommended in the Senate hearings that the words "including persons employed or self-employed as fishermen on board commercial fishing vessels" be bracketed immediately following the words "care, preservation, or navigation of any vessel" in 42 U.S.C. 201(h). The intent here was to show that medical and hospital care should be extended to fishermen only when they were included as qualifying under the duties of care, preservation, and navigation.

However, the bill as passed by the Senate included terminology of this nature at the end of subsection (h) (42 U.S.C. 201) which appears to relate the added recipients to those "in the service" of persons employed, or self-employed, in care, preservation, or navigation.

Here again, let me repeat, it is hard for me to visualize those who are owners or operators being in the service, they employ others.

We do not argue the language element if it is considered or interpreted to include only those employed, or self-employed, in care, preservation, or navigation. And as Congressman Miller has indicated, if the present wording of the Senate bill can be so limited, if it can be so interpreted, if it can be so couched in the language of the report of this committee so that its meaning will be forever clear, that it is talking about those only who are engaged in the seaman's duties, then we would have no objection to that.

But I think this must be made very clear.

We do dissent to any application or interpretation which results in purely fishermen being included. This has never been the concept of the basic legislation.

The Bureau of the Budget in its letter to Chairman Harris, dated June 8, 1962, while stating that the purpose of the bill is to restore self-employed persons on board fishing vessels to medical and hospital care, also feels that the language of the bill as passed, now includes all fishermen as employed on board commercial fishing vessels.

If this is so, then, some limiting language would seem in order. The principal emphasis of all the testimony in the Senate on S. 367 by all the witnesses stresses, again and again, the words "self-employed seamen," "owners or co-owners of fishing vessels," "vessel owner," "owner-fisherman," "fisherman-seamen," "owner operators." Whenever the witnesses used the word "fisherman" without the proper terminology, the meaning is still clear that only in the capacity of performing seamen's duties were they to be entitled to medical care. The fundamental purpose of the bill should thus be to restore medical care to owner-operators who formerly were eligible but who, by action of the executive department, were excluded in 1954.

The Bureau of the Budget makes the point that there—

is the indication in the Senate committee report that the committee based its recommendation in part on an assumption that the tonnage tax provides revenues from fishing vessels.

We find no indication of this in the report. The testimony treated of this matter but it was made clear on page 49 of the hearings, and I made this clear in my testimony there—that "fishing boats generally do not pay such tax."

It was pointed out that since 1798, some charges, either against seamen's wages or by means of tonnage taxes, have been made and that those who have paid such charges for support of the Public Health Service medical and hospital care, and who have an interest in maintaining the integrity of the term "seamen," as defined in 42 U.S.C. 201 (h) for medical-care purposes, interpose no objection to the bill.

Now, that is the group I represent; there are three groups here in this testimony who are involved with the tonnage. We interpose no objection, we do not say that fishing boats should pay tonnage taxes.

But such charges were made against seamen—not fishermen—documented vessels but not fishing boats.

We believe perhaps, the chief purpose in the Bureau of the Budget's letter is stated on page 2 wherein they do not favor the bill—

pending completion of the consideration which the executive branch is giving to the question of eligibility for free medical care for various categories of seamen.

May I say that the question of medical and hospital care to seamen is congressional policy, it has been congressional policy since the year 1798 when John Adams signed into law the first medical care bill. It is congressional policy. Only the Congress can change that policy.

I don't think the executive department can. They can make recommendations, but it is congressional policy, and it still is firmly entrenched today that these seamen should have medical care.

Such a study as the Bureau suggests on a broad scale for completion at some future date should not deny the restoration of those excluded in 1954 from medical care and who qualify as engaging in seamen's duties aboard vessels in the fishing industry.

The real answer to this phase of the problem was covered in a statement by Mr. Bouisfeuillet Jones, special assistant to the Secretary, for health and medical affairs, Department of Health, Education, and Welfare, when he stated before the Senate Committee on Commerce that—

The fundamental issue of provision of medical care to merchant seamen, as a matter of public policy, is not here in question. The purpose of the bill is to remove an apparent inequity in present practice by amending the act to include a certain class of seamen who formerly enjoyed the privilege of receiving medical care in Public Health Service hospitals, and not to expand the program in any substantial manner (see p. 9 of the Senate hearing on S. 367).

This purpose should be accomplished. Some hold that the mere addition of the word "self-employed" in the language of the bill would accomplish the above purpose without reference to the words "fishermen on board commercial fishing vessels."

Such a position would appear to be sustained by the Bureau of the Budget letter of June 8, 1962, referred to above since as set forth in that letter—

Fishermen who also perform seamen duties are now eligible for medical care from the Public Health Service but it is our understanding that fishermen who do not perform seamen duties have never been eligible for such care.

The words "self-employed" would appear to have the effect of restoring medical and hospital care only to the class of owner-operators of fishing vessels which class of persons gave impetus to the legislation in the first place.

We shall not argue the language of the case. The important thing is to accomplish the needed purpose of restoring medical and hospital care to the category of seamen which has been denied such care since the administrative action of 1954.

Mr. Chairman, that concludes my statement.

Mr. ROBERTS. Thank you, Mr. Clark. We appreciate your appearance. And I think what you have said is very clear.

I have no questions.

Any questions, gentlemen?

(No response.)

Mr. ROBERTS. Thank you very much.

Our next witness is Mr. Jeff Kibre, Washington representative of the International Longshoremen's and Warehousemen's Union, 1341 G Street NW., Washington, D.C.

You may proceed.

STATEMENT OF JEFF KIBRE, WASHINGTON REPRESENTATIVE, INTERNATIONAL LONGSHOREMEN'S & WAREHOUSEMEN'S UNION

Mr. KIBRE. Mr. Chairman, I am appearing here in behalf of the ILWU Fisheries Division, comprising some 3,500 west coast fishermen and shoreworkers. I have a prepared statement which covers in general the same matter as the previous witnesses have brought before the committee. Therefore, in the interest of conserving time I would like to ask that my statement be incorporated in the record.

Mr. ROBERTS. Without objection.

(The prepared statement of Mr. Kibre follows:)

STATEMENT OF JEFF KIBRE, WASHINGTON REPRESENTATIVE, INTERNATIONAL LONGSHOREMEN'S & WAREHOUSEMEN'S UNION

My name is Jeff Kibre. I am the Washington representative of the International Longshoremen's & Warehousemen's Union. I appear today in behalf of the ILWU Fisheries Division, comprising some 3,500 west coast fishermen and shoreworkers, to support the enactment of S. 367, or similar bills, to provide medical care for certain persons engaged on board a vessel in the care, preservation, or navigation of such vessel, in the form approved by the Senate June 8, 1962.

The Senate-passed bill would restore to self-employed fishermen eligibility for medical care benefits under the Public Health Service Act. Such benefits were available to these fishermen from 1798 to 1954. They have been denied since the latter date as the result of an administrative ruling.

Under existing provisions of the act, medical services are available to all seamen employed on registered, enrolled, and licensed vessels of the United States. The term "seamen" is defined to include "any person employed on board in the care, preservation, or navigation of any vessel, or in the service, on board, of those engaged in such care, preservation, or navigation." These provisions go back to the acts of 1798.

Fishermen, of course, must necessarily be devoted to the care, preservation, or navigation of their vessels. But to qualify as beneficiaries of the Public Health Service Act, they must be "employed" on a fishing vessel. This standard simply does not fit the peculiar makeup and economic relationship of our fishing fleets; it bars thousands of men from medical service to which they otherwise would be entitled.

Broadly speaking, our fishing fleet is divided into two basic categories: large vessels, engaged primarily in deep-sea operations; and small boats, limited mainly to coastal, or offshore harvesting.

On the large vessels, the great majority of fishermen are employed as crewmembers. These fishermen have continuously enjoyed medical care benefits. But a comparatively small number of owners or part owners, who work alongside their crews, cannot qualify.

These owners, it should be noted, perform the same essential seaman services as their crewmembers. Except for the element of ownership in the vessel, they cannot be distinguished from the other fishermen aboard. It is manifestly unfair, therefore, that they be barred from Public Health Service medical care.

When we turn to the small boats, we find that the 1934 ruling had a particularly drastic effect. It placed virtually all small boat fishermen outside the scope of the act.

The typical small boat involves one or two or three men. Generally, the boat is owned, in whole or in part, by one or more of the working fishermen. The element of ownership, significantly, has long been promoted by fish buyers as essential to the practical requirements of the small boat fisheries. Thus, the overwhelming majority of small boat fishermen are operating on their own account, as independent contractors or joint venturers; typically, they are self-employed.

These fishermen constitute a vital part of the labor force required for harvesting our fishery crops. On the west coast they are engaged primarily in the salmon, albacore, barracuda, lobster, crab, and market fisheries. A considerable number work year around, moving up and down the coast from one fishery to the other.

For the purposes of the Public Health Service Act, it can be noted that the small boat fishermen certainly fit the intent of the definition applying to seamen beneficiaries. They are constantly involved in the care, preservation, or navigation of their vessels. In fact, their very lives often depend on expert seamanship and the care given their craft.

It is also pertinent to note that many small boat fishermen operate far from their home ports during the greater part of the year. A Puget Sound salmon fisherman, for example may, during certain months, be operating off San Diego for albacore. Often, when away from home, these men suffer accidents or disabilities that demand emergency medical care; and, more frequently than not, they lack the means to obtain promptly the needed attention.

Another aspect of the current situation bears mention. Continually, fishermen from large vessels are shifting to small boats, especially during hard times, when men must try everything to make a living. Suddenly, the long-time employee fisherman becomes self-employed and, even though performing essentially the same services, no longer qualifies for Public Health Service care. Obviously that man is left to wonder at the strange ways of Government.

By the very nature of their activities at sea, self-employed small-boat fishermen, we submit, are entitled to equal treatment with other fishermen and seamen. The test should not be their legal status, but the substances of their activities; whether they are consistently performing those functions which give them standing as seamen beneficiaries.

S. 367 would accomplish this objective for self-employed fishermen on small and large vessels. By incorporating in sections 2(h) and 322(a)(1) of the Public Health Service Act a reference to "self-employed fishermen," it will wipe out a critical inequity affecting many fishermen whose lives and livelihood depend on the care, preservation, or navigation of their vessels.

One final consideration should be taken into account in appraising this legislation. The Nation's fishing fleet, for a variety of reasons, has been hard hit during the last decade. The details need hardly be recited for this committee. Suffice it to say that the average fisherman desperately needs a little encouragement from his Government, from this Congress.

Speedy action in approving S. 367 will be more than welcomed by thousands of fishermen, on small and big boats alike. It will be taken as a sign that they are not forgotten, that they are remembered from time to time as men who fulfill an important service for their country.

Mr. KIBRE. I do want to emphasize that we support the language of the Senate bill. We support that language because we feel it will restore Public Health Service care for those fishermen who were deprived of coverage in 1954. We are not interested in broadening the coverage. We are not interested in seeing that the weekenders or the casual fishermen obtain this very necessary service.

We feel that the language of the Senate bill will accomplish the objective that we are after. And therefore we urge favorable action on that particular language.

Mr. ROBERTS. Are there any of the House bills that you prefer over others?

Mr. KIBRE. The House bills, as I recall—I haven't looked at the language recently—were substantially the same as the language of the original Senate bill. In other words, they used the language "engaged on board." We felt that that was too broad, and it might lead to overburdening the Public Health Service hospitals.

Therefore, we strongly approve the language as it was perfected on the Senate side.

Mr. ROBERTS. You would prefer to leave out that language which says "engaged"?

Mr. KIBRE. That is correct. We feel that that is too broad. We are primarily concerned, as the previous witness brought up, with restoring eligibility only to that class of fishermen who were deprived of coverage as a consequence of the 1954 ruling. That would be those

fishermen who are part owners of vessels, who are owners of vessels, who generally are self-employed.

And I might add that such fishermen perform precisely the same services as those fishermen who are described legally as employee fishermen; in fact, the great bulk of the fishermen that I am appearing for are employee fishermen aboard large vessels.

To repeat, let me state that customarily owners or part owners of vessels work right alongside crewmembers, performing the same duties and the same services, but are deprived of eligibility because of their technical status.

Mr. ROBERTS. Thank you very much, Mr. Kibre.

Any questions, gentlemen?

(No response.)

Mr. KIBRE. Thank you, sir.

Mr. ROBERTS. Our next witness is Mr. John H. Wedin, of Fishermen's News, Seattle, Wash.

**STATEMENT OF JOHN H. WEDIN, LEGISLATIVE REPRESENTATIVE,
FISHERMEN'S MARKETING ASSOCIATION OF WASHINGTON, INC.**

Mr. WEDIN. Thank you, Mr. Chairman.

As you mentioned, I am editor of the Fishermen's News, but I am here today representing the Fishing Vessel Owners Association, of Seattle, Wash., and others.

Mr. ROBERTS. Is Mr. Riley not here?

Mr. WEDIN. He is representing, I believe, the Fishermen's Marketing Association of Eureka.

Mr. ROBERTS. You may proceed.

Mr. WEDIN. The Fishermen's Marketing Association of Washington, Inc. is a cooperative representing the trawl vessel owners of the State of Washington, fishing primarily from the ports of Seattle and Bellingham. The number of vessels is about 65, and includes boats which normally seek the trawl fisheries, sole and cod, but also participates in such fisheries as halibut, albacore tuna, shrimp, and king crab.

In nearly every case, the captains of our vessels are also full or part owners of their vessels, and thereby have been denied the benefits of marine hospitalization since May of 1954.

S. 367, and the similar bills introduced in the House, will not solve the problems which today strike the fishing industry. Marine hospitalization is an important benefit to the commercial fisherman, but it will not, alone, bring the industry to the position it deserves.

Mr. ROBERTS. Mr. Wedin, is Mr. Lokken present?

Mr. WEDIN. No, sir.

Mr. ROBERTS. I understand you want to make your statement and have it include Mr. Lokken's statement?

Mr. WEDIN. If the committee please, I would like to enter Mr. Lokken's statement in a combined form with my own.

Besides the Fishermen's Marketing Association, I also represent the Fishing Vessel Owner Association, the Fisherman's Cooperative Association, the Purse Seine Owners Marketing Association, and the Bay Fish Exchange, statements for which I have inserted for the record.

I would like to make a combined statement.

Mr. ROBERTS. The prepared statement is the one you are giving now?

Mr. WEDIN. I am giving a preamble here now, and then I am going to go into the statement of Mr. Lokken which we have agreed upon.

Mr. ROBERTS. You may proceed.

Mr. WEDIN. I have already mentioned the groups we are representing here.

The Fishing Vessel Owners Association is a trade association composed of the operators of vessels engaged in the fishing industry in the North Pacific Ocean. At present, association members operate approximately 200 vessels engaged in fishing halibut, sablefish, albacore, king crab, shrimp, and bottom fish such as rockfish, soles, and ling cod. The operators of these vessels live in communities from San Diego, Calif., to Kodiak, Alaska. The vessels range in size from 40 to 100 feet in length and carry crews of from 3 to 10 men each. The vessels are all high seas vessels covering the Pacific Ocean from the waters off Mexico to those in the Bering Sea. Practically all of the vessels are operated by active vessel owners who go to sea with their own vessels and work under exactly the same conditions as do their crewmembers. In other words, these operators are self-employed seamen performing essential services in the operation of vessels at sea.

The Fishing Vessel Owners Association urges the passage of S. 367 by the House of Representatives. The passage of this bill is needed to correct inequities which resulted from a ruling in 1954 of the General Counsel of the Department of Health, Education, and Welfare. For 20 years or more prior to this ruling in 1954, self-employed seamen or those who had financial interests in the vessels on which they served as seamen had been entitled to medical care at facilities of the U.S. Public Health Service. This medical care was given to all persons working on board these vessels irrespective of whether they were working for themselves as owners or part owners of vessels or whether they were employees working for others just as long as they were employed in "the care, preservation, or navigation of any vessel, or in the service, on board, of those engaged in such case, preservation, or navigation." The word "employed" in this connection was given a broad interpretation similar to the word "used."

In May 1954, the General Counsel of the Department of Health, Education, and Welfare issued an opinion stating that the term "employed" would thereafter be interpreted in the narrow sense to mean only those persons working for someone else in an employer-employee relationship. This interpretation had the effect of denying medical care to the thousands of self-employed seamen all over the country, particularly in the fishing industry. It had the effect of dividing the crews on these vessels into two parts: one consisting of those who had no ownership in a vessel and who were eligible for medical care at facilities of the Public Health Service, and the other consisting of those who had an interest in the vessel no matter how small and who were excluded from receiving medical care at Public Health Service facilities. There was no justification for this ruling. It should be corrected as soon as possible by the passage of S. 367.

The hospitals of the U.S. Public Health Service, or marine hospitals as they are popularly known, have long performed an extremely use-

ful service for the U.S. maritime industry. The justification for providing medical facilities for seamen is well established in our history. Some of the reasons why these facilities were provided is as follows:

(1) The roving nature of the seaman's work requires special consideration. The seaman finds himself often in distant parts of the world where he is out-of-touch with the medical facilities to which the shore worker has easy access.

(2) The hazardous nature of his work merits primary attention. The seaman is often exposed 24 hours a day to exceptional hazards due to extraordinary weather conditions not faced by the shore worker or from which the seaman cannot escape as can the worker on land.

(3) The seaman's work is seasonal. This seasonality is often caused by decisions of the U.S. Government. The marine worker is affected to a greater degree by actions of the Government than is his land counterpart.

(4) The seafaring industry provides an outpost for the United States of value for military purposes. Seamen are usually the first to provide surveillance for their country in time of crises.

(5) The seafaring industry is characterized by economic insecurity due to its transient nature and to its seasonal cycles. Again this insecurity is caused in large part by governmental decisions.

(6) The seafaring industry is of extreme importance to the Nation in times of crises. It provides trained and experienced personnel for the Navy and merchant marine in wartime.

(7) The Government is dependent upon the maritime industry in so many ways that the Government has a special obligation in the interests of its own security to see to it that the maritime industry is kept in healthy condition at all times.

(8) The seamen in our maritime industry literally work elbow to elbow with workers from foreign lands, giving their occupation an international character deserving of the same consideration as that given seamen of other countries by their governments.

(9) The maritime industry, and this is especially true of the fishing fleet, serves as an auxiliary to the U.S. Coast Guard, and performs many of the tasks carried on by the Government-supported service. Were it not for the vessels of the fishing fleet, the cost of operating the U.S. Coast Guard would be much higher.

(10) The maritime industry vastly extends the economic and political influence of the United States into areas where the ordinary protection enjoyed by the shore citizen is not found.

The justification for providing medical facilities for seamen apply with equal force to self-employed seamen. The self-employed seamen must, of necessity, be on small vessels, for large vessels are usually operated by corporations and in such cases all men on board, including officers, are entitled to marine hospital benefits.

On these small vessels, the self-employed seamen work under exactly the same conditions as do the employed seamen. The hours are the same. The roving nature of the employment, the hazards, the seasonal condition of the work, the economic insecurity and all the other conditions are exactly the same. In some cases, the economic insecurity of self-employed seamen is greater than that of the employed seamen when cyclical conditions are unfavorable. In such

cases, self-employed seamen are bound to their vessels and employment and are saddled with insurance, depreciation, and other maintenance charges which go on, no matter how unprofitable the operation of their vessels may be.

The marine hospital service is not provided the maritime industry without charge. To begin with the cost was financed by a tax on seaman's earnings. This was replaced with a tax on the tonnage of vessels earmarked for the marine hospital service. Later the earmarking was discontinued, although the tonnage tax was retained and is still being collected today. However, fishing vessels, which paid this tax up to a few years ago, are not now required to do so.

S. 367 will add little if anything to the cost of the Public Health Service. An examination of the budget of the U.S. Public Health Service will no doubt reveal that its costs are higher today than in 1953, the last full year when self-employed seamen were given care. The hospitals are all established. No additional ones will be needed with the passage of S. 367.

S. 367 is needed to give present seamen an opportunity and incentive to improve their status. Vessel operators must come from the ranks of crewmen. No one can successfully operate a deepsea fishing vessel without first serving his apprenticeship as a crewmember. Crewmembers today hesitate to become self-employed operators, as they lose their hospital benefits when they do. The effect of this condition is to contribute to the weakening of the American fishing fleet.

Nowhere is this weakening more apparent than in the halibut fishing fleet in the Pacific Northwest. In 1950, the U.S. halibut fleet consisted of 476 vessels, employing 2,807 crewmembers; while in 1961, the fleet had shrunk to 315 vessels, employing only 1,412 men.

At first glance one might assume that the shrinkage has been due to a decline in halibut stocks. This is not the case, as halibut stocks available to the U.S. halibut fleet have actually increased. The increase, however, has gone to Canadian vessels, the only other vessels sharing materially in the North Pacific catch up to the current year. In 1950, the halibut catch totaled 57,283,000 pounds, of which U.S. vessels caught 38,399,000 pounds, while Canadian vessels landed 18,884,000 pound. In 1961, the overall catch was 69,637,000 pounds, of which the U.S. vessels took 40,024,000 pounds, as against 29,613,000 pounds by Canadian fishermen. In other words, the U.S. catch has remained relatively stationary, while the Canadian catch increased by 11 million pounds.

Let us add, at this point, that it would be extreme exaggeration to blame the deterioration of the American halibut fleet wholly on the injustice which S. 367 seeks to correct, but it is no exaggeration to say that the injustice done in 1954 is one of the factors which has contributed to the weakening of the American halibut industry.

Our industry today has powerful competitors in its area of operation. Our American fishermen-seamen are working literally side by side with fishermen from these competing countries. These in the North Pacific, at the present time, are from Canada, Japan, and Russia. The situation in the North Pacific, therefore, merits attention from the standpoint of S. 367.

First, let us look at our neighbors, the Canadians. Their vessels are like ours in the main. They are the same size to all intents and

purposes and operate under more or less the same conditions. In Canada, however, the vessels may pay to the Canadian Government's sick mariners fund a sum comparable to the tonnage tax charged American merchant vessels and which, up to a few years ago, was also charged American fishing vessels. But, for this Canadian charge, the crews of the Canadian vessels, including any self-employed seamen on board, are entitled to medical and hospital benefits without further cost.

The Japanese vessels are quite unlike ours. They are in most part owned by large companies, and, as far as we know, have no self-employed persons on board. It is presumed that all personnel on board are furnished medical services.

The Russian vessels are large and modern and in a class by themselves. They are government-owned and operated and their numbers are being expanded rapidly. Cost apparently is not a factor in their operation or deployment. Without doubt, the crews on Russian vessels who are government employees from every standpoint receive full medical and hospital care.

These are the vessels among whom our fishermen-seamen are working and with whom our seamen are attempting to compete. It is an unequal struggle. For its own welfare, our Government should set about to improve the competitive position of its marine industry, including both large and small vessels.

These vessels, in this atomic age, could become indispensable in the event of atomic warfare. With land areas and our population centers the target of enemy attack, and with our food supply from our agricultural heartland contaminated by the byproducts of atomic war, the merchant marine of the country, including the fishing fleet, could well become a means of survival for many of our citizens through the movement of people out of danger areas and for production of food from the sea.

It is our considered opinion that if the U.S. fishing industry is to survive, it must have assistance from the U.S. Government. Our private industry cannot compete with fishing fleets operated as arms of foreign governments or subsidized by them. S. 367 is not the sole solution to the dilemma, but its adoption is a step in the right direction. We, therefore, urge its passage by the House of Representatives with utmost haste.

(Attachment to the statement of Mr. Wedin follows:)

STATEMENT OF FISHING VESSEL OWNERS ASSOCIATION OF SEATTLE, WASH.

The Fishing Vessel Owners Association is a trade association composed of the operators of vessels engaged in the fishing industry in the North Pacific Ocean. At present, association members operate approximately 200 vessels engaged in fishing halibut, sablefish, albacore, king crab, shrimp, and bottom fish such as rockfish, soles, and ling cod. The operators of these vessels live in communities from San Diego, Calif., to Kodiak, Alaska. The vessels range in size from 40 to 100 feet in length and carry crews of from 3 to 10 men each. The vessels are all high seas vessels covering the Pacific Ocean from the waters off Mexico to those in the Bering Sea. Practically all of the vessels are operated by active vessel owners who go to sea with their own vessels and work under exactly the same conditions as do their crewmembers. In other words, these operators are self-employed seamen performing essential services in the operation of vessels at sea.

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ties which resulted from a ruling in 1954 of the General Counsel of the Department of Health, Education, and Welfare. For 20 years or more prior to this ruling in 1954, self-employed seamen or those who had financial interests in the vessels on which they served as seamen had been entitled to medical care at facilities of the U.S. Public Health Service. This medical care was given to all persons working on board these vessels irrespective of whether they were working for themselves as owners or part owners of vessels or whether they were employees working for others just as long as they were employed in "the care, preservation, or navigation of any vessel, or in the service, on board, of those engaged in such care, preservation, or navigation." The word "employed" in this connection was given a broad interpretation similar to the word "used."

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The hospitals of the U.S. Public Health Service, or marine hospitals as they are popularly known, have long performed an extremely useful service for the U.S. maritime industry. The justification for providing medical facilities for seamen is well established in our history. Some of the reasons why these facilities were provided are as follows:

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(2) The hazardous nature of his work merits primary attention. The seaman is often exposed 24 hours a day to exceptional hazards due to extraordinary weather conditions not faced by the shore worker or from which the seaman cannot escape as can the worker on land.

(3) The seaman's work is seasonal. This seasonality is often caused by decisions of the U.S. Government. The marine worker is affected to a greater degree by actions of the Government than is his land counterpart.

(4) The seafaring industry provides an outpost for the United States of value for military purposes. Seamen are usually the first to provide surveillance for their country in time of crisis.

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(7) The Government is dependent upon the maritime industry in so many ways that the Government has a special obligation in the interests of its own security to see to it that the maritime industry is kept in healthy condition at all times.

(8) The seamen in our maritime industry literally work elbow to elbow with workers from foreign lands, giving their occupation an international character deserving of the same consideration as that given seamen of other countries by their governments.

(9) The maritime industry, and this is especially true of the fishing fleet, serves as an auxiliary to the U.S. Coast Guard and performs many of the tasks carried on by the Government-supported service. Were it not for the vessels of the fishing fleet, the cost of operating the U.S. Coast Guard would be much higher.

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The justification for providing medical facilities for seamen applies with equal force to self-employed seamen. The self-employed seamen must of necessity be on small vessels, for large vessels are usually operated by corporations and

in such cases all men on board including officers are entitled to marine hospital benefits.

On these small vessels, the self-employed seamen work under exactly the same conditions as do the employed seamen. The hours are the same. The roving nature of the employment, the hazards, the seasonal condition of the work, the economic insecurity and all the other conditions are exactly the same. In some cases, the economic insecurity of self-employed seamen is greater than that of the employed seamen when cyclical conditions are unfavorable. In such cases, self-employed seamen are bound to their vessels and employment and are saddled with insurance, depreciation, and other maintenance charges which go on no matter how unprofitable the operation of their vessels may be.

The marine hospital service is not provided the maritime industry without charge. To begin with the cost was financed by a tax on seamen's earnings. This was replaced with a tax on the tonnage of vessels earmarked for the marine hospital service. Later the earmarking was discontinued although the tonnage tax was retained and is still being collected today. However, fishing vessels, which paid this tax up to a few years ago, are not now required to do so.

S. 367 will add little if anything to the cost of the Public Health Service. An examination of the budget of the U.S. Public Health Service will no doubt reveal that its costs are higher today than in 1953 the last full year when self-employed seamen were given care. The hospitals are all established. No additional ones will be needed with the passage of S. 367.

S. 367 is needed to give present seamen an opportunity and incentive to improve their status. Vessel operators must come from the ranks of crewmen. No one can successfully operate a deep sea fishing vessel without first serving his apprenticeship as a crewmember. Crewmembers today hesitate to become self-employed operators as they lose their hospital benefits when they do. The effect of this condition is to contribute to the weakening of the American fishing fleet.

Nowhere is this weakening more apparent than in the halibut fishing fleet in the Pacific Northwest. In 1950 the U.S. halibut fleet consisted of 576 vessels employing 2,807 crewmembers while in 1961 the fleet had shrunk to 315 vessels employing only 1,412 men.

At first glance one might assume that the shrinkage has been due to a decline in halibut stocks. This is not the case as halibut stocks available to the U.S. halibut fleet have actually increased. The increase, however, has gone to Canadian vessels, the only other vessels sharing materially in the north Pacific catch up to the current year. In 1950 the halibut catch totaled 57,283,000 pounds of which U.S. vessels caught 38,399,000 pounds while Canadian vessels landed 18,884,000 pounds. In 1961 the overall catch was 69,637,000 pounds, of which the U.S. vessels took 40,024,000 pounds as against 29,613,000 pounds by Canadian fishermen. In other words the U.S. catch has remained relatively stationary while the Canadian catch increased by 11 million pounds.

Let us add at this point that it would be extreme exaggeration to blame the deterioration of the American halibut fleet wholly on the injustice which S. 367 seeks to correct but it is no exaggeration to say that the injustice done in 1954 is one of the factors which has contributed to the weakening of the American halibut industry.

Our industry today has powerful competitors in its area of operation. Our American fishermen-seamen are working literally side by side with fishermen from these competing countries. These in the north Pacific at the present time are from Canada, Japan, and Russia. The situation in the north Pacific, therefore, merits attention from the standpoint of S. 367.

First, let us look at our neighbors, the Canadians. Their vessels are like ours in the main. They are the same size for all intents and purposes and operate under more or less the same conditions. In Canada, however, the vessels may pay to the Canadian Government's sick mariners fund a sum comparable to the tonnage tax charged American merchant vessels and which up to a few years ago was also charged American fishing vessels. But, for this Canadian charge, the crews of the Canadian vessels including any self-employed seamen on board are entitled to medical and hospital benefits without further cost.

The Japanese vessels are quite unlike ours. They are in most part owned by large companies and as far as we know have no self-employed persons on board. It is presumed that all personnel on board are furnished medical services.

The Russian vessels are large and modern and in a class by themselves. They are Government owned and operated and their numbers are being expanded rapidly. Cost apparently is not a factor in their operation or deployment. Without doubt the crews on Russian vessels who are Government employees from every standpoint receive full medical and hospital care.

These are the vessels among whom our fishermen-seamen are working and with whom our seamen are attempting to compete. It is an unequal struggle. For its own welfare our Government should set about to improve the competitive position of its marine industry including both large and small vessels.

These vessels in this atomic age could become indispensable in the event of atomic warfare. With land areas and our population centers the target of enemy attack, and with our food supply from our agricultural heartland contaminated by the byproducts of atomic war, the merchant marine of the country including the fishing fleet could well become a means of survival for many of our citizens through the movement of people out of danger areas and for production of food from the sea.

It is our considered opinion that if the U.S. fishing industry is to survive, it must have assistance from the U.S. Government. Our private industry cannot compete with fishing fleets operated as arms of foreign governments or subsidized by them. S. 367 is not the sole solution to the dilemma, but its adoption is a step in the right direction. We, therefore, urge its passage by the House of Representatives with utmost haste.

Mr. ROBERTS. Thank you very much.

I am not too familiar with the type of vessels used other than the type in the gulf areas. Are any of the vessels used on the east and west coasts under sail, or are most of them motor vessels?

Mr. WEDIN. They are powered vessels.

Mr. ROBERTS. Practically all of them on the east and west coasts?

Mr. WEDIN. Yes.

Mr. ROBERTS. And you support the language of S. 367 as it is presently written?

Mr. WEDIN. I think that we have the same position as some of the other witnesses who have appeared here. We do not want to open the door to a lot of houseboat operators, we merely want to include the legitimate fishermen. Whatever language seems to be appropriate is acceptable to us.

Mr. ROBERTS. You would be satisfied if we simply corrected the administrative ruling in 1954 with this legislation?

Mr. WEDIN. This has been our position, yes.

Mr. ROBERTS. Any further questions?

(No response.)

Mr. ROBERTS. Thank you very much.

Our next witness is Mr. William Riley, secretary of the Humboldt Fishermen's Marketing Association, Eureka, Calif.

Mr. MILLER. Mr. Chairman, Mr. Riley is a constituent of mine. We have been hearing this morning from many witnesses who do not have the intimate knowledge of this industry he has. For many years he has been a fisherman and has fished off the coast. He knows where-of he speaks. We are listening to someone who is a true expert and therefore able to shed real light on this subject. It is with a great deal of pleasure that I bring him here as a constituent of mine and one of the knowledgeable people in this industry.

Thank you for the courtesy of hearing his testimony.

Mr. ROBERTS. We are glad to have you, Mr. Riley, as introduced by your able Congressman, Mr. Miller.

You may proceed with your statement.

STATEMENT OF WILLIAM RILEY, HUMBOLDT FISHERMEN'S
MARKETING ASSOCIATION, EUREKA, CALIF.

Mr. RILEY. Mr. Chairman and members of the committee, I should be embarrassed by the fine sendoff Congressman Miller gave me. I appreciate it. I have spent years in the fishing industry and would be glad to try to answer any questions you may have. You might stump me easily, but I will do my best.

Mr. Chairman, I am a retired commercial fisherman and for the past 10 years I have served as secretary of the Humboldt Fishermen's Marketing Association, representing most of the commercial fishermen of the northern California coast.

I am here today because we have a problem. This problem has existed since 1954. I am glad to be given this opportunity today to present it to the proper people who can solve it. This problem is to restore marine hospital services to the owner-operators of commercial fishing vessels. Our fishing boat captains had the privilege of these services for more than 150 years until 1954 when they were denied these services by administrative ruling.

This ruling denied hospital and medical services to some of the most experienced and able seamen in our country. The fishermen on our boats are all working seamen, and this includes the owners or part owners who are the captains. Our fishermen spend many years learning their trade and the skills required to operate a fishing vessel. Our captains are the most skilled of the lot.

One of the reasons for the marine hospital system is to help maintain a reserve group of healthy as well as skilled seamen who are available to the country in time of national emergency. During World War II many of our fishermen, of the proper ages, enlisted in the Navy and were immediately assigned aboard some of our larger fishing vessels for patrol work. Many of our vessels themselves were taken over by the Navy or one of the other services. Others of our fishermen were assigned to air-sea rescue vessels or other craft operated by the Army, the Air Force, and the Coast Guard—as well as the Navy and the merchant marine.

I might explain that the fishermen I am talking about operate two-man to four-man vessels. Each man is a seaman, each man helps operate the boat. The captains are all working crew members themselves and are usually the best seamen on board.

I might point out that our captains are required to buy workmen's compensation insurance for their crew members, at a very high rate, incidentally, because of the hazardous nature of the work. But the captain cannot buy workmen's compensation for himself. And since 1954, when he lost marine hospital service, all the working owner has had available to him is private hospital or accident insurance. Because of the hazardous nature of the work, the rates for this insurance are so high as to be prohibitive for many of them.

As a result, many of the young men in the industry—particularly those with families dependent on them—hesitate to buy an interest in a boat because then they would have to give up their hospitalization.

Mr. Chairman, I won't go into more detail now because the subject has been covered by our Congressman, Clem Miller, and the other Members of Congress, and the other witnesses.

But I will do my best to answer any questions you gentlemen would care to ask.

Mr. ROBERTS. Thank you, Mr. Riley. We certainly appreciate the efforts that you have made to be present here today. And since you have served as a captain of this type craft I am sure that your statement will be well received by our subcommittee. You say that because of this inequity in this administrative ruling of 1954 that many seamen who have families dependent on them do not try to acquire interests in a boat because they would have to give up their hospitalization.

Mr. RILEY. Yes, Mr. Chairman. Just this past year one young man to my knowledge, who is presently operating as a captain on another person's boat. He was offered an opportunity to buy a one-half interest in another boat and pay it out of his earnings, and he said he couldn't afford to do it, because he would lose his hospitalization rights with the marine hospital. As a working captain, working for someone else as an employee, as it were, he is eligible. But if he were a half-owner he wouldn't be eligible.

Mr. ROBERTS. Any questions, gentlemen?

Mr. ROGERS.

Mr. ROGERS of Florida. I notice you said that employees are eligible for workmen's compensation.

Mr. RILEY. That is right.

Mr. ROGERS of Florida. So that anyone who is a fisherman as such would be covered in workman's compensation?

Mr. RILEY. Yes, sir. California requires the workmen on fishing vessels to be covered by compensation insurance. We have a hard time finding anybody to write that insurance. I believe at the present time on the west coast we have one company in San Pedro, and another one in Seattle or Portland, that will write it.

And they don't charge for compensation insurance for those employees in the same manner that they do for employees, say, in a sawmill or a store, they give them a flat rate, a premium rate of around \$750 to \$800 a year for two men, to cover two men.

Mr. ROGERS of Florida. Let me ask you this: Does this hospitalization, for instance, for those presently covered extend to members of their families, or is it just to the persons themselves?

Mr. RILEY. That is right. Just to the seaman himself.

I am quite sure that the Coast Guard and the services, and so on, extend that same hospitalization to dependents, but not to commercial fishermen.

Mr. ROGERS of Florida. I might say that you have a very vigorous advocate in your Congressman here, he has done a very active job on this legislation.

Mr. RILEY. We think a lot of him out there. He hasn't been back here enough years for us, but we are going to keep sending him back if we can.

Thank you very much, Mr. Chairman, for the privilege of coming. And I might say too that this is quite a thing from my standpoint. This was my first trip to Washington, my first trip to the east coast, and the first trip on this side of the Rocky Mountains for 20 years. And it was a great problem to our people that had to raise the funds to send me back here, because as you know, it was quite expensive, it is going to cost \$500 or \$600.

And I am sure that if they didn't have a great deal of interest in this they wouldn't have seen fit to do it.

Mr. ROBERTS. We appreciate that very much, and we appreciate your coming.

Our next witness is Mr. Charles E. Jackson, general manager, the National Fisheries Institute, Inc.

Mr. Jackson.

STATEMENT OF CHARLES E. JACKSON, GENERAL MANAGER, THE NATIONAL FISHERIES INSTITUTE, INC.

Mr. JACKSON. Mr. Chairman, I have no prepared statement. I am general manager of the National Fisheries Institute, which represents about 500 firms engaged in the processing and distribution of fish. We have a few boatowners, but they are in most cases the type of fishermen boatowners we are talking about here.

I merely want to go on record on behalf of the National Fisheries Institute in support of the legislation. We feel that it is justified, and we hope that you will act promptly and favorably.

Mr. ROBERTS. Thank you very much, Mr. Jackson.

Any questions by the subcommittee?

(No response.)

Mr. ROBERTS. I have two statements I would like to have printed in the record. If there is no objection, they will appear at this point.

(The statements referred to follow:)

STATEMENT OF THE AFL-CIO MARITIME COMMITTEE, AMERICAN MERCHANT MARINE INSTITUTE, LABOR-MANAGEMENT MARITIME COMMITTEE

(Submitted by Hoyt S. Haddock, executive secretary, AFL-CIO Maritime Committee; Alvin Shapiro, vice president, American Merchant Marine Institute; Earl W. Clark, co-director, Hoyt S. Haddock, co-director, Labor-Management Maritime Committee, May 2, 1962)

The Labor-Management maritime committee representing some of the major American-flag steamship lines and seagoing labor unions, the AFL-CIO maritime committee consisting of the largest segment of maritime unions within the AFL-CIO, and the American Merchant Marine Institute comprising a broad membership in the maritime industry, desire to jointly support the general intent and purpose of S. 367. We believe that Public Health Service hospital and medical care should be made available to a certain class of fishermen presently denied such care because they are owners or part owners of fishing vessels.

It should be pointed out that, prior to 1954, these fishermen (who were owners or part owners of vessels) were receiving such hospital and medical care but were excluded during that year following a legal opinion by the General Counsel of the department of Health, Education, and Welfare.

We understand the occasion for such ruling arose in 1951 out of a claim for medical care by certain parties occupying residential yachts and houseboats. The claims were based on the general language of the law. The attempt in the cases in point were to include even a housewife, who was in fact engaged in the care or preservation of the vessel under the literal wording of the act. It seems obvious that such persons were not intended to fall under the classification of seamen as set forth in Title 42, United States Code Section 201 (h).

In November of 1953, the Public Health Service referred the matter to the General Counsel of that agency for review and advice. His opinion resulted in the issuance of regulations which had the broad effect of barring, among others, the fishermen owners or part owners of small fishing vessels to whom such medical and hospital care had been traditionally extended.

The new regulations were first published in the Federal Register on March 24, 1954, revised and republished on May 26, 1954, and became effective June 26, 1954.

While no one could quarrel with the necessity for proper interpretation of the law and its appropriate application to the type of cases giving rise to the new regulations, the net effect upon certain of those in the fishing trade was unfortunate.

Seamen employed on vessels registered, enrolled, or licensed under the maritime laws of the United States are now entitled to Public Health Service care. This is clearly established in title 42, United States Code, section 249(a) (1). Many of these are fishermen. However, by administrative regulation, those fishermen who own or have an interest in their fishing boats are now excluded.

The fact that a fisherman enjoys ownership or part ownership of a small fishing boat in which he pursues his occupation, does not appear to change the complexion of his occupation as a fisherman. Furthermore, his occupation is for the most part comparable to the many other types of seamen. In fact, many of these fishermen-seamen have been readily adjusted to other types of seamen's duties during wartime or in periods of national emergency. Certainly their normal duties on board a vessel are not changed by virtue of the fact that they have an interest in some fishing boat.

We subscribe to modification of the law to the extent that it can be interpreted to also include owner-operators of fishing boats (registered, licensed or enrolled under the laws of the United States) as recipients of Public Health Service hospital and medical care. We believe, however, amendment as proposed by S. 367 is so broad that it could be interpreted to apply to other than fishing boat owners as, for example, independent contractors. Furthermore, if the definition of "seamen" is broadened as proposed, it might possibly be extended to other laws.

In order to amend the law to accomplish the true intent embodied in the proposal which you are considering, we suggest and recommend that section 1 of S. 367 be amended to read in some such manner as follows:

"That section 2(h) of the Public Health Service Act (42 U.S.C. 201(h)) is amended by striking out 'any person employed on board' and inserting in lieu thereof 'any person employed or self-employed on board' and by inserting immediately after the word 'vessel', the following: '(including persons employed or self-employed as fishermen on board commercial fishing vessels).'"

STATEMENT OF FISHERMEN'S COOPERATIVE ASSOCIATION SUBMITTED BY ANTHONY NIZETICH

Mr. Chairman and members of the committee, my name is Anthony Nizetich. I am general manager of the Fishermen's Cooperative Association of San Pedro, berth 73, San Pedro, Calif. Our association consists of approximately 75 purse seine fishing vessels engaged in fishing operations off the coast of California, Mexico, and Central America. Our vessel members fish primarily for tuna, sardines, and mackerel. The following indicates our interest and need for passage of this legislation.

To restore medical care benefits under the Public Health Service Act to owner-operators of fishing vessels and other self-employed seamen would remove inequities that have deterred the expansion of our fishing fleet. Medical aid to owner-operators of fishing vessels may seem insignificant in the overall picture, however, our fleet has paid for medical care for our members as high as \$27 per month per man. The hazards of our industry warrant some type of medical assistance, and in view of the high costs of maintaining their own personal coverage, prospective fishermen-owners are discouraged from entering the field of fishing.

We have sought coverage for our corporate boatowners under the interpretation of this law. Local public health service offices have refused us care and through no stretch of the imagination is a corporate stockholder of any business considered an owner of said business. The passage of this legislation will clarify this interpretation and give assistance to corporate owner and non-corporate owners alike.

To be discriminatory of persons investing their money and property in an industry so vital to our economy and national defense is working against the best interests of our country and basic American principles. We as boatowners, have contributed our lives and our property in time of war. To clarify the present inequities of the law would tend to compensate in some small way these men who unselfishly attempt to do their small part in time of national emergencies.

The California Fish Cannery Association, Inc.; Fishermen's Union, Local 33, ILWU; Seine and Line Fishermen's Union, AFL-CIO; and San Pedro Independent Fishermen's Union are all in favor of said legislation and wish their names be made part of the record as being in support of this legislation.

We trust this statement will be made part of the record in support of the passage of S. 367.

Mr. ROBERTS. Mr. Clerk, do you have any other witnesses?

Mr. WILLIAMSON. I believe that is all. We have no other requests.

Mr. ROBERTS. The Chair would like to thank all the witnesses that participated in the hearings. We appreciate the interest of the Members of the House of Representatives, the industry, government, and the others. This will conclude the hearing on S. 367 and related bills. The subcommittee will stand adjourned.

(Whereupon, at 11:45 a.m., the hearing was concluded.)

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