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{ REPORT
No. 269

ROYAL HOLLAND LLOYD

MARCH 3 (calendar day, MARCH 5), 1926.—Ordered to be printed

Mr. CAPPER, from the Committee on Claims, submitted the following

REPORT

[To accompany S. 2992]

The Committee on Claims, to whom was referred the bill (S. 2992) for the relief of the Royal Holland Lloyd, a Netherland corporation of Amsterdam, the Netherlands, having considered the same, report favorably thereon with the recommendation that the bill do pass without amendment.

A similar bill passed the Senate in the Sixty-eighth Congress.

The facts are fully set forth in Senate Report No. 988, Sixty-eighth Congress, second session, and in the following letter from Hon. Frank B. Kellogg, Secretary of State, which are appended hereto and made a part of this report.

[Senate Report No. 988, Sixty-eighth Congress, second session]

The Committee on Claims, to whom was referred the bill (S. 4016) for the relief of the Royal Holland Lloyd, a Netherland corporation of Amsterdam, the Netherlands, having considered the same, report favorably thereon with the recommendation that the bill do pass without amendment.

The purpose of the bill is to allow the Royal Holland Lloyd, owners of the Netherlands steamship *Zeelandia*, to sue the United States in the United States Court of Claims for damages alleged to have been sustained as a result of the refusal of the Federal authorities to grant clearance to the vessel during the period from October 17, 1917, to March 21, 1918.

The bill was introduced at the request of the Secretary of State, and the facts are fully set forth in his letter, dated January 6, 1925, which is appended hereto and made a part of this report:

DEPARTMENT OF STATE,
Washington, January 6, 1925.

Hon. ARTHUR CAPPER,
Chairman Committee on Claims,
United States Senate.

DEAR SENATOR CAPPER: The Netherlands minister has presented to the department, on behalf of the Royal Holland Lloyd, owners of the Dutch steamship *Zeelandia*, a claim for compensation for losses alleged to have been sustained

as a result of the refusal of Federal authorities to grant clearance to the vessel during the period from October 17, 1917, to March 21, 1918, the date upon which it was commandeered pursuant to the proclamation of the President, dated March 20, 1918.

The steamship *Zeelandia*, en route from Argentina, arrived at New York on October 17, 1917, on its way to Amsterdam. The vessel is alleged to have had on board passengers to be landed at New York and Amsterdam, a complete cargo with letters of assurance from the British authorities, sea bunkers and ship's stores sufficient to complete the voyage to Amsterdam. It is further alleged that the agents for the vessel made verbal inquiry at the customhouse in New York and at the Treasury Department in Washington and that they received assurances that the vessel would encounter no difficulties in entering and clearing the port of New York.

The agents for the vessel, in a communication dated September 11, 1917, notified the Exports Administrative Board (the predecessor of the War Trade Board) that the steamship *Zeelandia* had sailed from Buenos Aires, and expressing a desire to take on additional passengers and stores at New York inquired whether license and clearance would be granted without delay. The board notified the agents on September 12, 1917, that war conditions did not permit giving assurances in advance. Again, on September 13, the agents requested export licenses for the vessel and on the following day were informed by the board that it was unable at the time to grant the licenses.

On September 18 the board requested a copy of the ship's manifest and particulars regarding the voyage of the vessel. In the response made on September 27 the agents stated that the vessel had a complete cargo on board with letters of assurance from the British Government, but that the manifest would only come to hand upon the vessel's arrival.

On October 17 the agents notified the board of the arrival of the vessel and requested license for additional stores, although they stated that the *Zeelandia* had sufficient bunkers and stores to proceed if no additional passengers were taken. The War Trade Board (successor to the Exports Administrative Board) asked the agents on October 19 to furnish a copy of the manifest and a list of the ship's stores. The attorneys for the agents informed the board on October 20, 1917, that a representative was being sent to Washington with the desired documents.

Without adverting to the further correspondence in the case, it suffices to note that on October 9, 1917, the Exports Administrative Board instructed the collectors of customs that no vessel should be allowed to clear without export and bunker licenses, notwithstanding that the cargo, bunker fuel, and stores were not taken on board at a port of the United States. The steamship *Zeelandia* was never granted permission to clear from the port of New York, where it was commandeered on March 21, 1918, by the Government of the United States pursuant to the proclamation of the President, dated March 20, 1918.

The question involved would seem to be whether, in view of the war legislation and regulations then in force respecting licenses and clearances, the steamship *Zeelandia* entered the port of New York at its risk and subjected itself to the possibilities of detention, or whether under all the circumstances of the case the refusal to grant clearance to the vessel subjected this Government to an obligation to make compensation to the owners of the vessel for its continued detention.

The President has authorized me to suggest to you that bills be introduced authorizing the Royal Holland Lloyd to institute legal proceedings against this Government in the Court of Claims of the United States to determine whether it is entitled to recover compensation for losses alleged to have been sustained as a result of the refusal of the Federal authorities to grant clearance to the Dutch steamship *Zeelandia* during the period from October 17, 1917, to March 21, 1918.

I have addressed a similar communication to the Hon. George W. Edmonds, chairman of the Committee on Claims of the House of Representatives.

I am, my dear Senator Capper, sincerely yours,

CHARLES E. HUGHES.

DEPARTMENT OF STATE,
Washington, January 30, 1926.

HON. RICE W. MEANS,
Chairman Committee on Claims,
United States Senate.

MY DEAR SENATOR: The Netherlands minister has presented to the department, on behalf of the Royal Holland Lloyd, owners of the Dutch steamship *Zeelandia*, a claim for compensation for losses alleged to have been sustained as a result of the refusal of Federal authorities to grant clearance to the vessel during the period from October 17, 1917, to March 21, 1918, the date upon which it was commandeered pursuant to the proclamation of the President, dated March 20, 1918.

The facts of this case are substantially as follows:

The steamship *Zeelandia*, en route from Argentina, arrived at New York on October 17, 1917, on its way to Amsterdam. The vessel is alleged to have had on board passengers to be landed at New York and Amsterdam, a complete cargo with letters of assurance from the British authorities, sea bunkers, and ship's stores sufficient to complete the voyage to Amsterdam. It is further alleged that the agents for the vessel made verbal inquiry at the customhouse in New York and at the Treasury Department in Washington and that they received assurances that the vessel would encounter no difficulties in entering and clearing the port of New York.

The agents for the vessel, in a communication dated September 11, 1917, notified the exports administrative board (the predecessor of the War Trade Board) that the steamship *Zeelandia* had sailed from Buenos Aires, and expressing a desire to take on additional passengers and stores at New York inquired whether license and clearance would be granted without delay. The board notified the agents on September 12, 1917, that war conditions did not permit giving assurances in advance. Again, on September 13, the agents requested export licenses for the vessel and on the following day were informed by the board that it was unable at the time to grant the licenses.

On September 18, the board requested a copy of the ship's manifest and particulars regarding the voyage of the vessel. In the response made on September 27, the agents stated that the vessel had a complete cargo on board with letters of assurance from the British Government but that the manifest would only come to hand upon the vessel's arrival.

On October 17, the agents notified the board of the arrival of the vessel and requested license for additional stores, although they stated that the *Zeelandia* had sufficient bunkers and stores to proceed if no additional passengers were taken. The War Trade Board (successor to the exports administrative board) asked the agents on October 19 to furnish a copy of the manifest and a list of the ship's stores. The attorneys for the agents informed the board on October 20, 1917, that a representative was being sent to Washington with the desired documents.

Without adverting to the further correspondence in the case it suffices to note that on October 9, 1917, the exports administrative board instructed the collectors of customs that no vessel should be allowed to clear without export and bunker licenses, notwithstanding that the cargo, bunker fuel, and stores were not taken on board at a port of the United States. The steamship *Zeelandia* was never granted permission to clear from the port of New York, where it was commandeered on March 21, 1918, by the Government of the United States, pursuant to the proclamation of the President, dated March 20, 1918.

The question involved would seem to be whether, in view of the war legislation and regulations then in force respecting licenses and clearances, the steamship *Zeelandia* entered the port of New York at its risk and subjected itself to the possibilities of detention, or whether, under all the circumstances of the case, the refusal to grant clearance to the vessel subjected this Government to an obligation to make compensation to the owners of the vessel for its continued detention.

In letters addressed to Senator Arthur Capper and Representative George W. Edmonds, chairmen of the Committees on Claims of the Senate and House of Representatives, respectively, under date of January 6, 1925, Mr. Hughes, with the authorization of the President, suggested that bills be introduced authorizing the Royal Holland Lloyd to institute legal proceedings against this Government in the Court of Claims of the United States to determine whether it is entitled to recover compensation for losses alleged to have been sustained as a result of the refusal of the Federal authorities to grant clearance to the Dutch steamship *Zeelandia* during the period from October 17, 1917, to March 21, 1918.

A bill (S. 4016) was introduced in the Senate of the United States on January 20, 1925, providing that the claim of the Royal Holland Lloyd in this case might be sued for by it in the United States Court of Claims. This bill was favorably reported on by the Senate Committee on Claims (Report No. 988). An identic bill (H. R. 11830) was introduced in the House of Representatives on January 21, 1925, and was favorably reported on by the House Committee on Claims (Report No. 1350). It appears, however, that no further action was taken by the Sixty-eighth Congress with respect to these bills.

I accordingly have the honor to suggest to you that similar bills be introduced in the Sixty-ninth Congress to authorize the Royal Holland Lloyd to sue for its claim in the United States Court of Claims.

I have addressed a similar communication to the Hon. Charles L. Underhill, chairman of the Committee on Claims of the House of Representatives.

I am, my dear Senator Means, sincerely yours,

FRANK B. KELLOGG.

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