

BALANCES DUE FOREIGN COUNTRIES

COMMUNICATION

FROM

THE PRESIDENT OF THE UNITED STATES

TRANSMITTING

DEFICIENCY ESTIMATES OF APPROPRIATIONS FOR THE POST
OFFICE DEPARTMENT FOR THE FISCAL YEARS 1919 AND 1920,
\$7,187.96; ALSO PROPOSED LEGISLATION AFFECTING THE USE
OF EXISTING APPROPRIATIONS

JUNE 7, 1926.—Referred to the Committee on Appropriations and ordered to
be printed

THE WHITE HOUSE,
Washington, June 7, 1926.

The SPEAKER OF THE HOUSE OF REPRESENTATIVES.

SIR: I have the honor to transmit herewith for the consideration
of Congress deficiency estimates of appropriations for the Post Office
Department for the fiscal years 1919 and 1920, \$7,187.96; also pro-
posed legislation affecting the use of existing appropriations.

The details of these estimates, the necessities therefor, and the
reasons for their submission at this time, with an explanation of the
proposed legislation, are set forth in the letter of the Director of the
Bureau of the Budget transmitted herewith, with whose comments
and observations thereon I concur.

CALVIN COOLIDGE.

BUREAU OF THE BUDGET,
Washington, June 5, 1926.

SIR: I have the honor to submit herewith for your consideration,
and upon your approval for transmission to Congress, deficiency
estimates of appropriations for the Post Office Department for the
fiscal years 1919 and 1920, \$7,187.96; also proposed legislation affect-
ing the use of existing appropriations.

FISCAL YEAR 1919

Balances due foreign countries: For balances due foreign countries, including payment of balances found due by arbitral sentence in the dispute between the United States Post Office Department and the administrations of Norway, Denmark, and Sweden under the provisions of article 23 of the Universal Postal Convention of Rome--- \$3,593.98

FISCAL YEAR 1920

Balances due foreign countries: For balances due foreign countries, including payment of balances found due by arbitral sentence in the dispute between the United States Post Office Department and the administrations of Norway, Denmark, and Sweden under the provisions of article 23 of the Universal Postal Convention of Rome and under the provisions of article 25 of the Universal Postal Convention of Madrid----- 3,593.98

Total for the fiscal years 1919 and 1920----- 7,187.96

On April 16, 1926, there was transmitted to the Speaker of the House of Representatives for the consideration of Congress deficiency and supplemental estimates of appropriations for the Post Office Department aggregating \$323,524.87, to be used in settling transit accounts with Denmark, Norway, and Sweden for the conveyance of closed mails of United States origin from England onward, during the fiscal years 1914 to 1919, inclusive, in the cases of Denmark and Norway, and during the years 1914 to 1918, inclusive, in the case of Sweden.

The accounts in question were the subject of dispute between the United States and said countries as to the rates applicable to the service in question, and said dispute was finally submitted to arbitration, resulting in a verdict against the United States.

The estimates now presented cover a further claim of Sweden for the calendar year 1919 (the first half of which is in the fiscal year 1919 and the latter half is in the fiscal year 1920) which under the award of arbitration would amount to \$7,187.96, equally divided between the two fiscal years involved, and which will begin to bear interest from August 12 next, unless sooner paid, at 5 per cent per annum. This amount represents that part of the account submitted by Sweden for said year which was disallowed by the Comptroller General, but which is allowed by the arbitral tribunal. The amount claimed by Sweden was 51,738.30 francs, equivalent to \$9,983.27, and the amount allowed by the Comptroller General was 14,486.72 francs, equivalent to \$2,795.31, leaving as the amount disallowed 37,251.58 francs, equivalent to \$7,187.96. The Post Office Department claims that under the provisions of the articles of the universal postal conventions cited in the text of the estimates submitted it must conform to the sentence of the arbitral tribunal and pay the full amount allowed by it.

The above estimates supplement estimates for the same years transmitted to Congress on April 16, 1926 (H. Doc. No. 322, 69th Cong., 1st sess.). Included in the text of the above estimate for the fiscal year 1920, however, is a reference to article 25 of the Universal Postal Convention of Madrid, which became effective in that year. This article of the Madrid Convention also applies to the estimates for the fiscal years 1920, 1921, 1922, and 1923 transmitted to Congress on April 16, 1926, and included in the House document above re-

ferred to, and reference thereto should be added to the text of these estimates.

PROPOSED LEGISLATION AFFECTING THE USE OF EXISTING APPROPRIATIONS

Balances due foreign countries: The payment of balances found due by arbitral sentence under the provisions of article 23 of the Universal Postal Union of Rome and under the provisions of article 25 of the Universal Postal Convention of Madrid may be made from the appropriations for "Balances due foreign countries" for the fiscal years 1924, 1925, and 1926.

In view of the decision of the Comptroller General that the award of arbitration above referred to does not provide him with sufficient authority to allow the full amount of the award in certain cases, notwithstanding the appropriations for "Balances due foreign countries" for the relative fiscal years are adequate for the purpose, it is necessary that legislation should be enacted which will authorize him to settle the claims affected by the arbitral decision, on the basis of said decision, out of the appropriations already made for the fiscal years named.

The amounts involved are as follows:

	Amount claimed	Amount allowed	Difference	
			Francs	Dollars
Sea transit account of Denmark:				
1924	3,550.95	754.89	2,796.06	539.52
Jan. 1-Sept. 30, 1925	2,663.21	566.17	2,097.04	404.64
Total	6,214.16	1,321.06	4,893.10	944.16
Sea transit account of Norway:				
1924	11,115.00	2,646.19	8,468.81	1,634.12
Jan. 1-Sept. 30, 1925	8,336.25	1,984.64	6,351.61	1,225.59
Total	19,451.25	4,630.83	14,820.42	2,859.71

The above estimates of appropriations, comprising two items, and the one item of proposed legislation affecting existing appropriations, are required to meet unforeseen contingencies or unavoidable deficiencies which have occurred since the transmission of the regular annual estimates for the fiscal years indicated.

Approval of these estimates and the proposed legislation is recommended.

Very respectfully,

H. M. LORD,
Director of the Bureau of the Budget.

The PRESIDENT.

Deficiency estimate of appropriation required for the service of the fiscal year ending June 30, 1919, by the Post Office Department

Balances due foreign countries:

For balances due foreign countries, including payment of balances found due by arbitral sentence in the dispute between the United States Post Office Department and the administrations of Norway, Denmark, and Sweden under the provisions of article 23 of the Universal Postal Convention of Rome (R. S. 398; act July 2, 1918, vol. 40, pp. 747-749) ----- \$3,593.98
Amount appropriated for the fiscal year ending June 30, 1919-- 681,700.00

Deficiency estimate of appropriation required for the service of the fiscal year ending June 30, 1920, by the Post Office Department

Balances due foreign countries:

For balances due foreign countries, including payment of balances found due by arbitral sentence in the dispute between the United States Post Office Department and the administrations of Norway, Denmark, and Sweden under the provisions of article 23 of the Universal Postal Convention of Rome and under the provisions of article 25 of the Universal Postal Convention of Madrid (R. S. 398; acts Feb. 28, 1919, vol. 40, p. 1196; Mar. 3, 1926, vol. 44)----- \$3, 593. 98
Amount appropriated for the fiscal year ending June 30, 1920-- 685, 896. 37

PROPOSED LEGISLATION

Balances due foreign countries: The payment of balances found due by arbitral sentence under the provisions of article 23 of the Universal Postal Union of Rome, and under the provisions of article 25 of the Universal Postal Convention of Madrid may be made from the appropriations for "Balances due foreign countries," for the fiscal years 1924, 1925, and 1926.