

# Calendar No. 719

69TH CONGRESS }  
1st Session }

SENATE

{ REPORT  
No. 711

## FOREIGN COMMERCE SERVICE

APRIL 29, 1926.—Ordered to be printed

Mr. WILLIS, from the Committee on Commerce, submitted the following

### REPORT

[To accompany H. R. 3858]

The Committee on Commerce, to whom was referred the bill H. R. 3858, having considered the same, report it back without amendment and recommend its passage.

The reasons for this legislation are clearly set forth in the report made in the House of Representatives. A portion of this report is as follows:

For a number of years the Department of Commerce has maintained a Foreign Service. That service, while developed under congressional authorization, has never had a fixed and definite legislative status. To provide such a status is the principal purpose of this bill.

This Foreign Service had its beginning in an appropriation act of February 3, 1905, and because of the invaluable service rendered and the growing need for it the service has steadily grown. In addition to providing a fixed status this bill provides a clearer statement of the duties of the service and a more definite classification of personnel. It is believed that this will materially improve the efficiency of the service. The bill sets up no new machinery and involves no real departure from what is now being done.

The bill is substantially the same as the one reported by the committee in the last session of Congress (H. R. 4517, 68th Cong.). In view of the fact that comprehensive hearings were had on that bill the committee deemed it unnecessary to conduct new hearings. The former hearings were reported and printed.

It is unnecessary to emphasize the growing need for a unified and strategic direction of American trade promotion abroad. The need for such centralized guidance of trade promotion has assumed extraordinary importance since the war and will be further magnified with the return of Europe to normal competition with the United States in world markets. Such a development is now actively under way.

The problem of the disposal of American surpluses to assure a stability both in trade and industry of every character make it indispensable that the United States maintain an expert foreign trade service in the major areas of the world. This need obtains both as to manufactured products and farm commodities, and was stressed before the committee by representatives of commercial, industrial, and exporting organizations, by farmers' cooperative associations, and others. It is the overwhelming testimony of informed witnesses that this Foreign Service of

the department is giving an invaluable service in market finding and in furnishing accurate and impartial information as to conditions abroad.

The service now has 40 offices abroad, including those in South America. The personnel consists of 16 commercial attachés, 40 trade commissioners, and 45 assistant trade commissioners. The functions of commercial attachés and trade commissioners are identical. The former, however, being attached to embassies or legations, outrank the latter, who are attached to less important offices. It is believed that nowhere in the Government service are to be found men more competent and alert.

No attempt will be made in this report to summarize the work and accomplishments of the Foreign Service. An indication of the volume of the work done may be had from the fact that in the last fiscal year over 2,000,000 definite commercial services were rendered. The annual report of the bureau in the Department of Commerce gives an illuminating statement covering the wide scope and important nature of these activities.

The bill defines the duties of these foreign trade representatives and provides for their classification into various grades. It fixes a specific salary range and a larger per diem than now allowed the Department of Commerce officers. The per diem allowance is the same as that provided in the Rogers Act, which deals with the Diplomatic Service. Unlike the Rogers Act, however, the bill carries no retirement features. A specific salary range is provided, substantially the same as the salaries now being paid. The maximum salary that may be paid is increased from \$9,500 to \$10,000, in order to meet a need as to one or two of the most important offices.

Provisions suggested by the Department of State are included in order to prevent any conflict of authority at these foreign posts. Harmonious action by the various representatives of the United States abroad is sought and the avoidance of all duplication of effort in so far as possible in the interest of economy and efficiency.

The committee believes that this bill will put the very valuable and very important work being done by this Foreign Service bureau upon a stable basis and insure its capacity to meet with increasing efficiency the growing demands that are being made upon it.

