

THE MARITIME LAW ASSOCIATION
OF THE UNITED STATES**ANNUAL MEETING—MAY 4, 1962**

The Sixty-third Annual Meeting of the Association was held at the New York County Lawyers Association on Friday, May 4, 1962, commencing at 2:00 P. M., following the regular meeting of the Executive Committee, with the President, Henry C. Blackiston, presiding.

PRESENT:

HENRY C. BLACKISTON, President
WILDER LUCAS, First Vice-President
JAMES J. HIGGINS, Secretary
J. JOSEPH NOBLE, Treasurer
J. EDWIN CAREY, Membership Secretary

and the following 144 other members:

MEMBERS WHO ATTENDED ANNUAL MEETING 5/4/62

Donald B. Allen	Joseph M. Costello
Cromwell A. Anderson	Francis N. Crenshaw
Joseph Arcoleo	Charles R. Dalton, Jr.
James Loudon Armstrong, III	Robert B. Deane
Leslie Munger Ball	William R. Deasey
Raymond A. Ballard	John G. DeRoos
Frank L. Bartak	Brunswick K. Deutsch
Carlyle Barton, Jr.	Herbert J. De Varco
George M. Bates	Sweeney J. Doehring
Robert S. Blanc, Jr.	Joseph E. Doti
Charles A. Blocher	August R. Duplaa
Henry J. Bogatko	Clarence S. Eastham
Harold S. Bowser	T. C. W. Ellis
Stuart B. Bradley	James M. Estabrook
C. A. Brown	Warren M. Faris
Francis X. Buckley	Alfred M. Farrell, Jr.
Morgan J. Burke, Jr.	Barton P. Ferris
Paul P. Burke	Charles N. Fiddler
Thomas E. Byrne, Jr.	Abraham E. Freedman
Joaquin Campoy	William E. Fuller
John E. Carlson	William Gitnick
Edward A. Cartier	Milton I. Goldstein
Leavenworth Colby	Julian S. Gravely, Jr.
M. L. Cook	Louis E. Greco

Raymond T. Greene
 Warren H. Greene, Jr.
 El Carol V. Greenwood
 William A. Grimes
 Yorkston W. Grist
 Harry L. Haehl, Jr.
 Richard A. Hagen
 Charles S. Haight
 Thomas C. Hall
 John Arthur Hamilton
 Frank G. Harmon
 Rufus C. Harris, Jr.
 Fenton F. Harrison
 James F. Hart
 Donald M. Haskell
 Robert A. Hauslohner
 Edward B. Hayes
 George W. Healy, III
 Nicholas J. Healy, III
 Wilbur H. Hecht
 Charles G. Herbermann, Jr.
 Dan H. Hinds
 Lee C. Hinslea
 Oscar R. Houston
 James M. Hughes
 Warren Adams Jackman
 Douglas A. Jacobson
 Robert A. Jenkins
 Robert M. Julian
 William M. Keegan
 Christopher R. Knauth
 L. Glen Kratochvil
 Louis Kurz, Jr.
 John E. Lawler
 Alfred A. Lohne
 Edwin Longcope
 Henry N. Longley
 Arthur O. Louis
 Capt. C. E. Lundin
 Harry E. McCoy
 Joseph T. McGowan
 B. D. McKinney
 John William McMurray
 George V. McShane
 Elmer C. Maddy
 Capt. Edward G. Magennis
 John R. Mahoney
 Walter E. Maloney
 Thomas O. Markey
 Frank J. Marston
 Walter B. Martin, Jr.
 Leonard J. Matteson
 Lloyd Cyril Melancon
 Theodore T. Metzger
 Stephan A. Milwid
 John C. Moore
 Springer H. Moore, Jr.
 Joseph A. Murphy
 James K. Nance
 Joseph Newton
 William C. Norwood
 John Poitevent
 William A. Porteous
 Cyril F. Powers
 Elmer Price
 Edward A. Quinlan
 Edward D. Ransom
 H. Wallace Roberts
 John J. Robinson
 John S. Rogers
 James E. Ross
 Michael J. Ryan
 Francis A. Scanlan
 Woodson D. Scott
 Manuel A. Sequeira, Jr.
 James H. Simonson
 John W. Sims
 Julian C. Sipple
 William A. Smith
 Saul Sperling
 Clarence E. Spitz, Jr.
 Benjamin F. Stahl, Jr.
 John Sullivan
 James J. Taylor
 Charles F. Tucker
 Gerard P. Watson
 Michael F. Whalen
 C. Dickerman Williams
 H. Barton Williams
 Robert H. Williams, Jr.
 J. Barbee Winston
 John W. Winston
 Cmdr. Virgil N. Woolfolk, Jr.
 Clarence J. Young
 John W. R. Zisgen
 Hiller B. Zobel

On motion duly made and seconded, the reading of the Minutes of the Fall Meeting of November 3, 1961 was dispensed with, and they were approved as set out in Document 452 which had been distributed to all members.

On motion duly made and seconded, the reading of the Minutes of the Executive Committee meetings since the 1961 Fall Meeting was dispensed with as the principal matters transacted at those meetings are covered in the Report of the Executive Committee and the Secretary's Annual Report.

REPORT OF THE EXECUTIVE COMMITTEE AND THE SECRETARY'S ANNUAL REPORT

There have been three meetings of the Executive Committee since our Fall meeting on November 3, 1961. They were held on January 25, March 19th and this morning, May 4, 1962.

At the meeting of January 25th the principal matters considered and actions taken were as follows:

Consideration was given to the letter of the Division of Administrative Law dated January 8, 1962, copies of which had been sent to all members of the Executive Committee, and following discussion Mr. John Mason, Chairman of the Division of Administrative Law moved:

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p. 2*

"That the resolution of November 2nd relating to the Articles of Association and By-laws of the Division of Administrative Law be and is hereby rescinded, that the President and the Chairman of the Division of Administrative Law are instructed to work closely to assure that any position or action of the Division of Administrative Law be properly identified as the position or action of the Division of Administrative Law and not of the Maritime Law Association; that the President further is instructed to report to the Executive Committee at the next meeting and at each meeting thereafter such actions as are taken to obtain these objectives, and to make such recommendations as he may consider necessary or desirable for further action by this Committee."

Eleven votes were recorded against the motion and one member of the Executive Committee abstained with the result that the motion was defeated.

Two non-lawyer applicants were accepted for membership, namely, Mr. Dorrence Sexton and Mr. Walter Reinsdorf, President and Vice President respectively of Johnson & Higgins.

At the meeting of March 19th, the following matters were considered:

The President advised the meeting that there had been no change in the status of the Administrative Law Division since the last meeting save that Mr. John Mason resigned as Chairman of said Division.

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The President reviewed the proposed agenda of the Comité meeting to be held at Athens in April, which review was limited in view of the scarcity of information provided by the Bureau Permanent of the Comité Maritime International and, after a full discussion, upon motion duly made, seconded and unanimously carried it was resolved,

"That pursuant to Article 6 of the By-laws, the delegation appointed by the President to attend the meeting of the Comité International in Athens, Greece, April 14-21, 1962, is authorized to represent the Association before said meeting; but said delegation, in the course of their representation, shall not express any views on behalf of the Association but may express their personal views as a delegate, subject to subsequent ratification by the Executive Committee."

This morning the principal considerations were as follows:

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The matter of the Administrative Law Division wherein they requested our Association to dis-establish the Division and instruct its Secretary-Treasurer to deliver funds to the new association they are forming was considered and briefly it was the consensus that there was no objection to their transferring the funds of their own division to the newly formed organization in Washington and pursuant to their request the dissolution of the Division of Administrative Law was accepted.

Consideration was given also to a proposal to distribute to the membership prior to the next meeting in the Fall, an agenda outlining matters to be discussed at that meeting. The Executive Committee will consider this further at its next meeting.

Respectfully submitted,

JAMES J. HIGGINS,
Secretary.

The Secretary's report was approved.

REPORT OF THE MEMBERSHIP SECRETARY

The Membership Secretary submitted the report of Francis J. O'Brien, Chairman of the Committee on Admissions which recommended that the Executive Committee elect to active membership the following 34 lawyers :

Edward T. Brennan
Adams, Adams & Brennan
15 Drayton Street
Savannah, Georgia

Stanley J. Cook
Derby, Cook, Quinby & Tweedt
465 California Street
San Francisco 4, California

Edward D. Courtney
James J. Courtney & Sons
1505 Alworth Building
Duluth 2, Minnesota

James J. Courtney, Jr.
James J. Courtney & Sons
1505 Alworth Building
Duluth 2, Minnesota

James J. Duffy, Jr.
Inge, Twitty & Duffy
P. O. Box 1109
St. Joseph Street
Mobile, Alabama

Donald N. Elberfeld
Lord, Day & Lord
25 Broadway
New York 4, New York

Verling C. Enteman
744 Broad Street
Newark 2, New Jersey

George F. Gahles
Cargill Incorporated
80 Broad Street
New York 4, New York

Willard G. Gilson
Lillick, Geary, Wheat, Adams & Charles
311 California Street
San Francisco 4, California

Theodore Goller, Jr.
c/o Robert Eikel, Esq.
1910 Tennessee Building
Houston 2, Texas

Richard Gyory
Cooper, Ostren & DeVarco
655 Madison Avenue
New York 21, New York

Frank Harlow Handy, Jr.
Kneeland and Splane
Fifty Federal Street
Boston 10, Massachusetts

John J. Hearn
Haight, Gardner, Poor & Havens
80 Broad Street
New York 4, New York

Robert A. Jenkins
Hill, Lewis, Andrews, Adams, Goodrich & Power
3250 Penobscot Building
Detroit 26, Michigan

L. Glen Kratochvil
Schirmeyer & Kratochvil
761 San Jacinto Building
Houston 2, Texas

Lionel L. Layden
Moore, Simon & Layden
1010 Van Antwerp Building
Mobile, Alabama

Thomas A. Liese
c/o Herman Goldman, Esq.
120 Broadway
New York 5, New York

Vincent M. McConnell
Lord, Day & Lord
25 Broadway
New York 4, New York

Howard M. McCormack
Zock, Petrie, Sheneman & Reid
52 Broadway
New York 4, New York

B. D. McKinney
Baker, Botts, Andrews & Shepherd
1600 Esperson Building
Houston 2, Texas

James F. McMahon
Kirlin, Campbell & Keating
120 Broadway
New York 5, New York

Donald F. McNiel, II
Baker, Botts, Andrews & Shepherd
1600 Esperson Building
Houston 2, Texas

Joseph M. Mangino
Kelly, Donovan, Robinson & Maloof
70 Pine Street
New York 5, New York

William P. Moyles
Prudential Lines, Inc.
17 State Street
New York 4, New York

Joseph A. Murphy
Lucas and Murphy
611 Olive Street
St. Louis 1, Missouri

George J. Nashak, Jr.
15 William Street
New York 5, New York

Gerald Nichols
General Traffic Service Co., Inc.
770 Broadway
New York, New York

Philip O. Roach
Makover & Roach
10 Light Street
Baltimore 2, Maryland

Henry J. Robinson
Kelly, Donovan, Robinson & Maloof
70 Pine Street
New York 5, New York

Marvin E. Segal
Standard, Weisberg, Harolds & Malament
38 Park Row
New York 38, New York

Henry V. Stebbins
100 Kings Highway
Tappan, New York

Celestino Tesoriero
Hill, Betts, Yamaoka, Freehill & Longcope
26 Broadway
New York 4, New York

Robert H. Thede
Derby, Cook, Quinby & Tweedt
465 California Street
San Francisco 4, California

Jack Weinberger
Standard, Weisberg, Harolds & Malament
38 Park Row
New York 38, New York

All were duly elected active members of the Association.

On motion duly made and passed it was resolved that the Executive Committee invite Mr. Gerald V. S. Pepperell, Marine Manager, Phoenix Assurance Company of New York to become a non-lawyer member of our Association.

Members:

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The total membership of the Association now is 1,641, made up of 2 honorary members, 165 associate members, 1,317 lawyer members and 157 non-lawyer members.

Respectfully submitted,

J. EDWIN CAREY,
Membership Secretary.

The Membership Secretary's report was approved.

TREASURER'S REPORT

The Treasurer, J. Joseph Noble advised that as of May 1st, the bank balance has been better than it has been for many years, \$10,638.10. This does not take into account any of the new payment of dues which has been billed as of May 1st. The fall dinner showed a deficit of \$431.02 with the Hotel Commodore, the food end of it aggregating 53 per cent of the bill and the beverage end of it aggregating 20 per cent of the bill.

Since our last meeting, 14 members have been dropped for non-payment of dues.

The Treasurer's report was approved.

REPORTS OF COMMITTEES

The President called for reports of the Committees.

COMMITTEE ON SUPREME COURT ADMIRALTY RULES

This Committee, by its Chairman, John W. Castles, III, made the following report:

Our Committee has been occupied almost exclusively with the proposal which is now under consideration by the Advisory Committee of the Supreme Court to amend the Admiralty Rules by incorporating them or unifying them with the Civil Rules. We have submitted to the Advisory Committee a fairly lengthy statement of our position and our position is without reservation that the Admiralty Rules should not be unified with the Civil Rules.

The Advisory Committee has met once last September again in January and propose to meet a third time in June of this year. We have been told that no action is imminent. Probably nothing will be done or no specific recommendation made by the Advisory Committee until, at the earliest, the fall of this year.

We strongly recommend that our successor Committee continue to take the position that has been asserted, namely, that we believe the Admiralty Rules should continue as an independent set of rules that are calculated to deal with the specific and unique problems that come up in the Admiralty field. We feel very strongly that the Admiralty Rules should not be unified with the Civil Rules.

We also recommend that our successor Committee give some consideration to what, if any, revisions might be in order with respect to the Admiralty Rules on the premise, of course, that they are continued as a separate and independent set of rules.

The report was accepted.

COMMITTEE ON BILLS OF LADING

This Committee, by its Chairman, Mr. John C. Moore, made the following report:

Your Committee has under its jurisdiction two topics, one which we have had since 1954 and the other since the end of 1959.

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The first is the matter of the issuance of clean bills of lading in exchange for letters of indemnity when cargo is not in apparent good order and condition. As we reported at the 1959 Fall meeting (Doc. No. 440, pages 4533 to 4534), after a study at the Rijeka meeting in September, 1959, it had been decided that a further round of comments by the National Associations should be called for. We reported at the 1961 Fall meeting (Doc. No. 452, page 4813) that none had been requested; none was thereafter requested. This subject was also on the agenda at the meeting of the Comité Maritime International held at Athens April 15-23, 1962. At that time, the President of the Subcommittee on Letters of Indemnity of the Comité Maritime International reported that our proposal was under study by the International Chamber of Commerce and that there had been recent court decisions of interest in European countries. It was also learned that this subject will be discussed by the International Chamber of Commerce on May 7, 1962. Documents issued by the International Chamber of Commerce and copies of the court decisions will be circulated to the representatives of the National Associations. A resolution was passed by the Plenary Session requesting the International Subcommittee on Letters of Guaranty to continue its work and to report further at the Plenary Session to be held in Stockholm June 9-15, 1963.

The second subject is the revision of the Hague Rules, which is under study by the Subcommittee on Bill of Lading Clauses of the Comité Maritime International. The Chairman and Rapporteur of the International Subcommittee drafted and circulated a final report of the International Subcommittee, which your Committee studied. Your Committee's suggestions for revision of the report were incorporated therein and the report has been submitted in final form to the President of the Comité Maritime International. It is at present being printed for circulation to the National Associations of the Comité Maritime International. The report makes it plain that the comments on which it is based do not bind the National Associations which are represented on the Subcommittee and that the work of the Subcommittee represents only the personal efforts of its individual members.

This subject will be the principal matter on the agenda of the Comité Maritime International at the plenary session to be held at Stockholm June 9-15, 1963. At that time, the draft amendments

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to the Hague Rules proposed in the report of the Subcommittee will be open to amendment and the National Associations will then vote on the amendments. Accordingly, our Association will have to take a position on this subject at the Annual Meeting to be held in May, 1963.

The Subcommittee report mentioned above consists of 45 pages in English and the same number in French in its typewritten form and will presumably have fewer pages in its printed form. In view of the importance of this subject and the desirability of having the legislative history in the hands of our members if the amendments are eventually adopted, we recommend that your Committee be authorized to arrange a special mailing of a copy of this report to each member of the Association, with a request for comments by the members. Your Committee proposes thereafter to submit its final report and recommendations for circulation to the members of the Association in advance of the 1963 Annual Meeting.

As we also reported at the 1961 Fall Meeting (Doc. No. 452, page 4281), the International Subcommittee on Bills of Lading is also studying the comparative jurisprudence regarding the exercise of diligence to make a ship seaworthy. Mr. Dewey Villareal, Jr., of your Committee prepared an extensive statement of United States decisions on this subject, for which Dean Van Ryn expressed special thanks at the Plenary Session of the Comité Maritime International at Athens, our contribution being so far the only one received.

The report was accepted.

COMMITTEE ON COMITE MARITIME INTERNATIONAL

The Chairman of this Committee, Mr. Arthur M. Boal, being in Europe, a tentative report of the Committee was rendered by a member thereof, Mr. Nicholas J. Healy, III.

The Twenty-fifth ^{part of} Conference of the Comité Maritime International was held at Athens during the week of April 15, 1962, and was attended by delegates of the Maritime Law Associations of some eighteen countries. The American delegation consisted of Mr. Henry C. Blackiston, President of our Association, Mr. Arthur M.

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Boal, our representative on the Bureau Permanent, and the following members :

Charles S. Haight
Nicholas J. Healy
Wilbur H. Hecht
Walter P. Hickey
John C. McHose
John C. Moore
Clarence G. Morse

J. Lester Parsons, Jr.
William L. Standard
George B. Warburton
Burton H. White
Anthony N. Zock

The following topics were considered :

1. The advisability of an international convention relating to damages in collision cases.
2. Registration of charter parties.
3. The status of vessels in foreign ports.
4. The advisability of adopting uniform rules relating to laytime, demurrage and despatch.
5. Carriers' responsibility for baggage.
6. Letters of guarantee.

With respect to collision damages, the Conference adopted a resolution recognizing three principles, namely :

1. That the injured party should be, as far as practicable, put in the same pecuniary position as if the injury had not been suffered;
2. That the injured party must mitigate his damages, if he can reasonably do so; and
3. The tortfeasor should be liable for damages reasonably attributable to his wrongful act.

It was further resolved that the various national associations should be requested to express their views on the desirability of uniformity in this field, and that the International Subcommittee be instructed to continue to study the topic and report to the next Conference, which is to be held at Stockholm in June, 1963.

Athens
The Conference recommended that the Bureau Permanent appoint an International Committee for the further study of the problem

of registration of charter parties, and that such a Committee should also be empowered to study the problem of the registration of bareboat charterers and to advise whether or not this question should be made the subject of international regulation.

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The delegates expressed considerable interest in the legal status of ships in foreign ports, particularly with respect to the jurisdictional questions presented. However, only a limited number of the national associations had answered the two questionnaires which had been circulated on this topic, and it was resolved that the others should submit their replies within six months, and that the Administrative Council of the Comité should take appropriate steps to continue the study. *on receipt of ans to Nathan on question*

There was extensive discussion of the proposal for uniform rules on laytime, demurrage and despatch. The work of the Conference on this topic is outlined in the report of our Association's Committee on Rules on Lay-Days and Demurrage, which will be submitted following this report.

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The Conference recognized the existence of a considerable amount of support for an International Convention on carriage of baggage. The Sub-Committee responsible for this topic was asked to continue its study of a draft convention and to report further thereon at the next Conference.

It was decided that the problem of letters of guarantee should be continued; that the national associations should be asked to submit court decisions and other information relating to the problem to the Comité, and that a small working group should be appointed for the purpose of coordinating this information and preparing a report thereon to be submitted at a subsequent Conference.

The hospitality shown to the delegates and their wives by the Greek Maritime Law Association and the wives of its members was truly magnificent, culminating in a two-day cruise among the Greek Islands for the delegates and their wives.

It will take considerable planning, as well as substantial funds, for our Association to be able to entertain the delegates on the same level at the 1965 Conference.

The report was accepted.

COMMITTEE ON RULES ON LAY DAYS AND DEMURRAGE

The Chairman of this Committee, Mr. Walter P. Hickey, submitted the following report :

This Committee was appointed to consider a proposal of the Comité Maritime International intended to promote more international uniformity and to minimize misunderstandings and disputes in connection with laytime, demurrage and despatch provisions of charter parties.

After studying the first drafts of a set of rules, to be known as the "Athens Rules of 1962", prepared by a drafting committee of the Comité, your Committee submitted to the drafting committee its comments and recommendations. Subsequently the proposed rules were put on the agenda for discussion at the Athens Conference of the Comité. Two members of your Committee attended that Conference and, together with other members of the delegation from this Association, took part in the Conference discussions, which led to the adoption of a resolution by the Plenary Session of the Conference to the following effect:

1. That the proposed rules were not intended to become the basis of an International Convention, nor in any way to restrict the freedom of negotiations between shipowners and charterers in arriving at the terms and conditions of charter parties, but that the Comité Maritime International should assist in any way feasible to bring about more international uniformity with respect to charter party terms.
2. That the Comité might well contribute to this end by attempting to provide a code of definitions of charter party terms dealing with laytime, demurrage and despatch.
3. That such definitions, however, would have limited value unless made in the context of particular charter party clauses, for which reason the practicability of drafting model laytime, demurrage and despatch clauses should also be considered and, in doing so, there should be full consultation with other interested organizations representing shipowners, charterers and merchants.

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4. That an International Sub-Committee of the Comité therefore be appointed to pursue this matter in accordance with the above recommendations.

In view of the foregoing, it is recommended that a Committee of this Association on Laydays, Demurrage and Despatch should be continued for the purpose of collaborating with the International Sub-Committee of the Comité appointed to carry on the work of bringing about more international uniformity in laytime, demurrage and despatch provisions of charter parties.

The report was accepted.

COMMITTEE ON SHIPOWNERS' LIMITATION OF LIABILITY AND COLLISION AND ARREST OF SHIPS CONVENTION

Mr. Raymond T. Greene, Chairman of this Committee, gave the following report:

Following our Fall Meeting of 1961 your Committee started preparing for subsequent appearances before the appropriate Congressional Committees in support of the pending bills applicable to Shipowners' Limitation of Liability and Collision Liability. Several Committee meetings were held in addition to numerous informal meetings. Your Committee also attended several joint meetings attended by representatives of the American Merchant Marine Institute and the American Bar Association among others.

We were then advised that a subcommittee of the Senate Commerce Committee had scheduled hearings on these two bills for March 1 and 2 at Washington. Further meetings of this Committee were held plus joint meetings with other interested groups. It was decided that the position of this association would be presented to this subcommittee by three members of your Committee, namely, Arthur Boal, Charles Haight and Raymond Greene. These gentlemen attended at Washington for two days preceding the hearings for the purpose of correlating their efforts with other proponents of these bills. At the time of the actual hearings on March 1 and 2 the position of this association was most ably presented to the subcommittee by these three gentlemen. As proponents of the bills the Government

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was represented by Julian Singman, Deputy Maritime Administrator and Leavenworth Colby of the Department of Justice. Peter N. Teige, Vice President and General Counsel of American President Lines presented the position for Pasa. Eberhard Deutsch of New Orleans, presented the report on behalf of the American Bar Association, which was unanimously in favor of both bills. The AMMI was most effectively and ably represented by Terry Burke of Moore McCormack Lines and Joseph M. Rault of New Orleans.

retained briefly

Opposition to the bills was voiced by Leonard Matteson who appeared in a personal capacity and by Abraham Friedman who appeared on behalf of the Maritime Committee of AFL-CIO. The arguments presented by these gentlemen in opposition were almost verbatim with those which were presented before this Association at the Fall Meeting of 1961.

Following the close of the formal hearing a series of questions were presented to all interested parties by counsel for both the majority and minority members of the subcommittee. Considerable time and effort by several members of your Committee was spent preparing suitable answers to these inquiries which were eventually presented in the joint names of the several proponents. The task of coordinating these several groups and of presenting this supplemental material to the subcommittee was most ably handled by Messrs. Boal and Haight of your Committee and McDonald Deming of the AMMI Committee.

As matters now stand your Committee is awaiting further advices from Washington as to whether the Senate Subcommittee wishes additional information, etc., and also as to when and where the appropriate Committee of the House of Representatives would conduct their hearings.

Inasmuch as this is but a progress report on a continuing activity it is recommended that this Committee be continued.

The report was accepted.

COMMITTEE ON GOVERNMENT PLAN FOR MERCHANT SHIPPING

Mr. MacDonald Deming, Chairman of this Committee, gave the following report:

Rpts.

There are some general developments of very great interest though not cause for very great happiness. Regarding Government plans for merchant shipping, perhaps the best that can be said is that the matter is under intensive study, but some of the indications of some of the students are not perhaps for the best. It is a year of critical re-evaluation of the whole Government policy toward the Merchant Marine, both by Congress and by the Administration. The Bonner Committee in the House, the Committee on Merchant Marine and Fisheries, has been carrying on this study for some time, and is conducting hearings at the present time. They are going to have a number of additional witnesses. They are going to call the Secretary of Agriculture and the Secretary of Labor. They hope to recall again, Undersecretary Martin of the Department of Commerce, after he has finished the study which is now going on in the Commerce Department, which will include taking recommendations from the Defense Department and all other available sources, as to what should be the Government's policy regarding the American Merchant Marine.

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Rpts on testimony

The discouraging developments that I referred to are of course the remarks by Mr. McNamara, the Secretary of Defense, when he testified before Mr. Bonner's Committee. He said some rather tough things, although on reading the whole of his remarks, there is a great deal of comfort there which was not dramatic enough to be publicized. For example, he does support Commerce's plans to increase the Replacement Program building from 13 in 1962 to 18 in 1963. After that he calls for orderly replacement to modernize the Merchant Marine. However, as the newspapers headlined, he came out very firmly and unshakably against subsidizing new large-size fast passenger liners on the basis of their being available for use as troop transports. He is persuaded on the basis of his own studies that air transportation, particularly regarding personnel for military purposes, is the wave of the future; and that the fleet will be of continuing military value, but only in large scale transportation of cargo.

There are a couple of other disturbing thoughts that Mr. McNamara evidently has. In the first place, he seems to emphasize the development, the experimental development of new specialized craft for military purposes, particularly, and not adaptable to commercial use. Examples of this trend are high speed cargo vessels with particular emphasis on speed of loading and discharging, and the container ships, and roll on, roll off. In the field of tankers, he considers that we have enough high quality tankers now and that future tankers should not be huge super tankers but should be rather in the 25,000 to 30,000 dead weight class.

In the field of subsidy, pointing to the well-known facts of the greater expense of American shipbuilding as well as American ship operation, the Secretary of Defense draws the opposite conclusion to the one we are accustomed to draw. His conclusion is that we can't afford to subsidize. Partly as a result of this statement, I understand there was a good deal of apprehension that the Administration would simply abandon the subsidy program. This has not eventuated yet; however the program is being very seriously studied from the point of view of both military and civil requirements.

There are some rather serious developments in the coastal shipping situation, apparently developing chiefly out of competition from Canada, the lumber trade in the northwest. There seems to be a good deal of pressure to allow foreign vessels to get into the coastal trade. *Ref on*

There are a few developments of interest in connection with seamen, which are expected to develop some opposition. For example, I understand that physical requirements for seamen are to be imposed if a pending bill is put through. That is to say, seamen must be healthy when they sign on. I do understand that won't be wholly unopposed.

In the field of dual rates, there is of course no new legislation, but I understand very, very active hearings, and they have extended for three months the time for filing shippers' contracts to permit full hearings. In this connection there is a panel that some of you might be interested in attending, on May 10th and May 11th, at 3 o'clock at the Commodore Hotel on the subject of dual rates.

There are also some interesting developments in the Buck Rogers field. Things seem to be moving very fast in the research area.

Rpt on

Of course, the atomic ship Savannah is rapidly approaching the second phase of operation, actual test running rather than preliminary scientific testing. ~~The hydro-foil ships are also approaching the point of practical operation.~~ I was startled to read, a number of other nations, including Finland and Venezuela, have had them in operation for many years.

Then there is a vessel called the surface effect vessel, which will operate about two feet above the surface of the sea, at 70 or 80 knots.

One Administration spokesman says this may be the era of automation. There is even completely automated research. I don't pretend wholly to understand how it works, but apparently you feed in the data into this brain, and it figures out the answers to all the industry's problems. Let's hope they will start feeding in the data rather soon.

I confess to a considerable amount of misgiving at this automation development. It reminds me of the story (supposedly true) of the machine which can play checkers with its master, always winning and saying politely after each game, "So sorry, you lose again." I suppose they will eventually have to have automated lawyers for collisions between the automated ships.

The conflict in Administration policy as to the function and importance of the Merchant Marine is certainly going to be a fascinating one to watch (incidentally, we recommend our Committee be continued to watch it). In view of the tremendous efforts by many other nations, including, of course, Russia, both in quality and quantity, the Maritime Administration considers that the United States is lagging badly in technology, and that we cannot continue to do business at the old stand. On the other hand, there seem to be some who think that the old stand is good enough, if, indeed, we are left any stand at all. It will be interesting, to say the least, to see which faction prevails.

The report was accepted.

NOMINATING COMMITTEE

Mr. Blackiston: Before I ask for the report of the Nominating Committee, I would like to state that this is, as you know, my last appearance before you. I am allowed to express my thanks to the Association for supporting me continuously during the past two years and also to express my appreciation to the many very hard-working committees, Executive Committee and Officers.

Mr. Matteson: The Nominating Committee appointed by the President consists of Arthur M. Boal, Chairman, Messrs. Leslie Krusen, John J. Robinson, Arthur O. Louis, Archie M. Stevenson, Charles S. Haight, Leonard J. Matteson, L. DeGrove Potter and John C. McHose.

Mr. Boal is in Europe having attended the meeting of the Comité, he is due to attend the Diplomatic Convention in Brussels that begins in about a week. He has asked me to present this report on behalf of the Committee.

The nominations of the Nominating Committee are as follows:

For President, Wilbur H. Hecht; for First Vice-President, Lee C. Hinslea; for Second Vice-President, Stanley R. Wright; for Secretary, James J. Higgins; for Membership Secretary, J. Edwin Carey; for Treasurer, J. Joseph Noble. To fill the vacancies created by the retiring class of members of the Executive Committee, Messrs. MacDonald Deming, Elmer C. Maddy, Christopher E. Heckman.

That is the report of your Nominating Committee.

Mr. Blackiston: Thank you very much, Mr. Matteson.

You heard the report of the Nominating Committee. Are there any other nominations? If not, the Chair will entertain a motion to instruct the Secretary to cast one ballot for the slate as proposed by the Nominating Committee. Is there such a motion?

A Voice: I so move.

The Chairman: Is there a second?

A Voice: Second.

The Chairman: All those in favor say "Aye".

("Ayes" heard.)

The Chairman: Opposed?

The slate is declared elected.

I would like to turn over the final remaining minutes of the meeting to your new President, Mr. Wilbur Hecht.

(Applause.)

Mr. Hecht: I was afraid the Nominating Committee, for picking this slate, either left the country or took to the storm cellars. I believe that wasn't necessary.

I will try during my term of office to do a job approaching that which Harry Blackiston has done for you and if I can do that, I know you will all be satisfied.

Since this seems to be the last item on the agenda, I think it would be fitting if we adjourned with a rising vote of thanks to Harry Blackiston for the job he has done for us.

(Applause.)

Mr. Blackiston: Thank you very much.

The meeting was adjourned at 3:45 P. M.