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H.R. 4948, 80TH CONGRESS - A BILL TO ESTABLISH VA OFFICES IN PHIL

MISC-18

VETERANS' ADMINISTRATION OFFICES  
IN THE PHILIPPINES

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HEARINGS

BEFORE THE

COMMITTEE ON VETERANS' AFFAIRS  
HOUSE OF REPRESENTATIVES

EIGHTIETH CONGRESS

SECOND SESSION

ON

**H. R. 4943**

A BILL TO EXTEND THE AUTHORITY OF THE ADMINIS-  
TRATOR OF VETERANS' AFFAIRS TO CONTINUE  
AND ESTABLISH OFFICES IN THE TER-  
RITORY OF THE PHILIPPINES

JANUARY 29 AND FEBRUARY 5, 1948

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VETERANS' ADMINISTRATION OFFICES IN THE  
PHILIPPINES

THURSDAY, JANUARY 29, 1945

HOUSE OF REPRESENTATIVES,  
COMMITTEE ON VETERANS' AFFAIRS,  
Washington, D. C.

The committee met at 10:20 a. m., Hon. Edith Nourse Rogers (chairman) presiding.

The CHAIRMAN. The committee will please come to order. We have under consideration H. R. 4943, a bill which would extend the authority of the Administrator of Veterans' Affairs to continue and establish offices in the territory of the Republic of the Philippines.

This has been requested by the Administrator of Veterans' Affairs and he has asked for very speedy action upon it.

Without objection H. R. 4943 will be inserted in the record at this point.

(H. R. 4943 is as follows:)

[H. R. 4943, 80th Cong., 2d sess.]

A BILL To extend the authority of the Administrator of Veterans' Affairs to continue and establish offices in the territory of the Republic of the Philippines

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That Public Law 91, Eightieth Congress, approved June 14, 1947, is hereby amended to read as follows:

"That the authority in section 7 of the World War Veterans' Act, 1924 (43 Stat. 909; 38 U. S. C. 430), and section 101 of the Servicemen's Readjustment Act of 1944 (58 Stat. 284; 38 U. S. C. 635a), to establish regional offices, sub-offices, contact units, or other subordinate offices may continue to be exercised by the Administrator of Veterans' Affairs with respect to territory of the Republic of the Philippines on and after the date of its independence if he deems such offices necessary."

The CHAIRMAN. Mr. Spear, are you going to present the case for the Administrator?

Mr. SPEAR. Yes, Madam Chairman.

The CHAIRMAN. Will you please come forward and be seated, and give your full name and title?

STATEMENT OF RALPH E. SPEAR, ASSISTANT DIRECTOR, FOREIGN RELATIONS SERVICE, VETERANS' ADMINISTRATION, WASHINGTON, D. C.

Mr. SPEAR. Madam Chairman, I am Ralph E. Spear, Assistant Director of the Foreign Relations Service, Veterans' Administration, Washington, D. C.

This bill we regard as a necessary administrative bill in order that we may effectively administer the benefits which under present statutes are payable in the Republic of the Philippines.

We are dealing with a situation here that is pretty unique in that we have a foreign country, substantially all of whose veterans saw service in the United States armed forces of the Far East. Consequently the volume of claims filed is considerably above the volume filed in other foreign countries.

The Philippines, as you all know, up until a year ago last July were within the governmental orbit of the United States.

We have at the present time slightly over 100,000 claims that have been filed in our Manila regional office. That doesn't mean that all of those claims are valid ones but it does mean they must all be adjudicated. We feel that we are more adequately protecting the interest of this Government if we can have our people right on the ground to investigate the circumstances behind those claims. We feel that it is more economical to operate that way.

If we were attempting to deal through the State Department, the people would still be needed there, the people to investigate claims, to administer educational benefits, for which, incidentally, a small number of the Filipino veterans are eligible, the old Philippine Scouts, employees as of the end of December. One hundred and five are classified civil-service employees and 405 are employed on the local-pay scale. The latter are Filipinos. As a matter of policy we maintain able under our laws for their acts.

We feel that the maintenance of that office there is a necessary safeguard in the proper administration of the program.

The CHAIRMAN. Will the gentleman yield just a moment?

Mr. SPEAR. Yes; I yield.

The CHAIRMAN. What happened to the bill this committee passed and the House passed last year?

Mr. SPEAR. You mean the bill extending the life of the office?

The CHAIRMAN. Yes.

Mr. SPEAR. We have been operating it.

Mr. JOHNSON. Was there a limit in the law we passed, Public Law No. 91, in June of last year?

Mr. SPEAR. That is correct.

Mr. JOHNSON. There is no such limitation in this bill. Is that right?

Mr. SPEAR. No; at the present time we have approximately three-fourths of our case load still unadjudicated in Manila.

I would like to make a few comments on the reasons for that because it is not typical of the operation of the Veterans' Administration generally.

When the Japs took over the Islands, military records were destroyed as a security measure. Before the Japanese left they burned many court houses, and the administrative files they burned many cases lacking.

The War Department certifies to the Administration the service of Filipinos in the Commonwealth Army, the guerrilla service, and the Philippine Scouts. The birth records, death records, marriage records

ords many times have to be recreated by affidavits and that is a process of which I think we are properly very wary. We want to investigate the circumstances to be sure that we are acting on the basis of true facts.

The business of recreating records is a time-consuming job, both the service records and the public records of birth and death. Consequently we do lag considerably behind the adjudication of claims in this country in that office.

The CHAIRMAN. Will the gentleman yield just a moment?

Mr. SPEAR. Yes.

The CHAIRMAN. Am I correct in my recollection that the Veterans' Administration did not receive an appropriation for the continuance of that office?

Mr. SPEAR. You are quite correct.

The CHAIRMAN. Because the bill was passed so late in the session?

Mr. SPEAR. That is very true.

The CHAIRMAN. And the Appropriations Committee would not take it up?

Mr. SPEAR. That is correct.

The CHAIRMAN. So you are using money from other funds in the Veterans' Administration. Therefore, it would be advisable for that reason, if for no other, to pass the legislation.

Mr. SPEAR. Yes. This Public Law No. 91 was passed just before the end of the congressional session and there wasn't time to follow it through.

We have not been able to submit a budget request for the fiscal year 1949 because the termination date is June 30, 1948.

Mr. JOHNSON. Madam Chairman, may I ask?

The CHAIRMAN. Yes.

Mr. JOHNSON. You said a moment ago there were some people there in the Philippines that would be able to take care of the educational provisions under the GI bill of rights.

I believe you mentioned the Filipino Scouts. Why would not anyone who would be eligible for claims payments be eligible for full benefits under the GI bill of rights?

Mr. SPEAR. The Philippines Rescission Act specifically limited it to death and disability claims and national service life insurance previously contracted for. So, it is by act of Congress that the limitation exists.

Mr. JOHNSON. Have you any idea of the rate at which the claims are being adjudicated, how many years it will take to clean them up?

Mr. SPEAR. I should answer that possibly by saying that we are hopeful in the next few years they will be cleared. We are so dependent upon certification of service from the War Department and circumstances that are outside of our control.

Mr. JOHNSON. The certification of these claims, as I remember it, from our discussion of the bill last summer, was the result of an Executive order issued by President Roosevelt in 1941 to General MacArthur bringing them into the American Army?

Mr. SPEAR. Yes, sir.

Mr. JOHNSON. The reason I am asking this is we put a limitation on last summer for 1 year. Instead of leaving this so indefinite, I personally would favor a 2- or 3-year limitation rather than indefi-

nately. I think 2 years or something like that would give us another chance to check into it and see what you have done in those 2 years and see what the possibilities are rather than leave it here so it can go on for 8 or 10 years.

Mr. SPEAR. In that connection I would like to make this comment. The need for processing will continue we know. On claims in this country there still exists responsibility for reviewing new claims which are filed. Some veterans die and death claims are filed.

It has appeared to us that we are going to be in the Philippines in business for a good many years. Now, whether our center of operations is here in Washington or out in Manila is the question. It would seem to me the volume of work would properly determine that. For example, in some foreign countries the State Department exercises delegated responsibility for certain veterans' benefits. They serve the Veterans' Administration where the volume of business warrants.

I think I can speak for those who are in control in the Veterans' Administration when I say that we have no desire to maintain an office out there beyond the time that it is administratively desirable, and in our opinion economical to do so.

Mr. JOHNSON. Whenever you reach the point where most of your claims have been processed and gotten down to the reviewing state, from here rather than over there.

Mr. SPEAR. We might well, but we would have the problem of investigation of such new death claims as will later come in when volume might be so small that it will be handled by the State Department.

Mr. MATHEWS (presiding). Have you finished?

Mr. JOHNSON. Yes; for the present.

Mr. MATHEWS. The gentleman from New York.

Mr. ROSS. Will you give us the number of veterans and the number of individuals you think are eligible for benefits?

Mr. SPEAR. We have an estimate, and it had to be an estimate since we don't have any count of the veterans, and the question of guerrilla recognition is a vital one there.

Mr. ROSS. Will you explain what you mean by guerrilla recognition?

Mr. SPEAR. Yes. We are obligated by law and regulation to recognize the claims of recognized guerrillas, those whom the Army recognizes as having served during the period of occupation.

The latest estimate we have from the Army is that approximately 318,000 persons will be eventually recognized. I understand they have had over a million and a quarter claims, but they are scrutinizing those claims rather carefully.

Taking the guerrilla estimate as a basis and adding to that those who we know served in the Commonwealth Army, the Philippine Scouts and the Navy and the new Philippine Army, the Philippine in our Army, we arrive at about 475,000, who ultimately will have established service in the United States Forces.

Mr. ROSS. They are entitled to death and disability benefits?

Mr. SPEAR. There are various degrees of entitlement according to the group. The "new" Philippine Scouts, who have been created recently, the Commonwealth Army veterans and guerrillas are limited

to death and disability benefits and national service life insurance previously contracted for.

The "old" Philippine Scouts, who were a part of the Regular Army of the United States, are entitled in addition to vocational rehabilitation benefits. If they were physically in this country they would be fully entitled to all the benefit programs, but there are certain programs that do not operate in foreign countries, readjustment allowances and loan guarantees. Those programs are confined to the United States; and hospital and medical care in foreign countries may be given only to veterans who are temporarily residing or sojourning there, who are citizens of the United States, and who need the care for a war-service-incurred disability.

It is a rather complicated set of benefits and the eligibility is determined by the type of service.

Mr. ROSS. Are widows eligible for any type of benefit?

Mr. SPEAR. The death benefit which all of these groups are entitled to.

Mr. ROSS. No pensions?

Mr. SPEAR. The death pension is the benefit to which I am referring, the widow's pension.

Mr. ROSS. What is the cost of operation of this branch?

Mr. SPEAR. I have the exact figures here for 1947, which is the latest year on which we have the totals.

The operational costs totaled \$1,314,998 for the fiscal year 1947. Of that amount \$1,039,994 is for personal services.

Our personal-services average is rather lower out there than in this country, due to the fact so many of the clerical employees are employed under the local pay scale.

Mr. ROSS. Does the Veterans' Administration maintain a similar office in any other country?

Mr. SPEAR. No, sir; this is the only one.

Mr. HUBER. There is no country that compares to it?

Mr. SPEAR. It is a unique situation.

Mr. ROSS. But you stated it is the intention of the Veterans' Administration to terminate activities there with respect to the maintenance of an office and to transfer all administrative work back to the United States?

Mr. SPEAR. I think I put it this way, sir. When the time comes when it is more economical to do so, it would be the intention to do so. That factor is largely out of our control, depending on the rate at which these records are made available to us.

Mr. ROSS. The Administration obviously is not prepared to say at this time when they will terminate this office.

Mr. SPEAR. No, sir; we would find it impossible to estimate that.

Mr. ROSS. I recall in the discussions here in this committee last year, that it was the sense of the committee at that time that the Veterans' Administration should take some action during the year 1947 to determine whether or not they could close that office soon.

Mr. HUBER. Will the gentleman yield?

Mr. ROSS. Yes. In just a moment. Do you know whether any such action has been taken on the part of the Veterans' Administration?

Mr. SPEAR. Well, sir, we have been continuously in touch with the

operations there. We know what the load is and what the problem is on the cases remaining unadjudicated. We feel that it is not going to be economical to terminate the office until we have had opportunity to have our own people investigate the claims and the validity of the claims.

Mr. ROSS. Then your answer is the Veterans' Administration has not instituted any kind of action to terminate the office?

Mr. SPEAR. Yes, sir.

The CHAIRMAN. The gentleman from Texas.

Mr. TEAGUE. Isn't it possible to estimate when the maximum load for that office will be reached and the load starts to go down?

Mr. SPEAR. We have been trying to do that for the past 10 months. There are these factors completely out of our control, that we have no way of estimating and cannot tell at what rate and in what total the Filipino veterans and their dependents will file claims.

Mr. TEAGUE. Can't we insist they file them soon?

Mr. SPEAR. Well, their eligibility might not exist at the moment. A widow 2 years from now may not be a widow now.

Mr. TEAGUE. It seems the great majority, or most of your claims exist at this time?

Mr. SPEAR. Not all the cases of guerrilla recognition have cleared the Army.

Mr. TEAGUE. Can you tell what kind of service you are getting from the Army on clearing those claims?

Mr. SPEAR. Recent reports from Manila indicated that there were somewhere in the neighborhood of 20,000 claims being looked into now. The Army is doing its best to give us clearance.

Mr. TEAGUE. What do you mean, it is doing its best?

Mr. SPEAR. The report we have is that they have limited personnel facilities out there and their primary job is to clear the back-pay claims, and the service they are giving us a secondary function.

Mr. TEAGUE. Are you having to maintain personnel there that could be reduced if you got quicker service from the Army?

Mr. SPEAR. Actually, our personnel needs would increase if we got quicker service now because we would have to step up our adjudication facilities. This would shorten the time, perhaps, but a large staff would have to be maintained at the present.

Mr. JOHNSON. Do you wait until a claim is filed before you ask for clearance from the Army?

It seems to me that if you do that you will be there for years and years. Isn't there any way they make up pay rolls and give clearance for pay vouchers that they could turn over to you a master list? If they pay them, that would be one form of clearance. Isn't there some way they could give you a master pay roll to check the claims on, rather than have to go to the War Department after the individual has filed his claim?

Mr. SPEAR. The problem there is that most of the claims are death claims filed by dependents of individuals who must be identified. It may not be a point of issue in clearing the back pay of the Army as to who the dependents were. Furthermore, we are required by Public Law 144 to have a loyalty clearance. The islands were in the hands of the enemy and anyone guilty of giving aid and assistance to the enemy and collaborating with the enemy forfeits all veteran rights.

That will apply as much to the beneficiaries as to the veterans and that is handled by the Army with their Counterintelligence Service.

Mr. JOHNSON. Does the Army have some master list or roll they take all the information from that they could furnish you more or less in blank so you could work on these records?

Mr. SPEAR. They are working toward that end. They have roughly a million and a quarter claims for guerrilla recognition.

Mr. JOHNSON. Let me ask you one other question. You may not be the proper one to answer it and may not want to answer it, but has the Army, the War Department given any thought to this, of making an estimate of a lump-sum payment to the Filipino Government and let the other eligibles file with the Filipino Government?

Mr. SPEAR. I am sorry—

Mr. CROW. Will the gentleman yield?

Mr. JOHNSON. Yes, sir.

Mr. CROW. The Army doesn't have anything to do with the settlement of claims against the Government.

Mr. JOHNSON. The Army has done this on other types of claims for property damage in Europe.

Mr. CROW. That is property damage.

Mr. JOHNSON. It took a special law to pay that, and it might be more economical for us to pass that kind of a law and make a lump-sum payment to the Filipino Government, and let all of those people file with the Filipino Government.

I may make this observation, for this reason, I don't want to vote for this bill for an indefinite time, but I will vote for it for a year or two and see if we can't get a lump-sum appropriation, and in that time you would cut out all of that expense and you would save \$10,000,000 or \$15,000,000.

Mr. MATHEWS (presiding). The gentleman from Tennessee, Mr. Phillips.

Mr. PHILLIPS. I have no questions.

Mr. MATHEWS. The gentleman from Massachusetts, Mr. Donohue.

Mr. DONOHUE. No questions.

Mr. MATHEWS. The gentleman from Connecticut, Mr. Patterson.

Mr. PATTERSON. No questions.

Mr. MATHEWS. The gentleman from Louisiana, Mr. Allen.

Mr. ALLEN. I will say to the witness that when we had this matter up last time I tried, and tried hard, and failed completely to get any idea as to how many of these so-called guerrillas would be recognized by the Army and thereby be entitled to these benefits from the American Government, and I want to say to the chairman of the committee at this time that before I vote on this bill I want some responsible person from the Army who knows something about the veterans and procedures of the Army, what methods and procedures they are using, to come before this committee and try to give us a little clearer picture than we have ever been able to give.

This is a unique proposition. We are going into a foreign country and doling out millions and millions of dollars to people that we have little idea about, and the witness has already testified that the records were destroyed and that we have to go back and recreate the records, and you have to take the word of these people back in the bushes, backed up by other guerrillas and so forth, and I am afraid, Mr.



Witness, we will wind up with practically all of those people on the pay roll of the Federal Government.

That is just it exactly. I have nothing against the Filipino people and appreciate them very much, but I am fearful we are going to wind up with all these thousands of people on the pay roll.

I agree with the gentleman from Oklahoma there ought to be some sort of limitation on this. Let me ask this: This does not contemplate establishing any hospitals whatsoever out there, does it?

Mr. SPEAR. No, sir.

Mr. ALLEN. The Veterans' Administration has nothing in the world to do with it. You have nothing to say about who is eligible and not eligible, and it is up to the Department of the Army to determine it alone?

Mr. SPEAR. The fact of service is a matter for determination by the Army.

Mr. ALLEN. That is right.

Mr. SPEAR. The fact of service does not automatically entitle a man to benefits. We make our own determination as to the eligibility, but the factor of service is the first point.

Mr. PATTERSON. How do you arrive at this point of eligibility?

Mr. SPEAR. Well, it would be as set up by the various benefit laws. The fact whether the veteran has a disability and the fact of whether or not it was incurred in the service.

Mr. PATTERSON. The Filipino guerrilla, as I understand it, if classified by the War Department, as taking part in our armed activities and friendly toward our cause, is considered eligible. Is that enough, or do you people have some other rule in order to establish his eligibility?

Mr. SPEAR. I think this might clarify it. When the Army gives recognition it recognizes certain periods of active service and in practically every case there is a period that they term "no pay status." The man may have escaped and stayed in the hills near his native village a year or a year and a half and then rejoined the guerrilla groups. During that period of no pay status he is not in service. The Army will establish the fact of service. They will tell us when he was in a no pay status, and it is up to our people to determine whether or not the claimed disability was incurred during that no pay status, or during the period of active service.

Mr. PATTERSON. How do you arrive at this? That is the thing I want to know.

Mr. SPEAR. That is the technical job of our adjudication people who have to sift the evidence as best they can and arrive at a determination. In that connection there would be the testimony of Army officers who had served with the guerrilla units and testimony of the Philippine Scouts who served with them. There would be all kinds of evidence that might be introduced.

Mr. PATTERSON. During the interim from the time one of these Filipinos was back in his native village and the time that the islands were liberated, how are you going to know whether or not they have been sympathetic toward the Japanese during that period?

Mr. SPEAR. We have to rely there again on the best evidence available. The Army has certain counterintelligence reports covering that period. Furthermore, there has been set up in the Philippines a

people's court dealing with collaborators. We clear all available sources before passing on a claim.

Mr. PATTERSON. Now, you just made a statement that the Veterans' Administration does not intend to have hospitals out there for these claimants, and they are classified as veterans of the United States Army.

How are you going to keep from building hospitals?

Mr. SPEAR. Well, the law takes care of that. With respect to the Commonwealth Army veteran and the guerrilla veteran he is definitely limited by the Philippines Rescission Act to death and disability benefits and national service life insurance previously contracted for.

With respect to the Philippine Scouts and Spanish-American War veterans out there, there is still a regulation stemming from the Economy Act of 1933 in regard to hospital care and medical treatment.

Eligibility exists only in the case of an American citizen veteran who is temporarily sojourning abroad and who needs treatment for disability incurred in the service in time of war. Actually that reduces our medical load to a very low point in the Philippines and, in fact, in most foreign countries when we require they be temporarily residing or sojourning. That knocks out eligibility to all Philippine Scouts or Spanish-American War veterans and most other veterans who live in the Philippines.

Mr. MATHEWS. The gentleman from Louisiana?

Mr. ALLEN. Mr. Witness, have you talked with the Army authorities as to the procedural method they use in determining who is eligible and who is not eligible, and what did they say about it?

Mr. SPEAR. That is a matter that is handled between the manager of our Manila office and the Adjutant General's office in the Philippines. The details of the operation are worked out at that level. We do periodically have conferences with the people in the War Department here as problems arise, but the details of the operation we would have to get from Manila.

Mr. ALLEN. Isn't this a very awkward situation where we are called upon to pay out millions and millions and millions of dollars for the next maybe 50 or 60 years to people that it is difficult now to determine what their status was during the war, no record being in existence at all, and are we not having to take their word for it that they served and have to take their word for it that they were wounded, how and when, and so forth? Aren't we up against that fact?

Mr. SPEAR. I would not want to leave the impression, sir, that all records were destroyed. Many of them were. We do have an involved problem because so many records were destroyed, but there were some records which came out, some by submerine from Corregidor and certain pay records of the Army, certain company rosters were maintained by American Army officers who were leading guerrilla forces in the hills. That record verification is a difficult proposition and in some cases the records have been destroyed and we are at the mercy of the word of the applicant.

As a matter of fact, though, our adjudication people bend over backward to protect our own interests in the matter. At times we are subject to criticism from the Philippine authorities because the adjudication action on these claims has been so slow. That is deliberate. We are endeavoring to do a careful job and be sure of our ground.



Mr. ALLEN. With reference to the criticism that is heaped upon you by the Philippine Government, it seems to me it is fair to observe that after all is said and done these people were fighting for their own island and now they have their own Government and we gladly gave them all that, and cooperated with them in any way and will still do it, but the thing I want to be very careful about is herding into the haven of the Veterans' Administration hundreds of thousand of people under guise of having been guerrillas, that we have no evidence of at all possibly, and we have to take their word for it. We have to depend on what they say, and it strikes me we should be very slow, because I remember reading in the newspapers during the war that there were a lot of people over there, and some in high places, who had collaborated with the Japanese and who turned against our Government, and if we are placed in the predicament of going out into the woods and mountains of the Philippines and placing every man on the pay roll, every man who says he is entitled to benefits, that is unique indeed, and, Madam Chairman, that is why, in all fairness to the Filipino people, I am not protesting against that at all, but that is the reason why I think we ought to save some responsible Army officers come before us and tell us where we are heading.

Mr. PHILLIPS. Does the Veterans' Administration have any kind of program today as to placing on the pay rolls of America the Polish Legion and the Free French and other resistance groups that contributed materially to the winning of the war, and assisted the American armies?

Mr. SPEAR. Not to my knowledge.

Mr. PHILLIPS. Does the Veterans' Administration consider that group of millions of people fine and worthy of consideration?

Mr. SPEAR. Well, sir, I would point out this difference, that in the case of the Commonwealth Army of the Philippines, it was ordered into the United States armed forces by the President of the United States. There was a direct military order by the President and they were under full discipline and control of our Army.

Mr. PHILLIPS. Did some of the other Allied forces serve also under American commanders and serve in the American Army?

Mr. SPEAR. Many of them.

Mr. PHILLIPS. Canadians and English?

Mr. SPEAR. There are many aliens who served in our Army individually and they carry the same entitlement.

Mr. PHILLIPS. Under this existing law our Government goes so far as to permanently pay compensation to widows and orphans and dependents for generations to come, but is there anticipated a set-up by which the Americans have to support and pay the expenses and maintain the civilian population in another country?

Mr. SPEAR. No, sir; I don't think that would be a fair description of that.

Mr. ROSS. Will the gentleman yield?

Mr. PHILLIPS. Yes; I yield.

Mr. ROSS. How long have you been operating this Veterans' Administration office out there?

Mr. SPEAR. Prior to the war there was the Insular Office.

Mr. ROSS. Since the termination of hostilities?

Mr. SPEAR. The office was opened in March 1945.

Mr. ROSS. That is nearly 3 years ago?

Mr. SPEAR. Yes, sir.

Mr. ROSS. How many are receiving benefits?

Mr. SPEAR. I can give you the exact figure. It is somewhere in the neighborhood of 24,000—23,439, to be exact.

Mr. ROSS. 23,000 are now receiving compensation?

Mr. SPEAR. Yes, sir.

Mr. ROSS. What would happen if we didn't approve this authorization?

Mr. SPEAR. Assuming the Veterans' Administration was to discharge its responsibilities and to administer benefits to these people who are eligible?

Mr. ROSS. And in that connection, and this answers in part the gentleman from Louisiana.

Mr. SPEAR. Yes, sir.

Mr. ROSS. We are committed by law to do certain things with respect to the Philippines?

Mr. SPEAR. Yes, sir.

Mr. ROSS. To accomplish this result, to close this office would not alter our obligation with respect to continuing facilities?

Mr. SPEAR. No, sir.

Mr. ROSS. The VA would have to continue operations through the State Department in the Philippines?

Mr. SPEAR. Yes, sir.

The CHAIRMAN. The gentleman from Pennsylvania, Mr. Crow.

Mr. CROW. There isn't any law passed to cover the Philippine Army except the law that covers the GI benefits.

Isn't it true that the President issued an Executive order directing the Philippine Army and guerrillas be sworn into the United States Army?

Mr. SPEAR. That applied to the Commonwealth Army.

Mr. CROW. As soldiers of the United States Army they are now entitled to all benefits covered in the bill except hospitalization?

Mr. SPEAR. There was a curtailment in the Philippine Rescission Act which limited benefits.

Mr. CROW. Is there any special act which covers the Philippine Army?

Mr. SPEAR. The only special act at the present time is the act which limits their benefits.

Mr. CROW. What is that?

Mr. SPEAR. Public Law No. 301 of the Seventy-ninth Congress.

Mr. SPEAR. It seems to me when the Veterans' Administration testified on this bill last year they stated they had over there around 900 employees. Have you reduced it from 900 to 500 employees?

Mr. SPEAR. No, sir. To my knowledge there have never been more than about 550 employees. It has dropped down and has been gradually going up a few each month as the claims are cleared.

Mr. CROW. Do you know anything about the identification they have over there for these guerrillas?

Mr. SPEAR. I don't know that I quite get your question, sir.

Mr. CROW. Do you know how they attempt to identify these Filipino guerrillas?

Mr. SPEAR. No, sir; I don't.

Mr. CROW. I was there during the war and I happened to know of incidents where some of these guerrillas would come down out of the mountains with a pay roll signed by a commanding officer, and get the pay roll and come back with another pay roll signed, and while I was there they found one man who had collected five pay rolls with five different names and signed by five different commanding officers.

I am wondering if he is putting in a claim for five different veterans?

Mr. SPEAR. If he is, I am sure his claims are being very carefully scrutinized.

Mr. CROW. That is why I asked what type of identification they had.

I know when I was there I saw a group of Filipinos together and it would be awfully hard for me to identify them, and if they came after a pay roll I would give it to them. They had a pay roll and it was signed by the commanding officer, and perhaps some of them were crooked, but I don't know.

Mr. JOHNSON. Will the gentleman yield?

Mr. CROW. Yes, sir.

Mr. JOHNSON. I think we have pretty much the same idea, and Mr. Ross has fully developed it.

Under existing law we are going to have to carry all the veterans, so it gets back to this, I am wondering if Public Law No. 301, the Philippine Rescission Act—apparently there some of the rights other than claims for death and disability and the national service life insurance were rescinded—but it seems to me that carrying that bill a step further, you could rescind everything. If that is true, if you could rescind part of the law, you could rescind all of it.

I am just wondering if by amending that Law No. 301, we could not get the War Department together with the proper Filipino officials and make a lump-sum settlement? Say, in 18 months the Veterans' Administration had garnered enough information, out of all claims filed, they would know the ratio of those eligible and not eligible, and taking this record we could make a lump-sum settlement.

Now then we are still faced with this, whether we are to continue this or not. I go on this theory, if we extend it 1 year or 2 years, most probably be the information they are gathering during the period of continuance. They still have about 5 months to go. It seems really be 18 months if we extend it over 1 year, and that would War Department could not work out something to amend the Rescission Act and get rid of the thing.

Mr. ALLEN. Will the gentleman yield?

Mr. CROW. Yes.

Mr. ALLEN. I want to make it clear that I have never taken a position before this committee or anywhere else that we have no obligation over there, but what I have been hammering at here is to try to find out the expense.

Mr. CROW. It is impossible.

Mr. ALLEN. I will say to the gentleman from Pennsylvania it should not be impossible. I realize it is impossible to determine the extent to which we will have to pay out any money, but it isn't impossible to

determine the extent of those who may ultimately be entitled to it. Somebody might come in and say there were 100,000 or 200,000 or 300,000 that we may ultimately become obligated to, but as it now is the number is increasing and the Army is continuing to add to it. How long is the process going on?

The CHAIRMAN. Mr. Birdsall has an observation.

Mr. BIRDSALL. I was just asking the witness to give a figure.

Mr. SPEAR. The Army has told us that they contemplate a maximum of 338,000 guerrillas recognized out of a total of more than a million and a quarter who have filed claims for recognition.

The CHAIRMAN. That is—

Mr. ALLEN (interposing). Didn't you say ultimately it would be 417,000?

Mr. SPEAR. That is the total number of veterans. Not all are guerrillas. There are Spanish-American War veterans who have served in our Army and are living there, and have been for a good many years like many veterans in foreign countries.

Mr. ALLEN. The point I am making is that he says the Army contemplates ultimately there will be so many.

I want to contemplate stopping somewhere, and I want the Army to say, "Thus far we go and no further."

Mr. CROW. I think probably they could do that and make it high enough, but it might be too high. Some of them who are coming in for claims will not be entitled to them. The Army could make an estimate.

Mr. ALLEN. We don't want an estimate. We want dates.

Mr. CROW. I think the original mistake was to put out an Executive order and swear them into the United States Army. We have the Philippine Constabulary right there anyhow.

Mr. ALLEN. That is one of the many mistakes made.

Mr. CROW. Yes. We can't clear that up now. I would like to say I am not for making this indefinite.

The CHAIRMAN. The gentleman from North Carolina, Mr. Jones.

Mr. JONES. I have no questions.

The CHAIRMAN. The gentleman from Wisconsin, Mr. Davis.

Mr. DAVIS. I don't believe I have any questions.

The CHAIRMAN. The lady from New Mexico, Mrs. Lusk.

Mrs. LUSK. Madam Chairman, I have a feeling that we should extend this for a year with the idea that as soon as it can be arranged, that the matter should be taken over by the Philippine Government.

I realize there are problems, as the witness has stated. I think there are cases that are very similar to what we found in the case of the men who served on Bataan and Corregidor who were seriously disabled as a result of their imprisonment which will later be shown, and I don't see how eligibility can be established in a short space of time. It will take longer than 2 or 3 years to establish such claims. I would like to see the matter turned over to the Philippine Government as soon as it can be.

Mr. SPEAR. I might observe there that we do have claims, of course, arising in other countries where we don't need to maintain facilities to take care of them. It is a matter of volume that determines the effectiveness of maintaining our own facilities.

Just as a rough estimate, it would appear to me that considering the volume of claims we have received and the fact we will undoubtedly receive more, but the clarification of the records will step up, I think probably along about the third year, or in 3 years time we could reduce the load to the point where it might be handled through the State Department.

I am putting that forth as a rough estimate. I would not be as hopeful of doing it in less time.

Mrs. LUSK. I don't think it could be.

The CHAIRMAN. The gentleman from Ohio.

Mr. HUBER. Madam Chairman, when we had this up in the Seventy-ninth Congress, we had a great deal of discussion, and I am of the opinion we should have investigated it as a matter of principle. I made a suggestion similar to the statement by the gentleman from Oklahoma, that possibly our State Department could by treaty take care of this obligation once and for all, and I received a great deal of comment on it and people wanted it developed, but I was unable to do so.

Somehow we seem to be pennywise and pound foolish, but I think we ought to have a subcommittee go over there and see first-hand these installations and see what they have to tell us. We sit here thousands of miles away and interrogate some members of the Veterans' Administration that frankly haven't been over there, a great many of them, and aren't any more familiar with it in some respects than we are.

I think probably we should approve this for another year, and there should be some thought given to sending a subcommittee over there to make a thorough investigation.

Mr. PATTERSON. Will the gentleman yield?

Mr. HUBER. As I recall, an invitation was extended to the entire committee by the Philippine Government for all of us to visit the islands.

Mr. MATHEWS. As its guests.

Mr. HUBER. And I think that a very fine thing; and I understand there was some opposition to that because the expenses were being defrayed by the Philippine Government, and that some Members felt that they should not go. I think that was all the more reason to go. We would not necessarily be subsidized. I think it is all the more reason the committee should have accepted that and you would have first-hand information today.

Mr. ALLEN. At that very point I want to say I had a letter from Mrs. Rogers, the chairman of the committee, saying the Philippine Government had invited us over there. I replied to her that personally I wanted to go and look into this situation for myself, but I declined to go as a guest of the Philippine Government because I didn't want to place myself under obligations to any foreign government.

I think my position was sound and our good chairman conceded that the proposition was sound, and I believe that it was sound. If we go, we ought to go at the expense of the American Government and not be under obligations to any other government.

Mr. MATHEWS. If the gentleman will permit, I will say my position was exactly the same.

Mr. ROSS. Will the gentleman yield?

Mr. ALLEN. I yield.

Mr. ROSS. I would like to make an observation. As I see it here, we are concerned primarily with whether or not we shall maintain this office of the Veterans' Administration in the Philippines, whether or not, in our opinion, we think the adjudication of these claims can be performed more efficiently or more economically by the maintenance of this office there.

As to those eligible for benefits or those to be certified for benefits, or the type of benefits, that is written into the law, and we should consider these at another time.

Now, last year—and it has been expressed here now—some concern was expressed by the members of the committee as to whether these functions can be performed more efficiently by the Veterans' Administration office in the Philippines. I think some members of this committee should visit the Philippines and get first-hand information. I don't see how we can do it within a year. We are all going to be busy this year, including the Democrats, so I personally favor extending the VA authority 2 years, which will give us an opportunity after the next Congress meets to have a committee or subcommittee of this committee make a first-hand investigation. I don't believe we can do it within a year. Unless we extend it for 2 years now, this committee will have to consider the same question again next year.

Mr. ALLEN. Will the gentleman yield?

Mr. MATHEWS (presiding). The gentleman from Ohio.

Mr. HUBER. I yield.

Mr. ALLEN. All of that could be done later because after November of this year all of our woes will get worse or be wafed away.

Mr. ROSS. Some of the members may not have the same kind of interest.

Mr. MATHEWS. The temporary chairman recognizes the real chairman.

The CHAIRMAN. The Chair will state she knows the wishes of the committee, and she also feels it is important to make such an investigation and she plans to ask for money for such an investigation.

Also she agrees with the gentleman from New York it is wise to have the office run by the Veterans' Administration in the settlement of claims.

The American Legion is represented; Mr. Kraabel is to testify in favor of the bill and also the Veterans of Foreign Wars has sent up a letter which they wish to have included in the record.

I think you are in favor of the bill as introduced, Mr. Kraabel?

Mr. KRAABEL. We are endorsing the proposition to extend these benefits, and we support that recommendation.

The CHAIRMAN. Thank you.

Mr. MATHEWS. I have a couple of questions.

As I understand the situation from your testimony, there was originally 550 personnel when you opened the office in 1945. Is that right?

Mr. SPEAR. No, sir; it has been a very small office. The figure of 550 was the peak reached. I think that was 8 or 10 months ago.

Mr. MATHEWS. In any event you have 510 now?

Mr. SPEAR. Yes, sir.

Mr. MATHEWS. So that they had dropped off about 40 and I gather from your testimony no more help is needed, but it is a ques-

tion only of keeping right on there and doing the job until it is finished, and you will gradually decrease rather than increase your personnel. Am I correct in that?

Mr. SPEAR. No, I should have gone a little more into that in considering that drop from 550 to 510. Actually it went below 510. It was occasioned by a physical examination of the personnel and a considerable number were found to be suffering from active tuberculosis.

Mr. MATHEWS. Do you anticipate increasing your personnel?

Mr. SPEAR. It appears to me there will be a need for it, assuming the Army suddenly clears a number of these service records. Our adjudication officials out there are inadequate to take care of any large number of claims. However, I should have made this point before, and I must apologize to the committee for not having done it before. It is a point that clarifies the operation out there to some degree. We do have a bureau responsible for the adjudication of claims, death claims, which are adjudicated here in Washington, and we have in Manila more people working on investigations and development of those death claims to be decided in Washington than we have adjudicating the disability claims out there.

So, the development of claims is an important element even though the decision might be referred to Washington.

Mr. MATHEWS. That is what I am afraid of. There may be an increase.

Mr. SPEAR. I would put it this way, if we are to keep current with the load, whether the personnel are working on cases in Washington or in Manila, we would need more personnel.

Mr. MATHEWS. The committee should understand that clearly. Did you draft this bill?

Mr. SPEAR. No, sir.

Mr. MATHEWS. But the Veterans' Administration is endorsing this bill?

Mr. SPEAR. Yes, sir.

Mr. MATHEWS. Let me call your attention to the title and then to lines 8 and 9 in the bill. It doesn't say anything about continuing the office you have got in the bill. It simply provides for authority to establish other offices.

Mr. JOHNSON. Will the gentleman yield?

Mr. MATHEWS. Yes.

Mr. JOHNSON. I make this observation, and I am just tossing it out for whatever it is worth.

Suppose we have a subcommittee visit the Philippines. My own personal opinion is when you get over there you are going to find the out a lump-sum settlement, after he has built up the office and personnel and looking toward a 10- or 12-year tenure of office.

I would make this suggestion, that we contact General Gray and have him contact the office in Manila and the Adjutant General's office when they come over to eventually eliminating the office and providing for a lump-sum settlement, and for them to have information and studies ready for us because if we don't do that they will not have anything ready, and we will come back empty handed.

I think this follows the line developed by Judge Mathews. If you are going to extend this for 1 or 2 years, you are going to have an organization that will be there for 50 years.

Mr. MATHEWS. This doesn't continue anything. It simply allows the Veterans' Administration to establish new offices. I think most of the committee was of the opinion this bill was to continue facilities there. It doesn't say anything about that.

It seems to me that either his bill was carelessly drawn, if it is to carry out what this committee is under the impression that it will carry out from their remarks, or it was deliberately framed not to continue but to establish new and greater offices.

I am speaking for myself, but I would be very glad to consider the continuation of the facilities for a limited length of time and endeavor to administer what the law says these people should have, but I am surprised that it contains this particular wording.

Mr. ROSS. As I interpret this bill, Judge Mathews, it extends the authority which was granted the Veterans' Administration at a previous date; I don't know what date.

Mr. MATHEWS. That isn't what the bill states. It says the authority contained in section 7 of the World War Veterans' Act, 1924, and contained in section 101 of the Servicemen's Readjustment Act of 1944, to establish regional offices, suboffices, contact units, or other subordinate offices shall continue to be exercised by the Administrator of Veterans' Affairs and with respect to territory of the Republic of the Philippines on and after the date of its independence, if he deems such offices necessary.

Mr. ROSS. But it continues the authority to establish.

Mr. MATHEWS. To establish, not to continue.

Mr. ROSS. Now, Judge, can't we conceive of the situation arising whereby those present offices might be demolished, or torn down, or whereby those present offices might be demolished, or torn down, or unless vacated, and then we would have to reestablish an office, and unless they continue the authority as is contained herein they couldn't do it?

Mr. MATHEWS. I am objecting to that due to the fact that the very essence of the continuation of present facilities is not even included in the act.

The CHAIRMAN. Will the gentleman yield?

Mr. MATHEWS. Yes, Madam Chairman.

The CHAIRMAN. Mr. Birdsall, have you any comment to make on that?

**STATEMENT OF GUY H. BIRDSALL, ASSISTANT ADMINISTRATOR FOR LEGISLATION, THE VETERANS' ADMINISTRATION, WASHINGTON, D. C.**

Mr. BIRDSALL. I am concerned from that angle. There was no idea that anything would be done except to continue the language in the present law, to extend it to apply to this project.

The CHAIRMAN. How do you justify it?

Mr. BIRDSALL. We continue application of the same language as is contained in section 7 of the World War Veterans Act of 1924, and contained in section 7 of the World War Servicemen's Readjustment Act, the provisions of Public Law 546, for the purpose of handling that and we just carried that authority for the purpose of handling that load there. It might be you have termination of leased space.

Mr. MATHEWS. The gentleman evidently doesn't understand my objection. It doesn't go so much to the part that allows you to establish new offices, but it goes to the point of continuing the present facilities, and it is not even in there.

Mr. JONES. What is the objection to amending it to cure that defect?

Mr. MATHEWS. There is no objection.  
Mr. BIRDSALL. We did have an insular office when they became a foreign country. That insular office was already under statutory authority which we have. The basic authority was terminated by virtue of that becoming a foreign country.

Mr. MATHEWS. You have done it in the title, but not in the body of the bill.

Mr. BIRDSALL. That would automatically authorize the continuance, the authority to establish.

Mr. ROSS. Will the gentleman yield?

Mr. MATHEWS. Yes.  
Mr. ROSS. Mr. Birdsall, before you can establish facilities you have to go before the Appropriations Committee and receive an appropriation?

Mr. BIRDSALL. That is correct.  
Mr. ROSS. Which is a tough thing to obtain?  
Mr. MATHEWS. The main purpose of the bill is to continue offices if you do require additional authority.

Mr. ROSS. May I help you out a little bit by pointing out last year it was stated there were 475 personnel and now you say 510.

Mr. SPEAR. Yes, sir.  
Mr. ROSS. I would rather see that in the regional office in New York City.

The CHAIRMAN. Will the gentleman yield a moment?

Mr. ROSS. Yes.  
The CHAIRMAN. If we don't pass the bill quickly, the money will be taken again from other offices.

Mr. ROSS. They can't maintain this office unless they receive the authority.

Mr. PHILLIPS. But the office and facilities already exist in the Philippines, and are those offices owned by the Federal Government?

Mr. BIRDSALL. We have space in the Federal Building.

Mr. PHILLIPS. It doesn't belong to the Philippine Government?

Mr. BIRDSALL. No, sir.  
Mr. PHILLIPS. There is no intention to build new buildings?

Mr. BIRDSALL. No, sir.  
Mr. CROW. Do you have any objection to adding after the word "to" the words "continue to establish regional offices"? That is on line 8.

Mr. BIRDSALL. In section 7 of the World War Veterans Act of 1924, which is used, and section 101 of the Servicemen's Readjustment Act of 1944.

Mr. MATHEWS. What was the date of the passage of the original act?

Mr. BIRDSALL. August 9, 1921, carried forward in the World War Veterans Act, 1924, as amended. Then we have section 101 of the Servicemen's Readjustment Act in 1944.

Mr. MATHEWS. At the original time the act was passed, you didn't have offices and you had to establish them. Because we made a mistake in 1944 is no reason we should make another mistake now.

Mr. BIRDSALL. Of course the underlying authority being in the act of 1944 and the act of August 9, 1921, as amended, any offices established by virtue of that statutory authority, with the interpretation under those statutes, restored by the act of June 14, 1947, may be continued.

Mr. MATHEWS. Why did you not put the word "continue" in the law?

Mr. CROW. It won't change the act?  
Mr. SPEAR. The only thought it is if you put it as suggested it would indicate those two laws authorized continuance.

Mr. MATHEWS. There is some question whether they had authority to continue them.

Mr. CROW. This will authorize continuance rather than establishment. It merely authorizes to continue the Veterans' Administration installations.

Mr. BIRDSALL. We can probably place it in the bill.  
Mr. MATHEWS. Let me ask you this question.

Mr. BIRDSALL. Yes.  
Mr. MATHEWS. Do you think an act passed to establish offices is any sense authority to continue an office already established?

Mr. BIRDSALL. Yes; that same law authorized the establishment of certain offices.

Mr. MATHEWS. You mean if the original law was passed before you had any office?

Mr. BIRDSALL. No; if it was originally authorized by statute and subsequently enacted legislation indicated we could establish them, we would follow the original authority to establish. You could still continue the offices already established. We would need no authority to continue that.

Mr. MATHEWS. If I may observe, that is a most peculiar method.  
Mr. BIRDSALL. Under that very statute which gave authority for discontinuance, the Administrator can terminate that office prior to the delimiting date.

Mr. MATHEWS. You are arguing now when you pass an act to establish an office and subsequently continue the authority to continue. Isn't that what you are arguing?

Mr. BIRDSALL. We were confronted with this situation under Public Law 344 and section 7 of the World War Veterans' Act, under which we are authorized to have the particular office we had in a Territory or possession. To extend to the Philippine Republic the Territory or possession. To extend to the Philippine Republic the authority under the act of June 14, 1947, incorporated the same language as embodied in the two acts mentioned.

Mr. MATHEWS. Do you think that was the correct language of the act of 1947?

Mr. BIRDSALL. I can see no objection to incorporating what has been a long-standing interpretation.

Mr. MATHEWS. (Interposing). I am talking about good sound legislative drafting. Do you think that is the proper way to say it?







Whereas these Filipino veterans since their discharge were excluded from the benefits of the GI bill of rights, and have been denied back pay normally provided veterans of the United States; and

Whereas the Filipino disabled veterans were not given any aid comparable to that received by their American comrades in arms and in almost all cases were sent out of the VA hospitals; and

Whereas since no action has been taken toward their inclusion in the American GI bill of rights, because they were born in the Philippines, and citizens thereof: Now, therefore, be it

Resolved, That the American Legion in national convention assembled in New York City, August 28-31, 1947, present the following to the United States Congress: That all Filipinos who served in the armed forces of the United States in World War II be included in the American GI bill of rights.

Again the appropriate standing and convention committees of the organization gave the subject very careful study and heard from individual members of a Filipino veterans delegation who came to attend the conventions. They were duly elected delegates from the Department of the Philippine Islands.

H. R. 4973 now pending before this committee will substantially accomplish the purposes of these two resolutions.

At this point it might be commented that the current controlling law with respect to benefits administered by the Veterans' Administration and available to Filipino veterans is Public Law 301, Seventy-ninth Congress. The pertinent portion of that law reads as follows:

"... service in the organized military forces of the Government of the Commonwealth of the Philippines, while such forces were in the service of the armed forces of the United States pursuant to the military order of the President of the United States dated July 26, 1941, shall not be deemed to be or to have been service in the military or naval forces of the United States or any component thereof for the purposes of any law of the United States conferring rights, privileges, or benefits upon any person by reason of the service of such person or the service of any other person in the military or naval forces of the United States or any component thereof, except benefits under (1) the National Service Life Insurance Act of 1949, as amended, under contracts, heretofore entered into, and (2) laws administered by the Veterans' Administration providing for the payment of pensions on account of service-connected disability or death."

Although the bill before the committee at this hearing, viz. H. R. 4943, has nothing to do with the enlargement of the benefits payable to these veterans, it does have a very important bearing upon such benefits in that it provides for the set-up of machinery by which the VA may administer them. The position of the national rehabilitation commission of the American Legion is to support any arrangement which the Government determines to be feasible and necessary.

Admittedly, the situation in the Philippines, as far as the Veterans' Administration is concerned, is unique and singular. The unusual circumstances which brought about service in the armed forces of the United States, the determination of their country following the war, the vastation and destruction wrought by the war there, all make it most difficult for any agency or group of individuals to receive, pass upon, and settle the claims of these veterans and their beneficiaries. This difficulty would be enhanced rather than reduced, we feel, if all administrative control and actions were centralized in some office in this country. This situation and research necessary as to all factors touching upon each individual claim, and the need for close liaison and cooperation with the Commonwealth authorities in the Philippines. If the Veterans' Administration authorities feel that all this can be accomplished more readily and economically by having an administrative or regional office in the Philippines, and if Congress agrees thereto, we respectfully submit that a longer tenure than 1 year be authorized. We base this recommendation only upon the experience and observation of service officers throughout the country who have witnessed the effect of uncertainty of status and policy matters upon the settlement of claims and administration of benefits to veterans and their beneficiaries.

The American Legion for many years has been committed to the proposition of decentralized authority and procedure in the Veterans' Administration system. We believe that regional offices are in best position to receive, pass upon, and settle claims. Although the situation in the Philippines is unique and presumably will not require a separate office there indefinitely, we do feel that because of the load at hand and the necessity for some "on the scene" authoritative unit to check into all matters pertaining to individual claims there should be a regional office in the Commonwealth of the Philippines Islands for the next 2 or 3 years.

## VETERANS' ADMINISTRATION OFFICES IN THE PHILIPPINES

THURSDAY, FEBRUARY 5, 1948

HOUSE OF REPRESENTATIVES,  
COMMITTEE ON VETERANS' AFFAIRS,  
Washington, D. C.

The committee met, pursuant to call, at 10:30 a. m., Hon. Edith Nourse Rogers (chairman) presiding.

The CHAIRMAN. The committee will please be in order.

We have for further consideration H. R. 4943. Congressman Allen requested that officers from the War Department be called to come here to give us the number of veterans who would be affected in the Philippines; and Colonel Tench, will you please come forward and testify, giving your full name, and bring any one of your men with you.

STATEMENT OF COL. CHARLES T. TENCH, WAR DEPARTMENT GENERAL STAFF, OFFICE OF THE ARMY COMPTROLLER, DEPARTMENT OF THE ARMY, WASHINGTON, D. C.

Colonel TENCH. I will call for them if it is necessary, Madam Chairman.

I am Col. Charles T. Tench, Office of the Army Comptroller, Department of the Army.

I have no prepared statement, Mrs. Rogers. I wish to state that the Department of the Army supports H. R. 4943, and foresees the necessity for continuing the Veterans' Administration office in the Philippines for some time to come.

I would be very glad to answer such questions as are pertinent to the Department of the Army.

The CHAIRMAN. General Kearney.

Mr. KEARNEY. I would like to ask the colonel a few questions, but I will yield to Mr. Allen, of Louisiana. I understand he has some questions.

The CHAIRMAN. Thank you, General.

Mr. ALLEN. Colonel Tench, when we had this matter up before the committee last year, passing out the initial bill, I understand we put a limitation of 1 year on it. I endeavored at that time to find out something of the extent of our obligations in the Philippines and I also endeavored to do that the other day, and up to this good hour, I have never been able to get anybody to pin down anything and say "thus far are we obligated and no further."

Now, I realize that we may have to pass out some sort of bill like this for a while. We may have to do it, but I am trying to find out how far we are going in the Philippines.

Now I understand that some so-called guerrillas are being considered as having been taken in as a group and considered as veterans of the United States, and I would like for you to tell the committee, if you can, sir, just how many people we are obligated to in the Philippines and where we are going to stop.

The CHAIRMAN. Would the gentleman yield a moment?

Mr. ALLEN. Yes, Madam Chairman.

The CHAIRMAN. Were you with General MacArthur?

Colonel TENCH. That is right. I served under General MacArthur from Australia to Tokyo. Also, I was a member of the Secretary of War's Mission that went to Manila and Tokyo a year ago, for approximately 6 weeks. We made investigations concerning the back-pay status of the Philippine Army, and rendered to the Secretary of War the so-called Livesay report. I can furnish any information desired concerning that report.

The CHAIRMAN. Thank you very much.

Mr. ALLEN. I appreciate the chairman bringing that out because I think you are in position to speak on this.

Colonel TENCH. I trust I am, sir. As background, when General MacArthur reentered the Philippines, conditions were chaotic. The islands had been overrun, and the Philippine Army records had been destroyed by the Philippine Army before the surrender, and by the Japanese.

It was necessary to reconstruct the entire picture as it pertained to the old Philippine Army, which is usually referred to as the USAFFE, the "United States Army Forces in the Far East," and the guerrillas.

Mr. ALLEN. Would you call the old Philippine Army throughout that period part of the Army of the United States?

Colonel TENCH. There is a fine distinction there. You will recall that, under the Tydings-McDuffin Act, the Philippine Army could be called into the service of, and I emphasize those words, "the service of," the armed forces of the United States. But it was not a part of the Army of the United States, nor were the Filipinos members of the Army of the United States. We must make that distinction.

Mr. ALLEN. But they were called in.

Colonel TENCH. They were called in and served under authority of the Executive order of July 1941. The Philippine Army was called into the service of the armed forces of the United States and placed under the command of General MacArthur. Previous to that time General MacArthur had been adviser and marshal of the Philippines.

Mr. ALLEN. So the action of our Chief Executive in calling into our service the Philippine Army places an obligation upon us at this time.

Colonel TENCH. It has been so construed; yes, sir.

Mr. ALLEN. Then, all the component parts of the Philippine Army were actually called into the American service by Executive order were considered as part of our forces, and I assume it is considered that our Nation is under obligation to them, and you know the names of all those people?

Colonel TENCH. We know in some cases by reconstruction of the records. May I say the task of reconstruction is a difficult thing. The mobilization of the Philippine Army continued up to, and in some cases, after the attack on the Philippines was made. Some of these Philippine soldiers actually joined the colors in the face of the enemy. Because of that, and because of the chaotic conditions which accompanied the Japanese occupation, we could not say immediately who was or who was not in the Philippine Army. But there has been going on a very intensive effort to reconstruct the records of the Philippine Army, and to reconstruct what went on during the occupation, so that we can finally in truth say this man is a soldier and the other is a fraud.

Mr. KEARNEY. Will the gentleman yield?

Mr. ALLEN. I yield.

Mr. KEARNEY. Does that also include guerrillas?

Colonel TENCH. That is right, sir. Does the committee wish to have for the record Executive Order No. 21 of the Philippine Commonwealth? On that Executive order is founded the status of the guerrillas.

The CHAIRMAN. Thank you. We would, if you have that there.

Mr. MATHEWS. Is that the same Executive order you referred to, July 1941?

Colonel TENCH. No, sir; this is the Philippine Commonwealth Executive order.

The CHAIRMAN. That came as a result of the passage of the Selective Service Act.

Colonel TENCH. When we reentered Leyte, General MacArthur took with him President Osmeña of the Philippine Commonwealth. General MacArthur wanted turned over to President Osmeña full responsibility—

Mr. MATHEWS (interposing). I hate to interrupt, but I want to get that clear. Are you speaking of an order issued by the Philippine Government?

Colonel TENCH. This is an order issued by the Philippine Government, which had the force of law in the Philippines.

Mr. KEARNEY. The gentleman has already testified the President issued it.

Colonel TENCH. That is right, sir.

Mr. MATHEWS. He is talking about an Executive order of the Philippines.

Colonel TENCH. You will recall that while the Philippine Army was called into the service of the armed forces of the United States, it was in fact, a Philippine Army and operated under the laws of the Philippines. So this order had full legal effect as it pertained to the Army of the Philippines.

Mr. ALLEN. I can't quite get that point, and the gentleman from New Jersey is a distinguished jurist from that great State is confused, I see, and I am confused.

Now, I recognize the fact that we may be under obligation to those actually called into the service by Executive order of the President of the United States, but what I am trying to find out is how much further does our obligation go.

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As to their service, I feel they did make a strong contribution to our war effort, which resulted in many cases in the saving of American lives.

One very spectacular contribution which the Filipino guerrillas made was the operation of what were known as coast watcher stations. These consisted of radio operators who watched for and reported the movements of the Japanese fleet. When Admiral Spruance was going into the Marianas, for example, these reports by the coast-watching stations proved very effective. They saw the Japanese warships coming out and were able to give information to the assembly of the Japanese fleet, so that Admiral Spruance was assisted in striking that fleet and winning one of the most outstanding naval victories of the war.

When we arrived on Leyte, and at each subsequent landing, we were met by thousands of armed men, who were of great value both as intelligence agents, and in fighting Japanese. They saved American lives, and General MacArthur has always expressed himself as being well pleased with the results which we got from the Philippine Resistance Movement.

Mr. ALLEN. This order issued by the President of the Philippines as you landed in the Philippine Islands, was that order communicated to these people back in the bushes and back in the mountains, these guerrillas?

Colonel TENCH. That is right, sir. It was generally known.

Mr. ALLEN. Was that order issued at that time in order to stimulate greater cooperation on their part with our forces?

Colonel TENCH. It was. Obviously, an order of this kind was a tremendous lift to the morale of the people who were taking it on the chin throughout the Japanese occupation. They were hungry and ragged. They knew if they fell into the hands of the Japs it meant death.

Mr. ALLEN. How much longer do you think it will take to sift out all the applicants and get down to the simon-pure folks who deserve some sort of recognition?

Colonel TENCH. The work is virtually completed and it is the objective to complete it by June 30 this year. Colonel Marcus, who has just returned from Manila may be able to enlighten you somewhat more fully.

**STATEMENT OF COL. MORRIS H. MARCUS, OFFICE OF THE ADJUTANT GENERAL OF THE ARMY, DEPARTMENT OF THE ARMY, WASHINGTON, D. C.**

Colonel MARCUS. I am Morris H. Marcus, Office of the Adjutant General of the Army.

Colonel TENCH. When will we complete the work of recognition?

Colonel MARCUS. The work of recognition is practically complete right now. The recognition as far as my organization was concerned was confined to individuals after the unit had been thoroughly investigated and authorized recognition. The unit leader and a certain number of men from the Recovered Personnel Division were charged with rebuilding the personal history of each individual and that work has been almost entirely completed.

They are now planning to keep the organization in effect until June 30 for two reasons. The first reason is the Missing Persons Act which authorized arrears in pay to these people which remains in effect until that time. The second reason is there may have been some mistakes in adjudication and everyone will be entitled to a rehearing until the act goes out of existence.

Mr. ALLEN. You agree with Colonel Tench the number of guerrillas finally to be recognized will not exceed 225,000?

Colonel MARCUS. Yes, sir.

Mr. Crow. Yesterday we had a retired colonel, Colonel McCollum, up here testifying in regard to the Philippines. He was in a prisoner-of-war camp over there. He testified when the Filipinos were captured they were given the right to swear allegiance to Japan and be released and go home and work with the Japanese.

What I want to know did the War Department have any record or keep any record to show the Filipinos who swore allegiance to Japan. Do you know of any record of that kind?

Colonel MARCUS. The only record I can think of is a form which they made the Filipino sign upon release from the prison camp stating in effect that he would not cause disturbance or bear arms against the Japanese.

Mr. Crow. In other words, they did not swear allegiance?

Colonel MARCUS. They did not swear allegiance to the Japanese Government.

Mr. Crow. You have no record of that?

Colonel MARCUS. No. As a matter of fact, the Japanese practically forced these people to sign this. They wanted to release them because the Japanese could not maintain the health standards in prison camps. Prisoners were dying by thousands. The Japanese could no longer provide medicine or food. They practically forced the Filipinos to accept that situation.

Mr. Crow. When I was in the Philippines I also ran into another thing. I wonder how you are checking on that. When a man would come out of the mountains he would have a piece of paper signed by the commanding officer of a guerrilla force, using a certain name, and he would come in and collect his pay. A day or so later he came down out of the mountains using another name, signed by another commanding officer. I know we had one that picked up five pays. What manner of check do you have on that?

Colonel MARCUS. Might I say that these people in the early days of 1945 were paid by the local finance officer.

Mr. Crow. That is right.

Colonel MARCUS. No man is paid arrears in pay until after investigation and recognition. That is current pay you are talking about?

Mr. Crow. That is right.

Colonel MARCUS. But payment of arrears in pay depends upon the establishment of his identity as a legitimate member of the Philippine Army.

Mr. Crow. Is that done by photograph or fingerprint?

Colonel MARCUS. Identity by the 301 file which the Recovered Personnel Division builds up. That contains an entire personal history supported by whatever documents the claimant can provide, plus affidavits of his commanding officer, or members of his own organization.



Mr. CROW. You can't go much by the affidavit of a commanding officer if they will sign five different affidavits to collect from five different units.

Colonel MARCUS. That is true but I believe this is more carefully prepared data. When you realize we have cut down from over a million to two hundred and twenty-five thousand you will appreciate that we have been very careful to avoid any illegitimate claims getting in.

Mrs. LUSK. Will the witness yield?

The CHAIRMAN. The gentlewoman from New Mexico.

Mrs. LUSK. You made a statement a moment ago that Japanese could not provide medicine and health needs. Would you say "could not" or "would not"?

Colonel MARCUS. Both probably.

Colonel TENCH. I would say both.

Colonel MARCUS. There have been cases where it was shown they had supplies, Red Cross supplies.

Mrs. LUSK. They "would not" instead of "could not"?

Colonel MARCUS. That is right.

Mrs. LUSK. I think it is showing too much consideration for the Japanese when you say they "could not."

The CHAIRMAN. Colonel, will you be ready to testify at a later date? We have other legislation more far-reaching than this demanding our attention. The question is whether this office should be continued over there.

Colonel TENCH. We would be most happy to appear at a later date.

Mr. MATHEWS. If we are going to act on this bill, I would like to ask the colonel a question.

The CHAIRMAN. Of course. We don't want to cut anybody off.

Mr. MATHEWS. Colonel, was there any difference in the method of handling promotions and ratifying promotions in this original Philippine Army and the guerrillas than in the United States Army? In other words, how was a man commissioned?

Colonel TENCH. The original USAFFE officers were mostly in a reserve status. The Philippine Government had a universal-military-training plan for a number of years prior to the Second World War, and their commissioned officers were mostly graduates of the ROTC who were called to active duty.

Mr. MATHEWS. During the war how were commissions conferred in the United States Army?

Colonel TENCH. During the war we had a system known as the position-vacancy system. For example, if an officer was performing the duties of a battalion commander satisfactorily he was, after a certain period, qualified for promotion to the temporary grade of lieutenant colonel.

Mr. MATHEWS. Were they all subsequently submitted in the regular course for confirmation?

Colonel TENCH. No, sir. In the latter days of the war there was no confirmation of temporary promotions.

Mr. MATHEWS. How were men commissioned in the guerrilla forces?

Colonel TENCH. By the leader directing that "X is a captain."

Mr. MATHEWS. There was no system such as we have, which had control over the varying ranks and grades?

Colonel TENCH. We controlled the ranks of their leaders, sir, and after the recognition process was underway we forced them to reduce any ranks which were unduly inflated. That is, if a man had a band of 100 men he was not a colonel.

Mr. MATHEWS. Nevertheless, during that period did you recognize him and pay him?

Colonel TENCH. No, sir. We pay for the recognized grade. There have been no instances of a man making himself a general with a band of 50.

Mr. MATHEWS. Apparently, from what I understand from your testimony, the Army has done everything in its power to try to determine who were legal members of the Philippine Army under the executive orders.

Colonel TENCH. Yes, sir.

Mr. MATHEWS. That was one question I wanted to get straight because there seems to be a great deal of confusion about this thing. But the remark of the gentleman from New York indicates to my mind there is a big difference in determining who now is entitled to benefits under existing law and who morally ought to be entitled to them and for whom legislation may be introduced in the future by someone sympathetic with them. Let us not get those two things confused. We are concerned now only with those who come under the law and are entitled to benefits under that law as it today exists.

Now, until these two orders are declared illegal and void, we can proceed upon the assumption that those recognized by the orders are covered by the benefits. That is all I am trying to keep straight.

Colonel TENCH. Yes, sir.

Mr. MATHEWS. And I do not see any necessity for continuing the confusion.

Colonel TENCH. That is right. May I say it has always been the position of the War Department there are only two ways for a man to be in the Philippine Army; he could be a member of the USAFFE, or a properly recognized guerrilla.

Mr. MATHEWS. That is what I want to get clear.

Colonel TENCH. Yes, sir.

Mr. MATHEWS. I think I am clear on that. If we can confine ourselves to those who have been recognized by the Army under these Executive orders, those are the ones we should take care of.

Colonel TENCH. So far as we are concerned there are no others.

Mr. ROSS. Will the gentleman yield for two short questions?

Mr. MATHEWS. I yield.

Mr. ROSS. What was the population of the Philippines in 1944?

Colonel TENCH. Seventeen million, roughly.

Mr. ROSS. And you had a million applications?

Colonel TENCH. We had a million applications.

Mr. ROSS. That is a good-sized force.

Colonel TENCH. There is no doubt that about 80 percent were not entitled to recognition.

Mr. ROSS. Do you recognize as being a guerrilla a farmer who supplied foodstuffs?

Colonel TENCH. No, sir. A guerrilla must have been on active service with the recognized leader. Just supplying food would not make one a guerrilla.





Mr. MATHEWS. The third committee amendment is to strike out the period at the end of the act, on line 13, and insert a comma in its place and add the words "but in no event after June 30, 1950."

The CHAIRMAN. You have heard the motion by the gentleman from New Jersey. Without objection, it is so ordered.

Mr. MATHEWS. Maybe we should strike out both the period and the quotation marks.

The CHAIRMAN. Does the gentleman wish to amend the amendment?

Mr. BIRDSALL. The quotation marks will have to be in there.

The CHAIRMAN. Will someone make the motion?

Mr. DONOHUE. What about the two words on line 10, "may continue"?

Mr. MATHEWS. Where is that?

Mr. DONOHUE. In line 10.

Mr. MATHEWS. That refers back to the authority in line 5.

The CHAIRMAN. Will you make the motion, Judge, that the bill be reported?

Mr. MATHEWS. I will unless someone else wants to.

The CHAIRMAN. Judge Ramey, will you make the motion the bill be reported out with the committee amendments?

Mr. RAMEY. I so move.

The CHAIRMAN. Without objection, it is so ordered.

Mr. SARBACHER. Is there to be no vote?

The CHAIRMAN. I heard no objection.

All those in favor say "Aye." Opposed, "No."

The "ayes" seem to have it. The "ayes" have it, and the bill is reported out.

Mr. DAVIS. I would just like to state my objection, although it has passed. I can't reconcile myself to the continuance of a United States agency in what is now a foreign independent country.

The CHAIRMAN. The reason is the Veterans' Administration has asked for it because someone will have to take care of our veterans over there.

Mr. DAVIS. I think there ought to be some definite commitment on the part of the Philippine Government to participate in this thing.

The CHAIRMAN. You see, the State Department would do it otherwise. It is very difficult and very much more expensive. You have heard the motion and the chairman has been instructed to use every effort to secure its prompt passage.

Thank you very much, Mr. Birdsall.

Have any of the committee members any other suggestions? [No response.]

There is to be a subcommittee meeting on training, education, and rehabilitation tomorrow at 10 a. m., and on Tuesday the committee will meet at 10:30 a. m.

(Thereupon, at 11:35 a. m., the committee adjourned until 10:30 a. m., Tuesday, February 10, 1948.)

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