You will recall that the President approved our taking up with the Senate and House Committees on Interstate and Foreign Commerce several amendments which we thought should be made to the bill pending in Congress reenacting the statute establishing the Foreign Commerce Service of that Department with certain changes. This bill which, as you know, has passed the Senate and has been reported favorably by the House Committee on Interstate and Foreign Commerce is now on the Consent Calendar of the House but has been objected to whenever it was reached on this House calendar, and has therefore not yet come up for passage in the House.

You will also recall that later the President indicated that he wished to consider the fundamental question of transferring the Foreign Commerce Service of Commerce to the Department of State and that you left with him a proposed amendment to our own Foreign Service Act which would bring this about. If the President intends to give his approval to this amendment and to carry through this urgent fundamental and important step, it would be necessary to
to take up the matter without further delay as otherwise it would be impossible, because of the time limit, to get it through the Congress before the end of the current session.

While it is important that this amendment transferring the Foreign Commerce Service to State should be carried through now and before the present session ends as a matter in the public interest, it is also very important that we should know what the intention of the President may be with regard to giving his approval to this amendment now. If it is intended to carry through this amendment during the present session accomplishing the fundamental change, then no action need be taken with regard to the amendments to the present bill before the Congress reenacting the Foreign Commerce Service statute as it would, of course, not be acted upon if the transfer of the Foreign Commerce Service from Commerce to State is being considered actively. On the other hand, if the President does not intend to give approval to the amendment transferring the Foreign Commerce Service to State, then we should be in a position to give the appropriate information, which the President has already authorized, to the Committees on Interstate and Foreign Commerce on the amendments to the pending bill as these then become very important.

As the bill now in the Congress reenacting the Foreign Commerce
Commerce statute would, among other things, legislate into effect a retirement fund for Foreign Commerce officers, which fund would be insolvent from the outset, and as we are putting the finishing touches at the request of Committees of Congress to a new retirement bill for our own officers, which, however, cannot be presented until the next session of Congress, it would seem highly desirable that this present Commerce bill should not be enacted by the Congress.

I am appending hereto a personal letter from the Commercial Attaché at our Embassy in Mexico City which indicates, I believe, the attitude of nine out of ten of the really worth while officers in the Foreign Commerce Service. You will note that he is unqualifiedly of the opinion that the Foreign Commerce Service should be incorporated into that of State and under the direction of this Department.

G. S. Messersmith.