

CONFIDENTIAL
Press Conference #722,
Executive Offices of the White House,
February 28, 1941, 10.55 A.M.

THE PRESIDENT: Earl (Mr. Godwin), do you think you can talk about this (the President pointed to the steel industry report from Mr. Dunn) intelligently over the air?

MR. GODWIN: No, sir; but I suppose I could make it intelligent and talk it! Is that the big report?

THE PRESIDENT: Yes.

MR. GODWIN: Is it easy to cut down to words of one syllable?

THE PRESIDENT: I am going to try to this morning.

MR. GODWIN: You know people can only understand a few words when they hear it. This is big stuff.

MR. DONALDSON: All in!

THE PRESIDENT: The only thing of any real importance that I have is the report on steel production by Mr. Gano Dunn, and it is about 60 or 70 pages long. The report as a whole will be available over there in the office of -- what?

MR. EARLY: Tom Wilson.

THE PRESIDENT: I have got here for you right after the conference a 2 3/4-page summary of it, which is an awfully difficult thing to put into a story, I admit. Mr. Godwin and I realize the impossibility of that for the average reader; so Earl (Mr. Godwin) and I are going to try to put it into words of one syllable for you. In other words, I am going to try to summarize this 3-page summary for you.

The thing that people want to know most all over the country is whether we have enough steel production to take care of our defense pro-

gram, including munitions for those nations which are trying to uphold democracy in the world -- been a lot of very loose talk -- it's a terribly complicated subject -- and the answer is, Yes, we have enough, which is exceedingly encouraging. That provides leeways of additional production which we believe will be adequate for all purposes.

There are, of course, a number of things which are of minor character in the figures of total need which might or might not have to be done; but they are so minor that they ought to be labeled as such -- the total is all right -- we'll come to them in a minute.

On the first thing, Mr. Dunn took, as the basis of this, certain estimates of probable requirements. The particular estimates that he took were made by Professor Melvin de Chazeau -- that is in this thing here -- I think of the University of Virginia but now employed as economist by the Government. Those are estimates of requirements for steel for civilian uses during 1941 and '42.

Now, of course one basis for estimates of the needs for steel is the national income, because, obviously, the higher the national income the more the demands for steel; and there are, therefore, at the end of this original report, two appendix graphs; the first one is based on an estimated national income in 1941 of 80 billion dollars, showing that there would be, under those conditions, an estimated surplus capacity in steel of 10 million tons.

Q Mr. President, I don't understand what you mean by "estimated surplus capacity".

THE PRESIDENT: I mean, more than all other things added together that we think would be ordered.

Q Both military and civilian?

THE PRESIDENT: Yes, the whole works.

Q We have 10 million more than we need?

THE PRESIDENT: Yes; that is on an estimated national income of 80 billion dollars in 1941; then on the same sheet, '42, a 90-billion income. And even with that, by that time, he figures that we would have a possible surplus -- extra capacity -- to meet further needs of 2 billion tons, and --

Q (interposing) Two million tons?

THE PRESIDENT: Yes.

Q You say "possible surplus".

THE PRESIDENT: Available.

Q Is that on present production capacity, sir?

THE PRESIDENT: Estimating expansion which is already under way.

Q Are you referring to a calendar year, or a fiscal year?

THE PRESIDENT: This refers, I think, to a fiscal year of 77 billion national income instead of 80 -- a lower national income and therefore a potentially greater surplus, 14 million tons.

Q What year is that?

THE PRESIDENT: '41 -- this fiscal year that we are in. Then for the following year, estimating 87 billion national income instead of 90, that would give an estimated potential surplus of 6 million tons.

Q That is '43?

THE PRESIDENT: '42.

Q I thought you had '42 for 90 billion?

THE PRESIDENT: The second sheet, instead of giving 80 and 90, gives you 77 and 87; in other words, a smaller -- lower -- national income, and therefore a greater potential surplus in both cases.

Now, there are certain things which -- I come back to the things that might have to be done. (Here the President studied the report a few moments.) You know that in making steel you put in two cheap tonnages; one is ingots and the other is scrap. If you are a little short at any time of pig -- that is ingots -- you increase the ratio of scrap to the pig. That is not impossible at all.

No. 2. On the question of coke: there might be a slight -- a very small shortage of coke. Mr. Dunn says that by diverting a small amount of coke for use in the home and commercial heating units to the steel industry you would get enough coke.

Mr. Dunn thinks that the total reliable capacity for ingots at the beginning of this calendar year is $87\frac{1}{2}$ million tons, which is $3\frac{1}{2}$ million tons more than had been previously supposed.

Q That is as of January 1, 1941, sir?

THE PRESIDENT: Yes. The statistics given in Mr. Dunn's study, and conclusions drawn from them, present an encouraging picture of the Nation's defense program, to good neighbor nations and to users of steel and steel products for civilian consumption.

This report of his -- I have asked Mr. Dunn to keep it up to date; but it probably is the best thing that has been done yet -- excuse the pun -- and is something that, until somebody proves the contrary, we can rely on as what might be called the standard.

Q Mr. President, what is the relation between the figures you have and the information you are giving us and the defense needs of the defense picture?

THE PRESIDENT: Plenty -- all included. That is over-all. That is the steel for export, steel for defense articles here, like guns and so forth, and steel for civilian use.

Q Mr. President, are those graph figures in there?

THE PRESIDENT: They are not in Steve's (Mr. Early's) report. Steve, you could show anybody that is interested the last two pages of this. (The President indicated the full report.)

MR. EARLY: Mr. Wilson will have a half dozen or more copies of this (indicating the full report). This report is not printed; there are not copies available for the Press. They will be available at his office.

THE PRESIDENT: You might show it to anybody that wants to see it. It's snowing outside and we don't want them to get their feet wet.

Q That's right -- make the press agent work!

Q Mr. President, what is the effect of the Dunn report on the steel production plan submitted by Mr. Philip Murray? You recall the Murray proposal for steel production?

THE PRESIDENT: Airplanes?

Q No, Philip Murray's plans for increased steel production -- not the Reuther plan -- the Murray plan for steel production.

THE PRESIDENT: This all works in. That is a management plan that all works into it. This is based on full supply in all the factories.

Q Mr. President, in view of this report, will there be any necessity for steel priorities?

THE PRESIDENT: At the present time I should say no; and that is one thing that I suppose ought to be printed. Now, just for example, there was a fellow that came in the other day; he was a builder, building contractor; he wanted to put up a lot of little -- small in size -- I think it was an individual steel-frame house with four rooms; and he put up -- I don't know -- four or five of them as samples, and they rented like hot cakes. Everybody liked the type of house -- a very cheap house to put up --

\$1800 or \$2000 complete, to build one of these houses. He came in and complained that the steel company that he bought his original steel from said, Oh, no, they couldn't supply the steel because the Government wouldn't let them. Well, of course that was a deliberate lie, that the Government wouldn't let them. There's plenty of steel for the people who want to build small houses. It was just a camouflage; it was an excuse for not filling this particular order, either because they thought there was something more profitable -- other types of steel that they could use -- or the small amount for a hundred little frames was so small they didn't want to bother with it. So, if anybody says that they can't get orders for civilian uses of steel -- if anybody says that, tell them to come right to somebody down here and we will look right into it, because there's plenty of steel capacity.

Q Is it proper to say, from this report, the Nation can get plenty of steel for domestic and defense uses?

THE PRESIDENT: Yes, for ourselves and other nations; and we can even increase the present program and get it out.

Q Mr. President, there's a request for a 25-percent increase in wages at Lackawanna, and it has been reported that you told the steel management people you didn't want any large increases in wages because that would throw prices out of line; is that correct?

THE PRESIDENT: No, no, no.

Q Mr. President, are you through with this other phase?

THE PRESIDENT: Yes, sir!

Q I was wondering, in view of the fact that Miss Perkins said yesterday, prior to the submission of this plan for settling the Bethlehem strike, that she and the OPM were figuring on a mediation plan that would be ready in two weeks.

THE PRESIDENT: I don't think so, Jim (Mr. Wright), because there are all kinds of things we may come to. They are all in the study stage. There is absolutely nothing done at all. If you will remember, in the first World War, as time went on -- even before we got into the war -- there were various sets of machinery that were set up. Now, of course those things are all under study, but I don't think there's any story in it yet. Whether something will be set up, and what it will be, I don't know; and I suppose I would be the only person that could know. And you don't know, either -- excuse my saying that.

Q No, but in brief general terms you could indicate what is intended.

THE PRESIDENT: I suppose there are a half dozen different suggestions that have been made.

Q Mr. President, are you concerned with this labor defense picture?

THE PRESIDENT: No.

Q Mr. President, do you have any comment on the proposals made up in Congress for investigation of the defense program?

THE PRESIDENT: Absolutely within their right; good thing to keep checking on things as they come along instead of waiting until after it is all over.

Q Mr. President, are you going to send the report on defense highways to Congress?

THE PRESIDENT: On what?

Q The report you got on defense highways from Mr. Carmody.

THE PRESIDENT: I don't think so yet. I think I sent it over to the National Resources for comment. I think it is there now.

MR. GODWIN: Thank you, Mr. President!

VOICES: Mr. President! Mr. President!

Q It is reported that Harry Hopkins is going to be the coordinator of de-

fenses abroad; do you have any comment on that?

THE PRESIDENT: Oh, no; it's a new one on me.

Q Mr. President, there have been reports that Mr. Bullitt will head the home defense set-up?

THE PRESIDENT: A new one on me.

Q Would you care to comment on King Alfonso of Spain? He died this morning.

THE PRESIDENT: I don't think so -- I mean I don't think I want to comment -- I'm not doubting your word that he died. (Laughter)

Q May I ask you one more question: Did that question of the settlement of the Bethlehem strike come to your personal attention at all?

THE PRESIDENT: No; I kept informed of most of those things most of the day and most of the night, even when I had a bad cold.

Q Did they send you a report on the Detroit strike situation?

THE PRESIDENT: (looking at Mr. Early) Steve says I haven't seen it.

Q Thank you, Mr. President!

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Q Thank you, Mr. President!

*Summary of a 60 or 70
page report.*

FOR THE PRESS

IMMEDIATE RELEASE

FEBRUARY 28, 1941

STEEL INDUSTRY REPORT BY GANO DUNN

At the request of the President, Mr. Gano Dunn has made an exhaustive survey of the capacity of the steel industry to determine whether it has adequate facilities to meet the combined requirements of the United States and British defense programs and expanded demands for civilian uses. Mr. Dunn is senior consultant to the Production Division of the Office of Production Management, but in this instance made his report direct to the President.

The study was requested by the President because of conflicting estimates of steel requirements during the next two years and of the consequent ability of the industry to meet all demands placed upon it. This question is of such importance to the defense program and the national economy as a whole that the President requested Mr. Dunn, as a qualified authority capable of presenting an impartial, factual study, to make a special report on the subject.

The investigation on which it was based was carried out over a period of six weeks. During the course of his inquiry Mr. Dunn consulted with a great many economists and experts, both in government and industry, and representatives of organized labor in the steel industry. He has acknowledged the valuable assistance of many of these persons.

Mr. Dunn has accepted the estimates of Melvin de Chazeau, economist attached to the Materials Branch, Office of Production Management, on probable requirements of steel for civilian uses during 1941 and 1942. These estimates are based on the assumption of a national income of 80 billion dollars in 1941, 90 billion in 1942, and a greatly increased demand for steel for civilian uses as a result of the rise in national income.

However, the Dunn report includes information on actual capacity for production of steel ingots which has never been known before and which demonstrates that that capacity is considerably higher than was generally realized.

The report concludes that if certain measures are undertaken there will be an excess of ingot-producing capacity over total requirements of 10,100,000 tons during the present year and 2,100,000 in 1942. These measures that must be taken to attain capacity production include the elimination of potential bottlenecks in output of pig iron and coke, an even distribution of orders throughout the industry, and a shortening of the period of time during which steel-making facilities are normally closed down for repair work.

Mr. Dunn has arrived at a new measure of steel capacity which he has called "reliable capacity." The difference between "reliable capacity" and "reported capacity" is that "reliable capacity" takes into account certain existing facilities for the production of steel castings which are not included in reported statistics of the industry and that the period of time normally consumed for repairing facilities can be reduced at a nominal increase in cost to the steel companies. This increased expenditure in the interests of time-saving is justified by the emergency nature of demands on the industry.

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The report estimated that, on the basis of existing facilities at the beginning of the year, a shortage of 1,130,314 tons, or 2.3%, in capacity for production of pig iron would result if the industry were to operate at reliable capacity throughout the year. In 1942 a potential shortage in the production of pig iron of 544,481 tons is anticipated on the basis of existing facilities if the industry were to operate at capacity during that year.

Coke shortage during 1941, on the same basis, is estimated at 5,360,313 tons, or 12%, and during 1942 at 2,670,906 tons. Total cost of removing these deficits by construction of additional facilities would be \$59,545,975 in 1941 and \$29,432,964 in 1942. Some of these facilities are already under construction.

Mr. Dunn has recommended that this increase in facilities be undertaken and that if it does not occur normally that it be pro-rated over the industry by the Director General of the Office of Production Management. His recommendation along these lines is based on the conviction that the normal relationship between pig iron and scrap going into iron steel should be maintained and that adequate supplies of coke should be available both for steel making and for home and commercial heating purposes. Pending the installation of new facilities, however, any shortages that might arise from these directions could be met (1) by increasing the ratio of scrap to pig iron going into ingots and (2) by diverting coke from use in home and commercial heating units to the steel industry. If such expedients are found necessary it is agreed that they should be made temporary by the creation of new pig and coke facilities to maintain normal balance and practices in the industry and to minimize any disturbance of civilian consumption of coke.

The Dunn report strongly emphasizes the necessity of even distribution of orders throughout the industry if maximum overall production is to be reached and maintained. In other words, one producer must not be allowed to acquire a large backlog of orders for delivery well into the future while another producer is operating at less-than-maximum capacity. This might involve a considerable shifting of orders and require users of steel to deal with different sources of supply than they have in the past. Mr. Dunn recommended that unless such distribution takes place by voluntary action of the industry that the Director of the Division of Priorities assume responsibility for the task.

Reliable capacity for steel ingots at the beginning of this year, with ample allowances for periodic shut-down for repairs, is reported in the Dunn study as 87,576,099 tons per year. This is roughly 3,500,000 tons higher than previously supposed. Completion of additional facilities, now under way, will raise reliable annual capacity to 91,124,718 tons by the end of the year. It should be clearly understood that these figures on capacity represent the maximum rate of operations that could be continued over an extended period of time. Mr. Dunn has concluded that the industry could, under proper conditions, operate indefinitely at a rate of slightly more than 102% of reported capacity, which heretofore has been the normal measure of steel capacity.

Ingot production in January was at the highest point in the history of the country, amounting to 6,943,084 tons. However, the Dunn report makes the interesting observation that while this figure represents 97.1% of "reported capacity" it is only 94.5% of "reliable capacity". When compared with reliable capacity that will exist at the end of this year, January production would represent only 91% of that capacity.

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Direct defense requirements for steel in 1941 are estimated in the Dunn report at 8,100,000 tons. There is not much controversy over this figure. Exports of steel, mostly to England and Canada, are placed at 13,400,000 tons. Civilian requirements, based on a national income of eighty billion dollars, are estimated at 61,000,000 tons, making a total of 77,500,000 tons or 10,100,000 less than the reliable capacity of the industry to produce ingots. Naturally, if the national income is less than eighty billion dollars, civilian requirements will be less and the safety margin correspondingly increased. For instance, if the national income in 1941 reaches only seventy-seven billion dollars, surplus capacity is estimated at 14,100,000 tons.

Surplus capacity in 1942, based on a national income of ninety billion dollars, is estimated at 2,100,000 tons. Again, if the national income in 1942 reaches but 87 billion dollars, surplus capacity would be 6,100,000 tons.

While exact figures in every category cannot be collected, the Dunn report finds that capacity for rolled and other steel products is generally well in excess of ingot capacity, ranging from 50% in certain sectors to an average of 15%. The conclusion is that if orders are properly distributed, total requirements for fabricated products can be met without unusual delay. This should not be taken to mean that at no time during the course of the defense program will any user of any steel product face difficulty in obtaining prompt deliveries. During a period of tremendous industrial expansion, with requirements for specific products undergoing frequent changes, the development of temporary choke points in certain spots from time to time appears to be inevitable.

However, the statistics unearthed by Mr. Dunn's study and the conclusions drawn from them, present an encouraging picture to the directors of this nation's defense program, to good neighbor nations, and to users of steel and steel products for civilian consumption.

In view of the importance of steel capacity and the necessity of having an up-to-date picture of the situation, the President has asked Mr. Dunn to make this survey and report the starting point of a continuing study. Mr. Dunn has accepted this assignment and will revise his statistics and conclusions periodically, reporting directly to the President on his findings.

CONFIDENTIAL
Press Conference #723,
Executive Offices of the White House,
March 4, 1941, 4.08 P.M.

MR. DONALDSON: All in!

THE PRESIDENT: I have been incommunicado -- or perhaps some people would say excommunicado -- for so long I don't know what has happened; maybe you can give me the news.

Q Mr. President, the afternoon papers say John Cudahy is going to Germany to see Hitler; do you know anything about that?

THE PRESIDENT: Not a thing.

Q Mr. Cudahy no longer has an official connection with the Government?

THE PRESIDENT: Oh, no; he's a newspaperman.

Q Mr. President, another report in circulation is that Ambassador Bullitt is to have an appointment somewhere shortly in the Government.

THE PRESIDENT: I haven't talked to anybody since yesterday morning; I told them to cancel everything.

Q I didn't mean an appointment with you but a post in the Government.

THE PRESIDENT: Not that I know of.

Q Do you think there is a filibuster going on, Mr. President?

THE PRESIDENT: I don't know; I suppose that's open to argument, isn't it?

Q (Mr. Godwin) Would you like to argue it, sir? (Laughter)

THE PRESIDENT: No. The trouble is, Earl, probably you and I would take the same side!

Q There are proposals for amendments; are you in a position -- do you want to speak about any of those amendments?

THE PRESIDENT: No.

Q Mr. President, did you see the Russian note to Bulgaria?

THE PRESIDENT: We haven't had any report on the actual notes; I only saw the account in the paper.

Q Mr. Early this morning told us something of how the Lend-Lease Bill would be administered; would you care to expand --

THE PRESIDENT: (interposing) Did he say that? I thought he said how it would not be administered. There's all the difference in the world between those two questions. Am I right, Steve?

MR. EARLY: Right!

Q Mr. President, will the Cabinet advise you on allocation of property to go over?

THE PRESIDENT: Well, look: Here's probably the simplest way to put it; I couldn't write a story on anything new, because there isn't anything new. When it comes to making up three things, one is called a budget, one is called a deficiency, and another is called a supplementary estimate. The making up of those estimates goes through a great many different hands; and under the law I have to send the estimate up -- been doing it now for eight years today; and the same process continues as obtained on the fourth of March, 1933, except that Congress didn't meet until four or five days later. There is absolutely no change in the making up of that. I consult all kinds of people, because the ultimate signature has to be mine. That is about all there is in the way of a story, and that is not a headline.

Q Mr. President, has the date been set for Ambassador Biddle's departure for London?

THE PRESIDENT: He is coming in this afternoon, in about fifteen minutes, with his wife, to say good-bye. I don't know when he is to leave.

Q Mr. President, would you care to give us a reminiscent thought on eight

years ago today? You referred to the thought that eight years have passed.

THE PRESIDENT: You could say that I, personally, do not feel any different than I have at any time during the eight years. We have a different kind of crisis, a world crisis instead of a domestic crisis, eight years later. In some ways, on a comparable basis for the future of the country, it is probably more serious than the one eight years ago. I think we might let it go at that.

Q Mr. President, do you see any cause for concern in the labor situation as affecting the defense projects?

THE PRESIDENT: Of course that is a question that would take half an hour to answer -- the kind of question that can't be answered. It's a little like saying, Have you stopped beating your wife? -- yes or no? It's an impossible question to answer as is. Perhaps I can illustrate by telling you this: I got a letter -- oh, yesterday or the day before -- from a very worthy citizen in Florida who was frightfully upset because of what he had read. Where he had read it, I am not saying; but anyway it was because of what he had read. And he said, in effect, this: "We are all horrified by the complete breakdown of defense production because of strikes." In other words, he got it into his head that there was a breakdown in production because of strikes. Now, of course there are a certain number of strikes; and I would hate to give you this as the definitive figure, but I think it is approximately correct that about a quarter of one percent of production has been affected by strikes at any given time. A quarter of one percent is what? -- one four-hundredth; so you see the gentleman had got an erroneous impression from what he had read, according to his own statement. That's worth thinking about. In other words, somebody had written something -- I am not saying where -- that had caused

a perfectly worthy citizen to get a false impression, and that is a great pity for our defense effort.

Q Mr. President, has your study gone long enough so you could say anything about the cooling-off period before strikes? Mr. Knudsen indicated you were developing plans.

THE PRESIDENT: That's part of the whole thing.

Q Would you favor that being done?

THE PRESIDENT: It's like a pending amendment to a bill on the floor -- any old kind of a bill; it's just part of a general thing.

Q You mean that will be a part of it?

THE PRESIDENT: A part of the study.

Q Under Secretary Patterson suggested you might revive the old War Labor Board without any legislation being required.

THE PRESIDENT: Everything on labor has been under consideration -- has been constantly; there isn't any news in it.

Q Mr. President, is there any news in the Danish situation, which is also under study?

THE PRESIDENT: No, that is still under study; a very difficult one.

Q Mr. President, do you think it is justified for the labor unions to charge fees on construction projects on all men, whether or not they are members of unions, for a job?

THE PRESIDENT: I can't talk to a general question; give me some specific instances, cases, places; then I will look it up and find out whether the facts are in accordance with the statements; then I will give you an answer after that.

Q Do you want this in a memo? (Laughter)

THE PRESIDENT: In other words, I can't talk glittering generalities.

Q You have heard of the situation, have you not?

THE PRESIDENT: I have heard of one or two specific cases where the fees charged for joining a union were exorbitant; and those cases were taken up by the Federation of Labor for the international concern, and they reported that the practice has been stopped. You have to be specific; I'll be specific if you are.

Q All I can do is to refer to testimony before the House Judiciary Committee.

THE PRESIDENT: That has all been referred to the Department of Justice and the Federation of Labor; I think they were all A.F.L. cases.

Q Yes, sir.

THE PRESIDENT: You would have to go to the Department of Justice or the A.F.L. to find out what happened in each case.

Q That included fees for men who were not members of the union but who paid a cut from their daily wage.

THE PRESIDENT: That was referred to them -- a specific case.

Q Mr. President, a few weeks ago you mentioned the fact that there were several, or a few, isolated instances in which the question of taking over plants with which it was impossible to make agreements had been considered; what is the status of that situation at the present time?

THE PRESIDENT: I couldn't tell you, because all I know is the plants were not taken over and I haven't had any further report. Whether it is still under study I couldn't tell you.

Q Have there been any additional plants, sir, since that time reported to you?

THE PRESIDENT: No, I think not; there may have been additional plants, but they have not been reported to me.

Q Mr. President, late last evening there was an Executive Order prepared which would freeze the funds in this country of all foreign belligerents;

would you care to say why it wasn't signed?

THE PRESIDENT: What?

Q There was an Executive Order; it wasn't signed; I wonder if you care to say why.

THE PRESIDENT: I never saw it. I suppose there have been half a dozen different forms drawn in the last year and a half. There has been nothing presented to me for signature.

Q Do you have any new orders pending?

THE PRESIDENT: No, I'm sorry to spoil that one, too; I'm a regular spoilsport today. (Laughter)

Q What about that plan the Marine wrote in about for old soldiers and the rest of the wrecks to do something?

THE PRESIDENT: That home defense thing?

Q Yes, sir.

THE PRESIDENT: That's one of the most difficult things to put together in administrative form that I have had yet, because it covers so many different things in life. It's sort of a general endeavor on the part of men, women, and children in every State in the Union, and it is very hard to set up the right kind of administrative machinery that at the same time will allow it to be decentralized and run primarily by the various communities themselves. Frankly, I have been at it now for about a month, you know -- over a month -- and I haven't yet decided on what kind of final machinery to set up. I am still having conferences on it. It's one of those real troubles.

Q Thank you, Mr. President!

CONFIDENTIAL
Press Conference #724,
Executive Offices of the White House,
March 7, 1941, 10.55 A.M.

THE PRESIDENT: Well?

Q (Mr. Godwin) Well, how are you?

THE PRESIDENT: As far as I am concerned, you might as well put the lid on now as twenty minutes later.

Q Thank you, Mr. President! (Laughter)

THE PRESIDENT: Right on time! (Here the President set a clock out in front of him showing the time as 10.30.) Steve (Mr. Early) brought that in a little while ago.

Q What time is that, Mr. President?

Q Is that Mountain time? (Laughter)

Q Daylight saving? (More laughter)

THE PRESIDENT: That's Early time! It's Early time!

Q Who thought that up?

THE PRESIDENT: What do you mean -- who thought that up?

MR. DONALDSON: All in!

THE PRESIDENT: I haven't got a thing.

Q Would it be all the same, Mr. President, if we change the hour of these Friday conference to 10.30? (Laughter)

THE PRESIDENT: That's what I tried to do this morning! I thought we would have these conferences at 10.30.

Q Would you vote for 11 o'clock? (Laughter)

THE PRESIDENT: Oh, I think 10.30 is all right.

Q Of course I knew the Legislative could turn the clock back, but I didn't know the Executive could.

THE PRESIDENT: This (pointing to the clock again) is what is called Early time -- Stephen T. Early time! (Laughter)

I suggested that we put the lid on at the beginning of the conference; might just as well -- I got nothing over the week end except work; and that's all there is.

Q Mr. President, in the last Conference you said that strikes in defense industries had only affected one quarter of one percent of production at any given time; on what basis was that estimate made?

THE PRESIDENT: I understand that Miss Perkins talked to the editor of the New York Times on it and explained the editorial to him and told him that if he had read the columns of the New York Times he would have found authority for my statement. That's just between us girls (laughter) -- very funny! As a matter of fact, it was a release down here by the -- what was it? the Labor Department itself or Lubin's organization? -- one of those organizations. I got my information from the papers; and the New York Times yesterday morning wanted to know the source of it in the editorial; so we told them it was the columns of the Times. (Laughter)

Q The difference is "at any given time" or as Madam Perkins puts it, "over a period of a year"; that seems to be the difference.

THE PRESIDENT: I think you will find it is true at any given time. I think it would be awfully hard to find any given time when there was more than that percentage out. That doesn't mean it will be so in the future. People forget how many multitudinous lines there are to this defense program. If you think just in terms of airplane production alone, or the percentage in some given product, it might be higher; but talking about defense as a whole, it is true.

Q Mr. President, I wonder, though, whether that was the correct yardstick

for measuring the effect on defense industry; for example, out at Allis-Chalmers they are making machinery for powder manufacture; that is one of our bottlenecks; is it fair to use it on that basis?

THE PRESIDENT: No; but then on the other hand it is equally true that, on a percentage basis, making tools for powder is still part of the whole defense industry. In other words, if you are going to be specific, you have to carry out your being specific all the way through in the story in order to be fair. You can't generalize on the defense program by taking one particular bottleneck.

I'll give you another bottleneck; take steel; the steel industry, as a whole, according to that report of Gano Dunn, is pretty good. As I said the other day, there may be certain bottlenecks in special varieties of steel; that doesn't mean the steel industry as a whole. There may be a bottleneck on chromium; but the percentage of chromium steel to the total of steel is a very, very low percentage; and it is sometimes, with certain articles, possible to substitute some other type of steel for chromium steel. You have to be an expert before you can write a story -- much more expert than I ever thought of being.

Q Mr. President, don't you think, on the whole, it would be desirable to do away with some of the jurisdictional strikes?

THE PRESIDENT: Absolutely! I don't think the country, as a whole, can approve of a strike like the one out at Wright Field, just as an example -- that particular case.

Q Sir, were you aware of what the Army intended to do at Wright Field before they took that action?

THE PRESIDENT: No.

Q They did that on their own?

THE PRESIDENT: Yes.

Q Mr. President, are the jurisdictional strikes a part of your general study of strikes?

Q You have a Supreme Court decision that says you can't interfere.

THE PRESIDENT: No, but that is too much generalization; you give the Supreme Court, the Circuit Court of Appeals, or the District Court a given case which they will decide; and there will be a number 2 case which comes along a little later which to the layman looks just like the number 1 case, and yet when you get it up to the same court, they will differentiate between them. There may be a lot of factors that you and I, as laymen, do not understand there is a difference in.

As a matter of fact, on this general thing, I talked to you the other day about studying it. It does look as if, in time, we will have some kind of top board in Washington which will be not merely a mediation board but will look at the whole angle of problems of labor and production, not merely from the individual case but from the longer range policy view, looking even to the problem of distribution of plant facilities and labor -- too great labor concentration in any one given place after the emergency is all over. In other words, we are thinking ahead on the specific individual case of today and trying to make the settlement of it fit into a general pattern of the future.

Now, there may be some central organization; I am not saying there will not. It is still being studied, and there are various plans. We may set up some central organization of that kind; but you can't say it would be merely reconstituting what we called the old Taft-Walsh Board of the World War; it might have a broader field than that Taft-Walsh Board had.

Q Would that board be subordinating Mr. Knudsen's O.P.M., Mr. President?

THE PRESIDENT: Oh, no, that would be a separate thing.

Q Mr. President, it would deal with current labor problems as they come up?

THE PRESIDENT: Yes, what might be called a final place to which things would come; but like the Taft-Walsh Board, it wouldn't handle the smaller problems. They would be handled locally, or through the conciliation agencies or through their own top people -- like this thing out at Wright Field; they probably wouldn't handle that.

Q Have you considered this cooling-off period yet, Mr. President?

THE PRESIDENT: That's just a small detail out of a thousand.

Q Mr. President, did Mr. Philip Murray communicate to you his opposition to the general idea?

THE PRESIDENT: No, certainly not!

I would say this thing is going along pretty well. You can't put it down in black and white, and you will have a great many other ramifications. I don't know how you can write a story on it without being didactic, and therefore wrong; every time you get didactic, you are wrong, you know. I don't know how you can write a story if you go into details and say it is probable such and such a thing will happen; nobody knows half of the thousands of ramifications of this sort of thing down the line that you never think of unless you study it. You have got regional problems; you have got industrial problems within one given industry; you have cost-of-living problems; you have got congestion problems, and so forth and so on. So leave it as it is today, a very general glittering generality. That's as far as you can go and tell the truth.

Q Mr. President, do you know whether any steps are being taken to relieve

nickel for civilian uses?

THE PRESIDENT: No; I do know that there is not enough nickel coming in now for Army and Navy purposes; it is one of the shortages.

Q There is not enough for Army and Navy purposes?

THE PRESIDENT: No, I mean including civilian uses.

Q Mr. President, Under Secretary Patterson made the point the other day that the Taft-Walsh thing was done without legislation; is this tentative idea that you have of a similar nature?

THE PRESIDENT: Yes.

Q You would not have to have any legislation in order to set it up?

THE PRESIDENT: No.

Q How are you going to handle jurisdictional strikes?

THE PRESIDENT: I don't know; that's one of the difficulties at the present time.

Q Mr. President, did Mr. Murray talk over with you the possibility of an over-all strike in the steel industry?

THE PRESIDENT: No.

Q Mr. President, Mr. Hillman gave the impression, I think, in his appearance before the Judiciary Committee that some of those jurisdictional strikes could be handled by the men at the top exerting influence, pressure, or advice on the leaders down the line.

THE PRESIDENT: Theoretically, grand; and works out in a very large percentage of the cases. You have seen a lot of potential local jurisdictional disputes and strikes where the local people were pretty hot under the collar against each other, and you have got lots of cases where a little advice from the top has settled them. I would say the overwhelming majority of cases are settled by advice from the head people in Washington, or

in other places where the top of the union is; on the other hand, there are a few cases where the local people would not listen to advice from the top; and that's about the size of it.

Q Mr. President, the question of drafting workers from the nondefense industries --

THE PRESIDENT: (interposing) What?

Q Is the question of drafting workers into defense industries where there are shortages a part of your study?

THE PRESIDENT: No, not drafting them -- certainly not.

Q Mr. President, have Senate leaders indicated when they expect the Lend-Lease Bill to pass?

THE PRESIDENT: No.

Q Mr. President, why don't you have the school children bring in tin cans?

THE PRESIDENT: Well, we have quite a plan to bring in tin cans when we need the tin.

Q You said the reason why collecting was bad was because it was so costly.

THE PRESIDENT: The transportation is costly. You can get your actual stuff brought in cheaply, say, to Hyde Park Village; but to get it to the plant where the detinning is done is a pretty costly thing.

Q If you get to the point where you don't have the tin, you will do that?

THE PRESIDENT: We have plenty of tin today. There is no shortage in tin; it's nickel there's a shortage in.

Q Are you going to cut it off for civilian uses, Mr. President?

THE PRESIDENT: No, not that I know of, Pete (Mr. Brandt).

Q Would you say that the delay in passing the Lend-Lease Bill is having a serious effect?

THE PRESIDENT: I guess I better not answer that. (Pause) You are all aware

of the fact that I have stated -- oh, I think for a couple of months, since it first went in -- that perhaps a delay at this time, in February or the early part of March, does not affect immediate aid to the democracies -- delivery of it -- but that every day's delay now will affect deliveries to the democracies a little later on. That is a perfectly fair way of putting it.

Q Mr. President, do you see any necessity of giving the National Guard an additional six or twelve months' training?

THE PRESIDENT: I don't know; what do you mean?

Q There's a story out that the War Department, or General Marshall, thinks that is necessary and will ask for legislation on the subject.

THE PRESIDENT: That's a new one on me; I'll ask about it.

Q That's the story I got.

MR. GODWIN: Thank you, Mr. President!

THE PRESIDENT: (holding up the clock) Still 10.30! That's the shortest Press Conference we ever held! (Laughter)

CONFIDENTIAL
Press Conference #725,
Executive Offices of the White House,
March 11, 1941, 4.10 P.M.

THE PRESIDENT: I am keeping you all busy now. You'll have to keep jumping to keep up with me!

Q Fast work!

THE PRESIDENT: Yes, and going to be more fast work, too!

Q Mr. President, did you sign the bill with six pens?

THE PRESIDENT: I used six pens -- for the leaders.

MR. DONALDSON: All in!

THE PRESIDENT: At quarter to four or ten minutes to four, the Bill (referring to Bill 1776) was duly signed in the presence of the Press photographers and the Picture people; and immediately thereafter -- after they left the room -- the second step happened; after talking the thing over with the Army and Navy authorities, the first list of material was approved -- Army and Navy material which will go, the greater part of it, to Britain; a portion of it will go to the Greeks. The items, of course, involved must of necessity and fairness be kept until such time that the disclosure of their military identity will not be of benefit to anybody else.

At the meeting this morning on that line, I told the Senate and House members of the Committee -- we talked it over and I made the suggestion that they appoint from the two Appropriations Committees a small subcommittee that would feel entirely free to come down here at any time and be kept in complete and constant touch with everything that is being done under Bill No. 1776.

Of course there is nothing that could not be disclosed except some

of these things which probably we should defer announcing -- the type of material or amounts involved -- for purely military reasons for a reasonably short time. This particular list of items relates both to the Army and Navy. It is not a very large amount. I only have at the present time the figures showing the total original cost, because you will understand that that does not necessarily mean the billing price for the reason that a great many of these articles are out of date or surplus and haven't got the same monetary value that they had when they were manufactured a good many years ago.

And then I -- well, you saw the gentlemen when they went out; they told you about the letter tomorrow which will be the usual -- I have forgotten whether it is deficiency or supplementary estimate letter -- I don't know -- to the Speaker; not a message to the Congress, because this is an appropriation bill and goes in the form of a deficiency or supplementary estimate to the Speaker, and, under the rules of the House, is referred by him to the Appropriations Committee; and then they start hearings, I think, the day after. My letter will go up at noon tomorrow, and they will start the hearings on Thursday; so there is no waste of time in this procedure.

Q Mr. President, you said you had a total of the value; are you going to tell us what that is?

THE PRESIDENT: No.

Q Mr. President, you called these supplemental or deficiency; --

THE PRESIDENT: (interposing) I don't know whether they call it deficiency or supplemental.

Q Usually supplemental is for the current year; is this for the current year?

THE PRESIDENT: No.

Q What I am getting at, will there be another one for next year?

THE PRESIDENT: I don't know. You better ask them on the Hill what they want to call it; really, it is an appropriation bill under H.R. 1776.

Q Mr. President, you have indicated that this list of stuff is current material, surplus, et cetera.

THE PRESIDENT: Yes.

Q I haven't read the bill lately; that bill mentioned a certain amount.

THE PRESIDENT: Up to a billion, three hundred million; the amount arrived at -- the value of this stuff -- will come out of that billion, three hundred million.

Q I was going to ask you further, sir, if you will permit me, if there have been any terms or any dicker; have you made a deal with these people?

THE PRESIDENT: No.

Q Will that be made public at any time you do so?

THE PRESIDENT: As soon as it is proper. Of course the congressional people will know about it, but it won't be made public until the items themselves are made public. You couldn't do any figuring on dollars and cents unless you knew what the items were.

Q Mr. President, is this a lending or a leasing procedure?

THE PRESIDENT: I give it up; I'm not interested.

Q Mr. President, could you tell us when the proposed aid to China may be forthcoming?

THE PRESIDENT: The what?

Q Aid for China; I heard you mention Britain and Greece.

THE PRESIDENT: That's all I've done today! (Laughter)

Q Will there be aid to China?

THE PRESIDENT: What?

Q Will there be aid to China?

THE PRESIDENT: Oh, I guess so.

Q Would it depend, sir, on the report that Lauchlin Currie makes to you?

THE PRESIDENT: That might have something to do with it; I wouldn't say it would depend on it.

Q Mr. President, will some of this be out of the 1942 budget?

THE PRESIDENT: There is not much we can talk about yet because it is still in the process of working out the thing on the Hill as to whether certain types of things taken out by anticipation, things already ordered but not yet delivered, already appropriated for and ordered and which would fall into the one-billion-three-hundred-million-dollar category -- as to whether they should be deducted, or any portion of them, from the seven-billion-dollar appropriation or not. That is a thing that is really a legislative matter and we hadn't worked it out this morning. There are too many categories of things in there to make an over-all statement; some might and some might not.

Q Mr. President, could you generalize at all as to saying whether ships -- naval or merchant -- are involved?

THE PRESIDENT: What?

Q Could you give us ship categories?

THE PRESIDENT: Say Army and Navy -- not Maritime Commission.

MR. GODWIN: (apparently to himself) That's the stuff!

Q Mr. President, will the subcommittee of Congress get this information in connection with that 90-day report provided in the bill?

THE PRESIDENT: That's an entirely separate thing; this would be in addition to that.

Q Do you have a system of bookkeeping set up, Mr. President?

THE PRESIDENT: What?

Q Do you have a system of bookkeeping set up to keep account of all this?

THE PRESIDENT: I don't know.

Q Mr. President, are you planning to discuss this with the country in a radio speech?

THE PRESIDENT: I think so; I think I will probably go on the air sometime in the next week.

Q Is Mr. Currie back in Washington yet?

THE PRESIDENT: Not that I know of; he landed yesterday and he is on his way across the continent. I don't know whether he is coming by plane?

Q He's coming by train.

Q Could you tell us now about his mission out there?

THE PRESIDENT: I don't think so.

MR. GODWIN: May Craig wants to know if you are going away.

THE PRESIDENT: Well, I would like to go away; I'm just crazy to go away.

MR. GODWIN: In other words, are you going to take one of those trips?

THE PRESIDENT: I would give anything in the world to; I need a little holiday. I've been here pretty steady since the fourteenth, and I still have a bit of "co'd id my dose". And I want a little sunlight. I am going to do it just as soon as I get the chance -- when and where, I don't know.

Q Is it proper for you to say whether any of this equipment is now on the way?

THE PRESIDENT: Oh, no, none of it is on the way -- at least it wasn't until five minutes to four, because I didn't approve it until then. We work fast, but there are limitations! (Laughter)

Q Do you know when the first of this might be dispatched?

THE PRESIDENT: I haven't got any idea. It would depend a little bit on when the ships go.

Q My point, sir, is whether the material has been moved up to embarkation points in anticipation.

THE PRESIDENT: There has been nothing done on boxing this ahead of time.

Q Is any one individual in charge of the transfer of this material?

THE PRESIDENT: Any one individual? Oh, no, it's done through the regular channels.

Q Mr. President, now that the Lend-Lease Bill is passed, do you anticipate acting in the near future on the Supreme Court vacancy?

THE PRESIDENT: No.

Q Mr. President, have you any news on the program of voluntary home defense?

THE PRESIDENT: No, not yet.

Q Anything on the St. Lawrence, Mr. President?

THE PRESIDENT: No -- all frozen up. (Laughter)

Q (Mr. Durno) There have been reports that you might declare a complete national emergency now that the bill has been signed.

THE PRESIDENT: I haven't even heard that report.

Q It has been reported.

Q Mr. President, we have a supreme court vacancy in Puerto Rico, too; will you fill that?

THE PRESIDENT: I was thinking there was some news on it about a month ago; didn't I fill that?

Q There were two, Mr. President.

THE PRESIDENT: That's what it was -- I filled one.

Q Do you contemplate making a fireside chat soon?

THE PRESIDENT: Probably sometime in the course of the next week.

Q Do you expect to receive a report from Surgeon General Parran who has just returned from London?

THE PRESIDENT: I wouldn't put it that way, but I suppose Dr. Parran will take the first opportunity he has to come in. I don't think it will be any formal report.

MR. GODWIN: Thank you, Mr. President! Get them out of here!

CONFIDENTIAL
Press Conference #726,
Executive Offices of the White House,
March 14, 1941, 10.45 A.M.

MR. GODWIN: Good morning sir!

THE PRESIDENT: Good morning. I think we are going to have a very dull session today.

Q You have a lot of news, haven't you?

THE PRESIDENT: No; I kept you fellows busy the first three days of this week, though, didn't I?

Q You certainly did!

THE PRESIDENT: Plenty of stuff!

MR. LINZ: Some of us like to work.

THE PRESIDENT: You don't, do you? You really enjoy it?

MR. LINZ: I do!

THE PRESIDENT: Have to put him on a destroyer! (Laughter)

Q "Lieutenant" Linz, of the Destroyer! (Laughter)

MR. DONALDSON: All in!

THE PRESIDENT: You have had a big week so far; I haven't got very much more, except to make a rather unusual request: I'm asking a press association if I might speak at their dinner. The White House Correspondents' Association is having a dinner tomorrow night, and I would very much like to make a speech.

MR. REYNOLDS: (President of the White House Correspondents' Association)
I think, sir, that could be arranged. (Laughter)

THE PRESIDENT: It is, what? -- this topsy-turvy world, the President pleading with the press association to be allowed to address them! If that is all right, Tom (Mr. Reynolds), I'll go on the air at the same time.

MR. REYNOLDS: Yes.

Q That's on the record?

THE PRESIDENT: This is on the record.

Q Will that be on the record?

THE PRESIDENT: Yes.

Q (Mr. Godwin) Will that be the fireside chat you have been planning on?

THE PRESIDENT: It may be what could be called fireworks! (Laughter)

Q Firewater!

MR. REYNOLDS: What time would you like to go on the air, Mr. President?

THE PRESIDENT: Nine-thirty, if that fits in with your excellent entertainment?

MR. REYNOLDS: That's all right.

Q Will that be thirty minutes, sir?

THE PRESIDENT: Yes.

Q Mr. President, can you tell us anything about your labor discussions?

THE PRESIDENT: Nothing today -- won't be any news until next week; they're talking, that's all.

Q Can you tell us what the general topic of this speech will be, sir?

THE PRESIDENT: I don't know; I think it will cover a multitude of sins.

(Laughter)

Q That will be the fulfillment of your statement the other day that you might have something to say.

THE PRESIDENT: Yes. The only other thing I want to call your attention to -- my mind goes back to 1934, when there was set up a thing called the Stabilization Fund; and if you will read the Congress and the columnists from that time on, you will see from that time on, undoubtedly, year after year, about the facts being kept from the public and so forth and so on. Well, every year of course we file a report on what has happened

to that two-billion-dollar fund. That's a lot of money; and a whole lot of people, of course, have tried to -- what shall I say? -- to get their fingers on that for this, that, and the other excellent purpose. We have managed to keep that fund intact from any what might be called depredations on it.

At the same time, the truth, I think, is a pretty good illustration of the fact that the American Government is not wholly -- what shall I say? -- amateurish in the financial part that it plays in the country, and not just a bunch of rank amateurs, as so often charged. This two billion is not only intact today -- you know it doesn't draw any interest; in other words, it is in the Treasury; naturally, it is not in bonds because it has to be available at any time -- it is not only intact but, through transactions, it has gained twenty-two million dollars, which, for a bunch of rank amateurs in finance, isn't so bad!

I just call your attention to that, for I think it is rather interesting, considering the things that have been said all around this country about that fund, that it would be gradually chipped away and chipped away and through bad management would lose a lot of money. It has done a lot of good by stabilizing world trade -- all kinds of world trade, both before the outbreak of the war and since.

Of course in the last year there haven't been so many transactions in it, but there have been some; and it has made a profit of twenty-two million dollars, now in the treasury. I thought I would call you attention to that.

Q Mr. President, the names of both Wendell Willkie and Bernard Baruch have been mentioned as possible members of the new mediation board; are you considering either of those gentlemen?

THE PRESIDENT: I read it in the paper for the first time; and I haven't thought of any names of anybody.

Q Mr. President, can anything be done with that profit on the Stabilization Fund?

THE PRESIDENT: It is maintained as a part of the fund.

Q Mr. President, will any part of that Stabilization Fund be used to finance national defense expenditures?

THE PRESIDENT: No.

Q (Mr. Brandt) Does this fund expire on January 30, 1941?

THE PRESIDENT: I don't know, Pete.

Q It has been extended two or three times.

Q I think it expires in June.

Q Mr. President, what kind of report did Mr. Currie bring back?

THE PRESIDENT: He is in the process of presenting it to me; he hasn't finished.

Q (Mr. Essary) Mr. President, did you see the story in the Baltimore Sun this morning on the transfer of naval and merchant ships to Britain?

THE PRESIDENT: What's that, Fred?

MR. ESSARY: A very interesting story, Mr. President (laughter); if you haven't seen it, you probably will.

THE PRESIDENT: Fred, was that the same kind of story as that UP story -- "learned on good naval authority, high naval authority"? (Laughter)

MR. ESSARY: I think that fact was stated, among others.

THE PRESIDENT: I didn't know the Sun would be as inaccurate as all that!

MR. ESSARY: Inaccurate??

MR. GODWIN: Mr. President, the Baltimore Sun had a very definite statement about it; if you will get Mr. Essary to relate that statement, perhaps you can comment on it.

THE PRESIDENT: What was it, Fred? This is getting interesting!

MR. ESSARY: You are crowding me a little bit now! (Laughter)

THE PRESIDENT: Fred, entirely off the record, have you read the story?

(Laughter)

MR. ESSARY: I wrote it, sir.

THE PRESIDENT: Well, I hadn't seen it, so I can't comment on it.

MR. ESSARY: Well, I'll send you a copy, sir.

Q Mr. President, certain people who seem to be naval authorities claim that there will be all or part of a great number of ships transferred to Britain; they include in that what we call "mosquito" boats, fast torpedo boats --

THE PRESIDENT: (interposing) Whale boats? (Laughter)

Q I don't believe whale boats were mentioned, sir, but they might be useful.

Is it correct to say that that is entirely inaccurate?

THE PRESIDENT: Entirely!

Q But that wouldn't cover new boats?

THE PRESIDENT: There has been absolutely no consideration given to any specific type of ship or any specific boats which I could tell you about now; of course there may be -- as you know -- there may be transfers in the future; but I couldn't write a story on it because nothing has been decided.

Q What about cargo ships?

THE PRESIDENT: Cargo ships? -- We haven't got many at the present time that you could transfer.

Q Are Springfield rifles included in the list of things to be sent to Britain?

THE PRESIDENT: Well, now you are asking me, piecemeal, to tell you the list of things that were authorized the other day; and if I start saying yes

or no on the individual items, by the process of elimination you will find out what there was. Now, actually -- make this the last time -- actually, there were no Springfield rifles on that list; but don't ask any more.

Q (Mr. Brown) Mr. President, how is it that while the funds of the invaded countries are frozen, the German and Italian funds are not?

THE PRESIDENT: Constantine (Mr. Brown), I think you better ask the State Department on that.

MR. BROWN: Well, they tell me to ask you.

THE PRESIDENT: It's one of those things where a little knowledge on the part of the President is awfully dangerous. I wouldn't trust myself to make an answer.

Q Mr. President, now that you have seen the Secretary of Labor, Mr. Knudsen, and Mr. Hillman on this top board you discussed the other day, can you give us any more detail on that?

THE PRESIDENT: Not yet; I hope to have something next week.

Q You plan to discuss this matter with Mr. Green (William Green, of the A.F.L.) today?

THE PRESIDENT: Yes.

Q You will also discuss it with other labor leaders -- Mr. Murray? (Philip Murray, of the C.I.O.)

THE PRESIDENT: Yes, I have already, and am going to do it again.

Q Mr. President, is this Government making any attempt to bring the C.I.O. and A.F.L. together at this time?

THE PRESIDENT: No.

Q Have you made any travel plans yet?

THE PRESIDENT: I am still hopeful -- very hopeful. I --

(interposing)
Q/ About when?

THE PRESIDENT: (continuing) -- need to make up sleep. (Answering the question) Just as soon as I can. As a matter of fact, I am fairly free, because I haven't got any dates between next Monday night, when we have the opening of the Mellon Gallery, and the 29th, when they have that dinner. That is 10 days -- 12 days, rather -- and I hope sometime in that 12 days to get away somewhere for about a week -- if things don't break badly.

Q What is the 29th, Mr. President?

THE PRESIDENT: Jackson dinner.

Q Mr. President, can you say now -- do you care to discuss aid to countries other than those mentioned -- Britain, China possibly, and I think Greece comes in on that? It seems to me from conversations with the embassies that some of them think they are going to get a piece of it. Can you say anything about that?

THE PRESIDENT: I think the bill is pretty clear.

MR. GODWIN: It certainly is!

THE PRESIDENT: In other words, without naming any specific nations, you might call them A, B, C, and D that are not in the process of resisting aggression by armed forces, any one of them that should be compelled to do so or decide to do so, would fall into that defense category as provided for in the bill.

Q How about China, Mr. President?

THE PRESIDENT: That is coming along all right.

Q In the case of China, sir, has there been any question as to who the arms would be used against if they were sent to the government of Chiang Kai-Shek?

THE PRESIDENT: No.

Q Are we shipping anything to Turkey now?

THE PRESIDENT: Not that I know of.

Q Mr. President, do you have any comment on the proposal for direct tax on salaries to help pay for the arms purchases?

THE PRESIDENT: I read about it. I am seeing the Secretary of the Treasury and one or two of his generals sometime today or tomorrow to have a preliminary talk about, primarily, the tax receipts as they are coming in. They --

Q (interposing) They are away ahead of expectations.

THE PRESIDENT: (continuing) They are pretty well ahead.

Q The Irish Defense Minister has come over here to ask aid.

THE PRESIDENT: So I read.

Q Any decision been made as to what category Ireland comes in?

THE PRESIDENT: No, I have had no official notice. I was told by the Legation.

Q (Mr. Brown) May we ask you, sir, who the arms might be used against?

THE PRESIDENT: In Ireland?

MR. BROWN: Yes.

THE PRESIDENT: It's a very delicate subject, Constantine. (laughter)

Q Mr. President, have you given any consideration to revision of the Social Security Program?

THE PRESIDENT: Yes, a good deal. I don't think there's any real story on it that could be detailed; but the general idea is what I expressed several times last autumn, and that is the coverage in regard to numbers of human beings and a greater equalization of benefits for old people; that is something that we want to go ahead with -- in other words, make a little progress on each year. On the whole, it is better covering a few more each year and raising the standard each year than it is go right to

Utopia all at once. The number of people in this country covered -- old people -- is not adequate. There ought to be a great many more millions brought in who are not in today; and consequently the old-age benefits ought to be increased through a period of years so that it is not so much dependent on State grants. Today, in the richer states that have taken action, the actual old-age benefit is what? -- oh, I don't know -- three or four times -- five times greater than it is in states which have a much lower per capita wealth; and they are working at the present time on some kind of what might be called a formula which would base Federal grants more nearly on the per capita wealth of the inhabitants of any given state -- in other words, that wouldn't penalize the richer states and require those states to contribute a larger proportion; but it would call on the Federal Government to add to the Federal assistance in the case of the poorer states; and at the same time not give any --

Q (interposing) How much?

THE PRESIDENT: (continuing) -- at the same time not give any state the right or privilege of falling down on their own obligations. In other words, they would have to give what would be -- through their legislatures -- what would be a fair share from their own taxes, based on the wealth of the state. You can't ask for some states in the country that have a very low per capita wealth -- therefore, a very low taxable base -- you can't ask them to give more than the proportion of their taxable base of wealth, but you can ask them to give up to their taxable base of wealth.

Well, it is one of those formulas which I think can be worked out, and it would result in a gradual increase of the people who, unfortunately live in poor states which are today giving much too little in the way of old-age pensions; and it will help where the -- when you come down

to it through a humanitarian point of view -- help where the need is greatest.

Q How long, sir, do you think it will be before some such development might be expected?

THE PRESIDENT: I think in the spring.

Q Have you any observations on whether we should assist France in getting food?

THE PRESIDENT: I don't think so, except to throw out a suggestion --

Q (interposing) Sir?

THE PRESIDENT: (continuing) -- except to throw out a suggestion, and that is that people should be fairly clear in their facts about the food situation in Europe before they come to conclusions.

Q Do you mean by that, sir--

THE PRESIDENT: (interposing) I don't mean! I said I threw it out as a suggestion! (Laughter)

Q Mr. President, in connection with the food situation, have you received any particularly desperate appeals from Belgium, Holland, Norway, or Denmark, which are just as badly stricken as France?

THE PRESIDENT: No. There again it is a question of fact, isn't it?

Q I am trying to make the differentiation between those countries that are occupied and those not occupied. I am talking about food for unoccupied France.

THE PRESIDENT: That depends very largely again on the question of fact. There is probably not much question -- I can say this -- there isn't much question that the actual lack of foodstuffs at the present time is greatest in Spain -- without much question. That raises a question of a certainty -- I am talking about unoccupied places -- a certainty that none of that

will go outside of that particular place.

Q. Did you say there should be a certainty?

THE PRESIDENT: Yes, there should be.

MR. REYNOLDS: Thank you, Mr. President.