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I. SUMMARY

Financing: Approximately \$60,000,000,000 has been authorized by Congress for national defense purposes.

Aircraft Production: 1,890 airplanes and 4,899 engines were delivered to the Army, Navy, and British during September. 1,028 were tactical and 862 training planes.

Army Planes: The airplane inventory of the Army on October 1 totaled 8,974 planes of all classes, including planes of varying degrees of fitness. 2,074 were classified as combat types.

Navy Planes: The Navy and Marine Corps had 4,351 useful planes on hand October 1. 2,017 were combat types.

Production Facilities: Contracts had been awarded through the middle of October for plant expansion of 641 projects estimated to cost \$4,376,000,000 — an increase of \$589,000,000 since September 15, 1941.

Army Personnel: There was a decrease of about 1,000 in the active duty strength of the Army during September, bringing the total on October 1 to about 1,587,000.

Navy Personnel: The active duty strength of the Navy and Marine Corps personnel increased 14,200 during September, bringing the total to 371,530 on October 1.

Merchant Ship Construction: Six standard cargo ships and two passenger-cargo ships, aggregating 60,854 gross tons, were delivered during September.

II. DEFENSE FINANCES

Appropriations

Through October 31, Congress had made appropriations and other authorizations for national defense amounting to 60 billion dollars for F.Y. 1941 and 1942. This represents an increase of 6 billion dollars over September 30, due to the passage of the Second Supplemental National Defense Appropriation Act, 1942.

	<u>F.Y. 1941</u>	<u>F.Y. 1942</u>	<u>Total</u>
	(I n	b i l l i o n s)	
Appropriations and contract authorizations:*			
Army	\$13.135	\$11.471	\$24.606
Navy	4.466	5.231	9.697
Defense Aid	7.000	5.985	12.985
Maritime Commission	.613	1.924	2.537
Defense Housing	.420	---	.420
Other defense activities	<u>.563</u>	<u>.778</u>	<u>1.341</u>
Total	\$26.197	\$25.389	\$51.586
Additional funds required to complete the expanded Navy (estimated)			<u>8.413</u>
Grand total			\$59.999

*The parts of appropriations intended to liquidate prior contract authorizations are estimated and have been excluded. Amounts are subject to future adjustments based on actual allocations of appropriations for the liquidation of contract authorizations.

Army, Navy, and Defense Aid Expenditures

Army, Navy, and Defense Aid disbursements were as follows to September 30:

	<u>Disbursements</u>	
	<u>September</u>	<u>July 1, 1940 to Sept. 30, 1941</u>
Army	\$700,382,000	\$5,423,024,000
Navy	377,221,000	3,348,740,000
Defense Aid	<u>139,809,000</u>	<u>264,464,000</u>
Total	\$1,217,412,000	\$9,036,228,000

Gross Debt

The gross debt increased \$425,000,000 during September to a total of \$51,346,000,000 on September 30.

Defense Savings Bonds and Stamps

The Treasury Department reports the following sales of defense savings bonds and stamps:

<u>Month</u>	<u>Bond Sales</u>	<u>Stamp Sales</u>
May	\$349,818,000	\$3,475,000
June	314,527,000	2,802,000
July	342,132,000	3,288,000

III. AERONAUTICAL PROGRAM

Airplane Deliveries, by Types

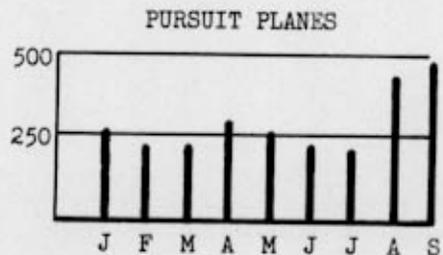
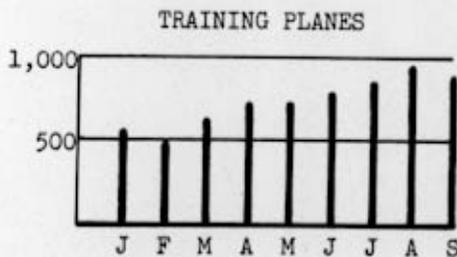
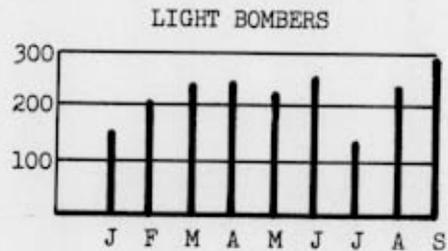
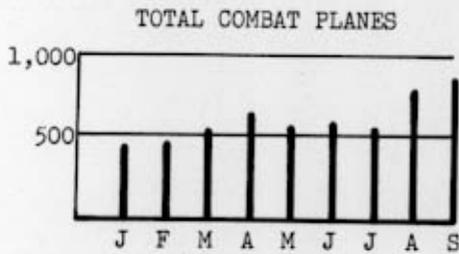
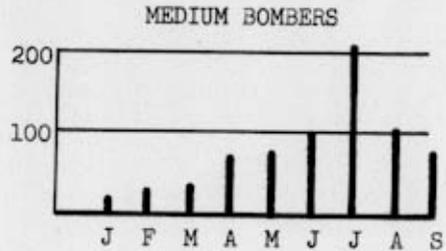
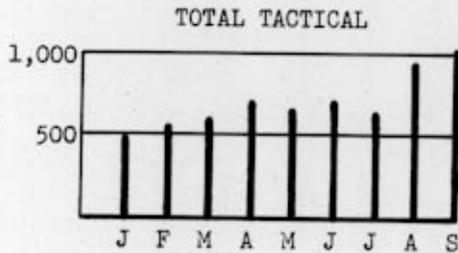
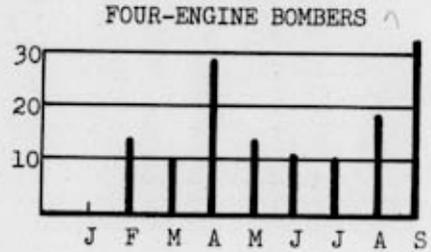
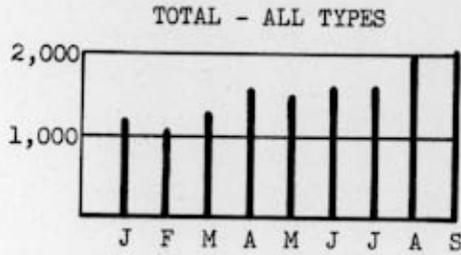
During September, 2,018 airplanes of all types were delivered by manufacturers of military types of planes in the United States. This represented an increase of 61 over August and an all-time high. The Army Air Corps has classified the September production as follows:

Deliveries of Airplanes by Manufacturers of Military Types (As Reported by the Army Air Corps)

<u>Type</u>	<u>September 1941</u>	<u>June 30, 1940 to Sept. 30, 1941</u>
Tactical:		
Bomber, heavy	32	182
Bomber, medium	80	915
Bomber, light, 2-engine	269	1,766
Bomber, light, 1-engine	27	608
Pursuit, 2-engine	12	85
Pursuit, 1-engine	<u>462</u>	<u>3,652</u>
Total combat	882	7,208
Transport and observation	<u>176</u>	<u>1,070</u>
Total tactical	1,058	8,278
Training	<u>895</u>	<u>8,590</u>
Total tactical and training	1,953	16,868
Unclassified	<u>65</u>	<u>1,238</u>
Grand total	2,018	18,106

The chart on the following page shows the monthly distribution of airplane deliveries, by types, for the first nine months of 1941, and Chart 2 at the end of this report shows the distribution of airplanes, by customer and type.

MONTHLY DELIVERIES OF AIRPLANES, BY TYPES
FOR FIRST NINE MONTHS OF 1941



Source: Army Air Corps

Airplane Deliveries, by Customer and Purpose

The Army received 1,019 or 52 percent of the military airplanes delivered in September. The British, with 603 deliveries, received 31 percent, while the Navy deliveries amounted to 268 airplanes or 14 percent of September production.

	<u>Army*</u>	<u>Navy*</u>	<u>British</u>	<u>Other</u>	<u>Total</u>
<u>September Deliveries</u>					
Tactical	428	154	446	30	1,058
Training	<u>591</u>	<u>114</u>	<u>157</u>	<u>33</u>	<u>895</u>
Total	1,019	268	603	63	1,953
<u>Deliveries -- June 30, 1940 to Sept. 30, 1941</u>					
Tactical	2,361	1,375	3,975	568	8,279
Training	<u>4,747</u>	<u>1,614</u>	<u>1,498</u>	<u>727</u>	<u>8,586</u>
Total	7,108	2,989	5,473	1,295	16,865

*Includes deliveries on Defense Aid orders.

The September deliveries to the Army, Navy, and British were 188 airplanes or 9 percent short of manufacturers' estimates made in August.

	<u>Army*</u>	<u>Navy*</u>	<u>British</u>
Deliveries in September	1,019	268	603
Estimated for September	1,123	311	644
Percentage of schedule delivered	90	86	94

*Includes deliveries on Defense Aid orders.

Airplane Engine Deliveries

5,471 airplane engines were delivered during September. This is 69 more than were delivered during August. Total deliveries during September were slightly higher than estimates made the previous month.

	<u>Army*</u>	<u>Navy*</u>	<u>British</u>	<u>Other</u>	<u>Total</u>
Delivered in September	2,750	535	1,614	572	5,471
Estimated for September	2,226	645	1,623	751	5,245
Percentage delivered	123	83	99	77	105
Deliveries 6-30-40 to 9-30-41	17,902	5,296	19,307	10,759	53,264

*Includes deliveries on Defense Aid orders.

Airplanes for the British

The U. S. Army Air Corps reported delivery of 27 four-engine heavy bombers to the British by American manufacturers. This brings the total number delivered since June 30, 1940 to 72. The following table shows deliveries of all types of planes to the British for the periods indicated:

Deliveries of Airplanes to the British Against British Orders
(Defense Aid deliveries not included)

<u>Type</u>	<u>Sept. 1941</u>	<u>August 1941</u>	<u>June 30, 1940 to Sept. 30, 1941</u>
Tactical planes:			
Bombers, heavy	27	19	72
Bombers, medium	24	8	406
Bombers, light, 2-engine	135	193	1,469
Bombers, light, 1-engine	<u>0</u>	<u>0</u>	<u>46</u>
Total bombers	186	220	1,993
Pursuit, 1-engine	260	97	1,935
Other tactical	<u>0</u>	<u>0</u>	<u>47</u>
Total tactical	446	317	3,975
Training planes	<u>157</u>	<u>197</u>	<u>1,498</u>
Grand total	603	514	5,473

Army Air Forces

A. Airplanes

The classification, "suitable for purpose indicated", heretofore used to classify those airplanes available and suitable for use, has been discontinued and the number of airplanes with protected gas tanks and armor is no longer being made available. The following table lists by types the total number of Army airplanes on hand September 30, regardless of the degree of suitability. Undoubtedly many of these would be useless against a first-class power in an active combat zone.

Army Airplane Inventory and Deliveries

<u>Type</u>	<u>On Hand 9-30-41</u>	<u>September Deliveries</u>
Tactical planes:		
Bombers, heavy	125	5
Bombers, medium	721	37
Bombers, light	348	15
Pursuit	1,510	156
Transport, observation, etc.	<u>746</u>	<u>76</u>
Total tactical	3,450	289
Training planes	<u>5,524</u>	<u>591</u>
Total planes	8,974	880

It is significant to note that September deliveries include:

8 medium bombers without turrets
 25 medium bombers without armor plate, turrets and propellers
 60 Bell P-39 pursuit interceptors without propellers
 27 Vultee O-49 liaison C & D without propellers

These represent about 40 percent of the tactical planes delivered in September.

B. Army Air Stations

At the end of September the \$668,000,000 air station construction program of the Corps of Engineers was 53 percent complete. There are 133 projects in this program, including the four Government bomber assembly plants. The following table shows a breakdown of this program by type of facility:

Construction at Air Corps Stations by the Corps of Engineers September 30, 1941

<u>Type of Project</u>	Estimated Cost (in millions)	Estimated Value in Place (in millions)	Percent Complete
Air force	\$201.8	\$163.2	81
Observation units	9.2	3.8	41
Pilot schools	176.5	65.0	37
Technical schools	79.8	58.0	73
Air Corps depots	108.0	26.6	25
Engineering experimental depots	11.5	4.1	40
Aircraft assembly plants	72.2	27.0	37
Replacement centers	9.4	5.6	60
Total September 30	\$668.0	\$333.2	53

C. Personnel of the Army Air Forces

The estimated active duty strength of the aeronautical personnel on September 30th was 213,900 as compared with 476,000 required for the second aviation objective. The following table compares by type of personnel the active duty strength with the requirements:

Army Air Forces -- September 30, 1941

	<u>Required for 84 Group Program</u>	<u>Active Duty Strength</u>
Officers:		
With pilot rating, assigned to:		
Tactical units	14,064	5,296
Training activities	10,353	3,387
Overhead	<u>1,377</u>	<u>809</u>
Total pilots	25,794	9,492
Lighter-than-air pilots	55	30
Bombardiers	1,713	118
Navigators	2,491	321
Aerial observers	1,277	11
Non-flying officers	<u>11,090</u>	<u>7,315</u>
Total officers	42,420	17,287
Enlisted men:		
Specialists	246,631	47,894
Non-specialists	132,802	136,415
Negro	15,960	---
Flying cadets	<u>38,403</u>	<u>12,271</u>
Total enlisted personnel	<u>433,796</u>	<u>196,580</u>
Grand total	476,216	213,867

The pilot training class of October 4th had 2,972 entrants. This is about 800 more than the 2,150 required under the 12,000 pilot training program but substantially short of the requirements for the 30,000 pilot training program. The class graduating on September 26th numbered 943. About 1,264 graduates per class are required for the 12,000 pilot training program.

Navy and Marine Corps Aeronautical Program

A. Airplanes

The number of Navy and Marine Corps airplanes classified as "useful" was 4,351 on September 30. This represents an increase of 2,639 since June 30, 1940. The Navy had 268 planes delivered in September.

Airplane Inventory and Deliveries

<u>Type</u>	<u>Useful Planes</u>		
	<u>On Hand</u> <u>10-1-41</u>	<u>Increase</u> <u>6-30-40</u> <u>to 9-30-41</u>	<u>September</u> <u>Deliveries</u>
Combat planes:			
Bombing, 4-engine patrol	5	5	0
Bombing, 2-engine patrol	400	183	5
Bombing, torpedo	101	- 13	0
Bombing, scout	675	276	12
Fighting	478	289	56
Observation scouting	<u>487</u>	<u>209</u>	<u>65</u>
Total combat	2,146	949	138
Transport and utility	212	61	16
Training planes	<u>1,993</u>	<u>1,629</u>	<u>114</u>
Total planes	4,351	2,639	268

In addition to the above airplanes, the Navy has 511 others which are not classified as useful.

B. Naval Aviation Personnel

On September 30 the Navy and Marine Corps had about 76,000 men and officers on active duty in their aeronautical organizations. This was about 36 percent of the 210,000 estimated as being required for the 15,000 plane program.

	Active Duty Requirements for 15,000 Plane Program	Active Strength 9-30-41	Increase in Active Strength	
			During September	6-30-40 to 9-30-41
Pilots, all grades*	20,400	5,440	400	2,355
Other personnel, includ- ing aviation cadets	<u>189,600</u>	<u>70,619</u>	<u>3,620</u>	<u>41,562</u>
Total	210,000	76,059	4,020	43,917

*Includes pilots assigned to administrative, training, and non-tactical activities.

C. Pilot Training

Between June 30, 1940 and the end of September, 6,722 students were enrolled in pilot training courses and 2,294 have graduated. The number of aviation cadets entering and completing training in September as compared with the maximum rates planned was:

	<u>September</u>	<u>Planned Monthly Rate</u>	<u>Percent of Planned Rate— September</u>
Entering	694	700	99
Graduating	414	588	70

IV. PRODUCTION FACILITIES*Total Contracts

Up to mid-October, contracts had been awarded by the War and Navy Departments, Defense Plant Corporation, and the Maritime Commission for 641 production facility projects at an estimated cost of \$4,376,000,000. This amount includes projects financed from Defense Aid appropriations, and it represents an increase of \$589,000,000 since mid-September.

Production Facilities Contracted at Mid-October

<u>Type of Facility</u>	<u>Number of Projects</u>	<u>Estimated Cost (millions)</u>	<u>Increase Over Sept. 15 (millions)</u>
Aircraft	149	\$ 928	\$ 70
Ordnance	239	1,946	163
Shipbuilding	164	853	164
Other	<u>89</u>	<u>649</u>	<u>192</u>
Total	641	\$4,376	\$589

Agencies Financing

The financing of these projects is divided among the four agencies, as follows:

	<u>Number of Projects</u>	<u>O b l i g a t i o n s</u>	
		<u>Mid-October (millions)</u>	<u>Increase Since Mid-Sept. (millions)</u>
War	245	\$1,960	\$164
Navy	314	1,156	168
Defense Plant Corporation	210	1,438	265
Maritime Commission	<u>18</u>	<u>92</u>	<u>12</u>
Gross total	787	\$4,646	\$609
Less: War and Navy overlap with Defense Plant Corp.	<u>146</u>	<u>270</u>	<u>20</u>
Net total	641	\$4,376	\$589

*Data are taken from reports available nearest to the middle of the month.

War and Navy Funds and Obligations

At the middle of October the War and Navy Departments had obligated by contracts 73 percent of the four and one-quarter billion dollars available for expansion of production facilities and plants.

	Available Funds (<u>millions</u>)	Contracts Awarded (<u>millions</u>)	Percent Contract
War:			
Aircraft	\$497	\$372	75
Ordnance	1,754	1,494	85
Other	109	94	86
Unallotted funds	<u>233</u>	<u>—</u>	<u>—</u>
Subtotal	\$2,593	\$1,960	75
Navy:			
Aircraft	152	127	83
Ordnance	504	329	65
Shipbuilding	<u>1,033</u>	<u>700</u>	<u>68</u>
Subtotal	<u>1,689</u>	<u>1,156</u>	<u>68</u>
Grand total	\$4,282	\$3,116	73

V. ARMYProcurement of Equipment and Facilities

The War Department reports that by October 23 it had placed contracts and orders for 82.6 percent of about \$18,200,000,000 available to it for procurement of supplies, equipment, and facilities.

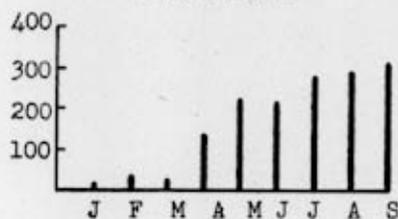
Deliveries of Selected Critical Materiel to October 1, 1941
(Includes Defense Aid and Navy items procured by the Army)

	Current Procurement Program	Deliveries	
		To Oct. 1	September
<u>Antiaircraft</u>			
Guns, 90 mm.	2,284	50	32
Guns, 37 mm.	3,195	481	13
Searchlights, 60 inch	3,907	1,355	142
Ground radio, SCR 268	823	238	41
Ground radio, SCR 270 and 271	255	111	24
<u>Combat Vehicles</u>			
Tanks, light	5,919	1,802	309
Tanks, medium	12,491	403	193
Personnel carriers, half track	11,313	2,709	766
Scout cars	3,440	2,633	0
<u>Artillery</u>			
Howitzers, 155 mm. (high speeding)	1,580	1,106	80
Guns, 155 mm. (high speeding)	853	166	66
Guns, 75 mm. (high speeding)	1,330	755	71
Howitzers, 105 mm.	4,297	69	8
Howitzers, 75 mm.	1,318	221	65
Guns, 155 mm.	493	18	0
<u>Small Arms</u>			
Garand rifles	1,295,856	284,086	26,970
Guns, 37 mm. antitank	9,478	947	251
Mortars, 81 mm.	5,705	1,455	214
Mortars, 60 mm.	11,162	5,342	402

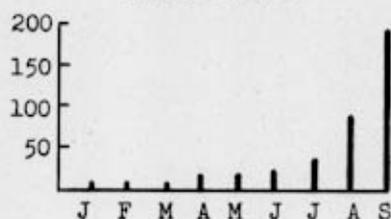
The charts on the following page show the monthly deliveries for several of the above items during the first nine months of 1941.

MONTHLY ACCEPTANCES BY THE ARMY OF SELECTED CRITICAL MATERIAL
FOR FIRST NINE MONTHS OF 1941

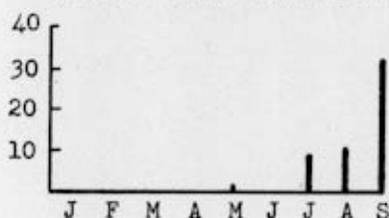
LIGHT TANKS



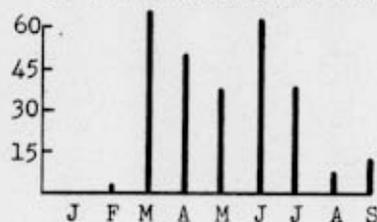
MEDIUM TANKS



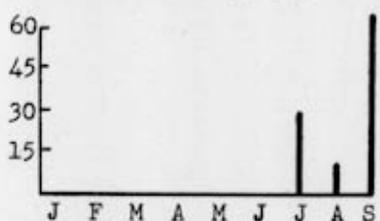
90 M.M. ANTI-AIRCRAFT GUNS



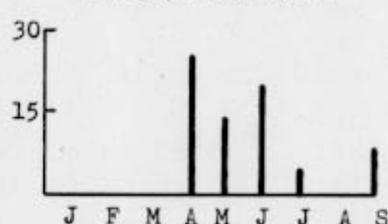
37 M.M. ANTI-AIRCRAFT GUNS



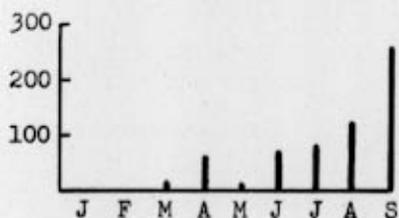
HIGH SPEEDING 155 M.M. GUNS



105 M.M. HOWITZERS



37 M.M. ANTITANK GUNS



GARAND RIFLES



Requirements and Inventory

The following table shows for a few selected items the initial equipment for an army of 1,820,000 men and for one of 3,200,000 men and the stocks in the hands of the Field Ordnance Service on October 1, as reported by the Office of the Under Secretary of War.

Requirements and Inventory of Selected Materiel Items

	<u>Require- ments for 1,820,000 Men</u>	<u>Require- ments for 3,200,000 Men</u>	<u>Stocks in Hand of Field Ordnance Service October 1</u>
<u>Antiaircraft</u>			
Guns, 3 inch and 90 mm.	1,177	1,856	585
Guns, 37 mm.	2,552	3,055	466
<u>Combat Vehicles</u>			
Tanks, light	2,389	4,946	845
Tanks, medium	1,046	2,827	79
Personnel carriers, half track	7,930	16,543	1,667
Scout cars	2,083	4,299	2,539
<u>Artillery</u>			
Howitzers, 155 mm. (high speeding)	739	1,037	1,168
Guns, 155 mm.	95	283	17
Guns, 155 mm. (high speeding)	587	969	156
Howitzers, 105 mm.	2,457	3,733	64
Howitzers, 75 mm.	177	254	214
Guns, 75 mm. (high speeding)	836	1,778	773
<u>Small Arms</u>			
Garand rifles	838,601	1,539,512	271,138
Guns, 37 mm., antitank	4,892	9,523	832
Mortars, 81 mm.	2,340	4,566	1,406
Mortars, 60 mm.	4,747	7,957	4,052

Construction ProgramA. Quartermaster Corps -- Construction Division

Up to October 15, the Construction Division of the Quartermaster Corps had transmitted to the field for execution under its emergency construction program 588 projects estimated to cost \$2,366,000,000.

Summary of Construction Program
Quartermaster Corps -- Construction Division
October 15, 1941

<u>Type of Project</u>	<u>Estimated Cost</u>	<u>Value of Work in Place</u>	
		<u>Amount</u>	<u>Percent of Estimated Cost</u>
Troop facilities:			
Camps and cantonments	\$649,795,776	\$587,257,933	90.4
Reception centers	8,940,794	8,608,934	96.3
Replacement training centers	117,781,277	101,344,189	86.0
Harbor defenses	27,329,463	24,966,595	91.4
Air Corps projects	7,854,855	2,268,719	28.9
Miscellaneous	<u>166,274,466</u>	<u>114,262,735</u>	68.7
Total troop facilities	\$977,976,631	\$838,709,105	85.8
General hospitals	26,841,679	26,128,623	97.3
Ordnance:			
Manufacturing	960,818,225	485,169,572	50.5
Ammunition storage depots	97,145,290	40,596,118	41.8
Field service facilities	<u>5,414,102</u>	<u>2,094,381</u>	38.7
Total ordnance	\$1,063,377,617	\$527,860,071	49.6
Chemical warfare plants	36,884,153	7,509,046	20.4
Storage depots--other than ammunition and explosives	117,640,928	46,191,074	39.3
Miscellaneous projects	<u>143,240,021</u>	<u>51,908,054</u>	36.2
Total--all projects	\$2,365,961,029	\$1,498,305,973	63.3
Total for September 15	<u>2,314,176,185</u>	<u>1,346,616,385</u>	58.2
September increase	\$51,784,844	\$151,689,588	5.1

B. Corps of Engineers

In addition to the construction at air stations heretofore mentioned, the Corps of Engineers is constructing the bases on the British possessions for the Army. Chart 13 shows the status of work at these bases.

Military Personnel

During September the total active duty military personnel of the Army decreased about 1,000 to a total of 1,587,000.

Active Duty Strength of the Army

	<u>Officers</u>	<u>Enlisted Men*</u>	<u>Total</u>
Regular Army	14,999	516,691	531,690
Reserves	73,774	8,294	82,068
National Guard	21,948	250,853	272,801
Selectees	---	700,227	700,227
Total September 30	110,721	1,476,065	1,586,786
Total August 31	110,920	1,476,844	1,587,764
Total June 30, 1940	16,630	251,139	267,769

VI. NAVYCombatant Vessels

One destroyer and one submarine were completed during September. This brings the total of all combatant vessels completed since June 30, 1940 to 38, aggregating 123,000 tons, as follows:

Combatant Vessels Completed
June 30, 1940 to Oct. 1, 1941

<u>Type</u>	<u>Number</u>	<u>Tonnage</u>
Battleships	2	70,000
Destroyers	23	35,410
Submarines	<u>13</u>	<u>17,825</u>
Total	38	123,235

The following chart shows as of September 30 the combatant vessel construction program, an estimate of the value of work done on undelivered vessels, and deliveries since June 30, 1940:

Combatant Vessels
September 30, 1941

	Thousands of Displacement Tons				
	0	500	1,000	1,500	2,000
Total under construction or to be constructed	2,138				
Estimated equivalent of work done on undelivered vessels	277				
Delivered - June 30, 1940 to October 1, 1941	123				

The following table shows the number of vessels in various stages of completion as of September 30:

Combatant Vessels Under Construction
As of September 30, 1941

Type of Vessel	Number of Vessels						
	Projected or Under Construction	Percentage of Completion					
		0	0-5	5-25	25-50	50-75	75-100
Battleship	15	6	2	2	1	4	0
Aircraft carrier	12	0	10	1	0	0	1
Large cruiser	6	0	6	0	0	0	0
Heavy cruiser	8	0	4	4	0	0	0
Light cruiser (6,000-ton)	8	0	4	0	0	0	4
Light cruiser (10,000-ton)	32	0	19	8	4	1	0
Submarine	73	0	40	12	10	6	5
Destroyer (1,620-ton)	72	0	7	39	10	10	6
Destroyer (2,100-ton)	121	2	95	22	2	0	0
Total	347	8	187	88	27	21	16

Charts 8, 9, and 10 show the progress of individual combatant vessels, and Chart 11 shows the cumulative deliveries and schedules of deliveries for destroyers and submarines.

Navy and Marine Corps Personnel

On September 30, the combined active duty strength of the Navy and Marine Corps was 371,530, an increase of 107 percent over July 1, 1940.

	<u>Active Duty Strength</u>		
	<u>Sept. 30,</u> <u>1941</u>	<u>July 1,</u> <u>1940</u>	<u>Increase</u>
<u>Navy</u>			
Commissioned and warrant officers	33,150	10,823	22,327
Enlisted men and others	<u>276,069</u>	<u>140,529</u>	<u>135,540</u>
Total Navy	309,219	151,352	157,867
<u>Marine Corps</u>			
Commissioned and warrant officers	3,601	1,801	1,800
Enlisted men and others	<u>58,710</u>	<u>26,479</u>	<u>32,231</u>
Total Marine Corps	62,311	28,280	34,031
<u>Navy and Marine Corps</u>			
Commissioned and warrant officers	36,751	12,624	24,127
Enlisted men and others	<u>334,779</u>	<u>167,008</u>	<u>167,771</u>
Grand total	371,530	179,632	191,898

Officers and warrant officers on active duty now total 33,150 and are expected to increase to 46,425 by next July and to 58,743 a year later. Active duty enlisted personnel totaled 271,176 on September 30. This was within 2 percent of the strength appropriated for and planned. It is expected to reach 369,000 by June 30, 1942 and 533,000 a year later.

Chart 12 shows the active duty strength of the Navy and Marine Corps by months from January 1941 to date.

VII. MARITIME COMMISSIONShip Construction Program

The Maritime Commission reports the award of contracts for 777 vessels during the four years ending September 30, 1941. The following table reflects the construction status of these vessels:

U. S. Maritime Commission -- Status of Ship Construction
As of September 30, 1941

Type of Vessel	Number of Vessels							Completed
	Total Under Contract	No Construction Progress Reported	Percentage of Completion					
			0-5	5-25	25-50	50-75	75-100	
Standard cargo	304	142	33	6	12	10	14	87
Emergency cargo	312	0	239	57	12	4	0	0
Tanker	110	2	84	4	5	1	1	13
Passenger, and passenger-cargo	25	0	0	6	0	4	3	12
Tug	26	26	0	0	0	0	0	0
Total	777	170	356	73	29	19	18	112

The foregoing does not include four transports and two tenders being built by the Commission for account of the Army and Navy. Chart 14 shows the aggregate tonnage of all types of vessels delivered to date, together with scheduled deliveries of tonnage under contract on September 30. Contract awards for the balance of the program are expected to increase materially the delivery schedules for 1942 and 1943.

September deliveries consisted of six standard cargo vessels and two passenger-cargo ships, aggregating 60,854 gross tons. This is more than twice the tonnage delivered in August, but only one-fifth of the British, allied, and neutral tonnage reported sunk during September. Ship deliveries are two behind the schedule formulated six months ago.

Shipyard Construction

The following table shows the estimated total cost and the October 15 percentage of completion of the shipyards which are being constructed for the emergency ship (ESP) and Defense Aid (DA) ship programs and for the new Maritime Commission (MC) ship program financed by the First 1942 Supplemental Appropriation Act.

<u>Location of Shipyard</u>	<u>Estimated Total Cost</u>	<u>Percentage of Yard Completed for</u>		
		<u>ESP Prog.</u>	<u>DA Prog.</u>	<u>MC Prog.</u>
Baltimore, Md.	\$15,797,409	80	75	0
Wilmington, N. C.	9,805,714	93	73	0
Mobile, Ala.	12,203,900	60	0	4
New Orleans, La.	8,195,974	63	0	3
Houston, Texas	8,681,662	83	64	0
Wilmington, Calif.	11,534,000	98	96	0
Portland, Ore.	8,506,775	97	97	0
Richmond, Calif.	8,203,917	0	95	7
Tacoma, Wash.	3,975,000	0	66	0
South San Francisco, Calif.	1,912,055	0	54	0
Oakland, Calif.	747,650	0	64	0
Chester, Pa.	14,251,659	0	48	0
Wilmington, Del.	953,690	0	45	0
Beaumont, Tex.	2,589,927	0	49	0
South Portland, Maine	4,659,775	0	50	0
Long Beach, Calif.	6,000,000	0	23	0
Sparrows Point, Md.	3,967,480	0	0	0
Pascagoula, Miss.	2,863,960	0	0	3

VIII. PRIORITIES, ALLOCATIONS, AND PRICE CONTROL

Priorities

As of October 25, the following 40 items were under mandatory industry-wide control to direct their distribution:

Aluminum	Cotton linters
Magnesium	Formaldehyde
Machine tools	Chlorinated hydrocarbon refrigerants
Nickel	Tungsten
Cork	Tricresyl and triphenyl phosphates
Borax and boric acid	Alloy steel and iron
Polyvinyl chloride	Phenols
Synthetic rubber	Ethyl alcohol, etc.
Zinc	Methyl alcohol
High-speed steel	Potassium perchlorate
Rubber	Potassium permanganate
Chromium	Toluene
Cutting tools	Phosphorous oxychloride
Chlorine	Manila fiber and cordage
Silk	Rayon yarn
Calcium-silicon	Lead*
Copper and copper-base alloys	Iron and steel scrap*
Pig iron	Chlorinated hydrocarbon solvents*
Steel	Sperm oil*
Silk waste, etc.	
Vanadium	

*Added since September 22.

Limited blanket rating orders are issued to certain producers of defense items and to operators of certain indispensable services, such as mines, railroads, and municipal fire departments, to facilitate their procurement of essential materials, parts, etc. As of October 2

such orders had been issued.

Cranes	Tanks
Metal-working equipment	Farm machinery and repair parts
Airframes	Various essential goods and services (repair parts for)
Airplane engines and propellers	Health supplies
"Off-the-shelf" supplies	Foundry equipment and parts
Merchant ships	Radio-sondes
Freight cars	Arc and resistance welding machines
Conversion of ships to aircraft carriers	Research laboratory service (supplies and equipment)
Aluminum scrap products	Public utilities service
Heavy bomber parts	Air transportation service
Canning machinery	Aircraft accessories
Electrical relays and solenoids	Textile machinery repair parts
Radio equipment	Busses, trucks, and parts
Maritime Commission shipyards	Mine products (repair parts)
Defense construction projects	Privately financed defense housing
Locomotives	Auto and light-truck replacement parts
Civil aircraft	Lift trucks*
Mining machinery and equipment	Copper scrap products*
Cutting tools	Highways*
Experimental research work	

*Added since September 22.

A nation-wide survey has been instituted to check compliance with priorities regulations, and one suspension order has already been issued.

The copper conservation order issued on October 18 virtually prohibits the use of copper in civilian building construction.

Up to October 22, limitation orders had been issued to restrict the production for civilian use of the following:

Medium trucks, busses, and replacement parts	Auto and light truck replacement parts
Passenger automobiles	Domestic mechanical refrigerators*
Light motor trucks	Motor fuel--Atlantic area (since revoked)*

*Added since September 22.

January production of passenger automobiles has been limited to 49 percent of last January's output. However, there is no guarantee that sufficient materials will be available for production of the maximum number permitted under the curtailment plan.

Allocations

Civilian allocation plans were in effect on October 28 for the following 31 commodities:

Copper	Hospital supplies and equipment
Cork	REA materials
Pig iron, etc.	Chlorine
Railroad car materials	Cotton linters
Rubber and rubber products	Rayon yarn
Maintenance and repair material and equipment	Formaldehyde, etc.
Car and bus material and equipment	Canned salmon
Locomotive material and equipment	Steel for license tags
Materials and equipment for durable consumers' goods	Chlorinated hydrocarbon refrigerants
Health supplies	Tungsten chemical compounds
Eye glass frame materials	Passenger cars*
Farm machinery and equipment materials	Passenger car maintenance parts*
Hearing aid materials	Heavy trucks and buses*
Materials for scientific apparatus	Light trucks*
Materials for food cans	Domestic mechanical refrigerators*
	Domestic ice refrigerators*

*Added since September 22.

Price Control

Price schedules were in effect on October 22 for the following 33 commodities:

Second-hand machine tools	Southern pine lumber
Aluminum, scrap and secondary	Formaldehyde
Zinc, scrap and secondary	Pennsylvania grade crude oil
Scrap steel and iron	Rayon grey goods
Iron and steel products	Domestic animal hair
Combed cotton yarn	Douglas fir lumber
Scrap and secondary nickel	Ethyl alcohol
Hides, kips, and calfskins	By-product foundry and furnace coke
Pig iron	Waste paper—east of the Rocky Mountains
Cotton grey goods	Acetic acid*
Brass mill scrap	Paper and paper products*
Douglas fir plywood and peeler logs	Carded cotton yarn*
Raw silk and silk waste	Methanol (wood alcohol)*
Copper and copper scrap	Carded grey and colored yarn cotton goods*
Raw sugar	Acetone*
Pig tin	Butanol (normal butyl alcohol)*
Burlap	

*Issued since September 22.

An additional schedule, issued without the usual price control features, orders the elimination of speculative practices with respect to fats and oils and their products.

IX. DEFENSE HOUSING

On September 30, funds had been allocated for 164,325 housing units, contracts had been let for 118,847, and 45,584 had been completed. Chart 16 traces the progress of the defense housing program from July 1940 to date.

X. STOCKPILE AND PUBLIC PURCHASES OF BASIC DEFENSE COMMODITIES

The following table shows the status of stockpile and public purchases of basic commodities for selected items as of October 18:

<u>Commodity</u>	<u>Unit of Measure</u>	<u>Total Purchase Program</u>	<u>Balance on Hand in Stockpile</u>	<u>Purchased but Not Yet Delivered</u>	<u>Yet to be Purchased</u>
<u>Selected Strategic Materials</u>					
Antimony	Tons	27,000	8,047	21,373	0 ^{2/}
Chrome ore	1,000 l.t.	1,950	234	588	1,119
Diamonds	1,000 carats	6,410	639	136	5,635
Manganese	1,000 l.t.	3,300	394	3,031	0 ^{2/}
Manila fiber	1,000 bales	2,037	109	87	1,842
Mercury	Flasks	35,000	3,110	3,740	28,150
Mica	Tons	13,850	2,623	3,476	7,751
Nickel	Tons	15,000 ^{1/}	0	11,357	---
Quartz crystals	1,000 pounds	1,002	60	772	28
Quinine sulphate	1,000 av. oz.	9,200	7,200	2,000	0
Rubber	1,000 l.t.	1,900	234	292	1,354
Silk	1,000 bales	50 to 100	2.6	.068	47 to 97
Tin	Long tons	307,434	47,679	61,460	197,955
Tungsten	Short tons	30,500	6,495	68,023	0 ^{2/}
<u>Selected Critical Materials</u>					
Aluminum	Metric tons	100,000 ^{1/}	0	363,475	---
Copper	Tons	600,000 ^{1/}	73,116	48,439	---
Nitrate of soda	Tons	300,000	209,000 ^{2/}	79,000	0
Zinc	Tons	80,000	0	86,000	0 ^{2/}
Zinc concentrates	Tons	250,000	24,557	230,596	0
Diamond dies	Die	10,000	2,453	2,200	1,000

^{1/} To purchase per year for resale to industry.

^{2/} Purchases exceed recommended program.

^{3/} Includes 200,000 tons stored in Chile.

For strategic materials it is significant to note the large amount of certain items that yet remain to be purchased.

XI. VOCATIONAL TRAINING AND LABOR DISPUTES

Vocational Training

The Office of Education reports the status of pre-employment and supplementary courses in the vocational training program from July 1, 1941 to August 31, as follows:

	<u>Pre-employment Refresher Courses</u>	<u>Supplementary Courses</u>
Total number of new registrations:		
July	40,111	71,766
August	35,301	57,795
Number concluding training:		
July	22,818	46,196
August	35,486	70,999

Industrial Disputes

Preliminary ELS estimates indicate that the number of strikes in progress during September was approximately 3 percent greater than in August. The number of workers involved in September strikes was 19 percent greater, and the number of man-days idle 5 percent greater, than during August. The September record was well above the 5-year average for the month, as is shown by the following table:

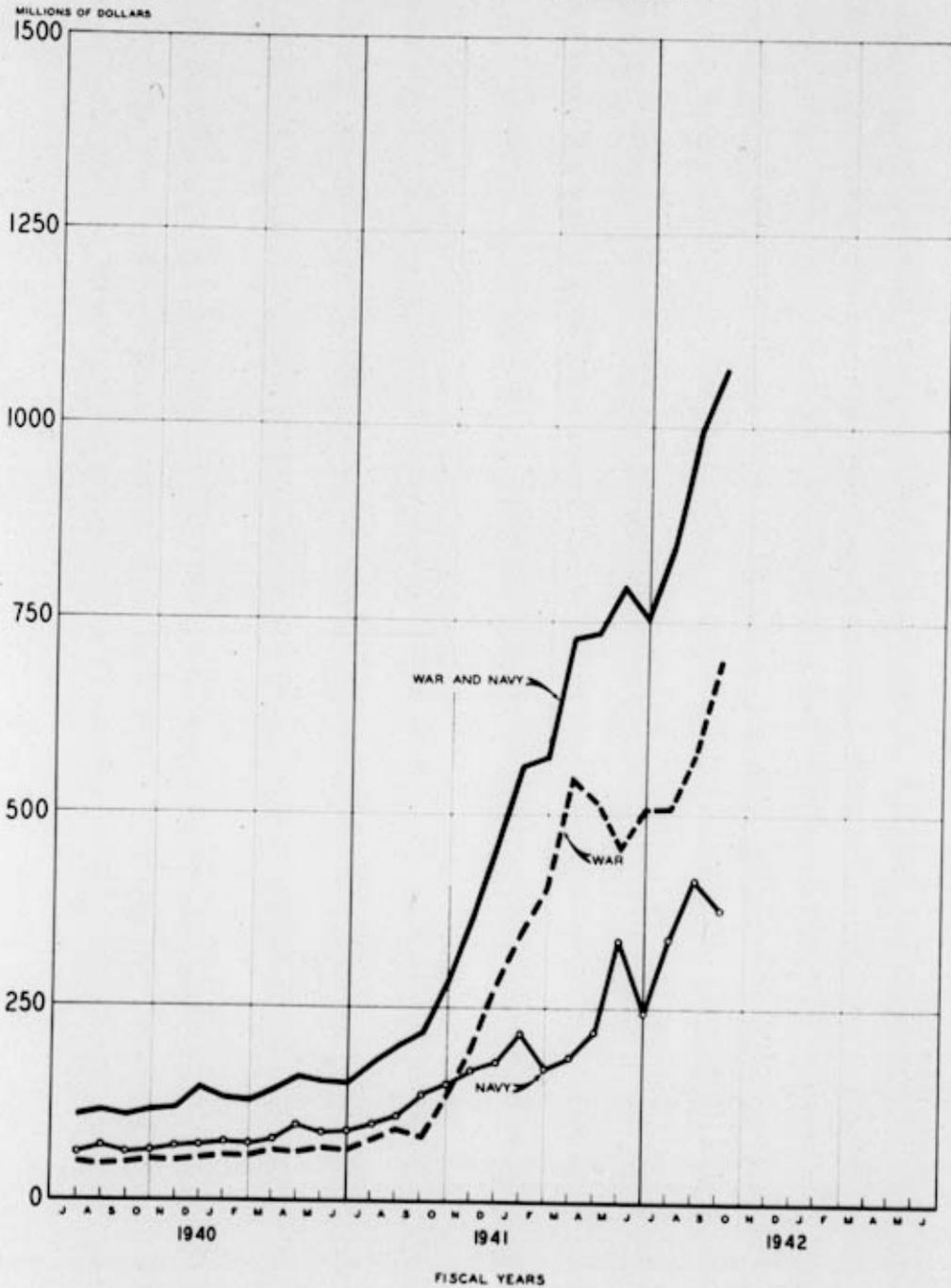
	<u>Sept. 1941*</u>	<u>August 1941*</u>	<u>Average for Sept. 1935-39</u>
Total number of strikes in progress during month	765	740	421
Total number of workers involved in these strikes	345,000	290,000	208,488
Total number of man-days idle during these strikes	1,925,000	1,825,000	1,484,498

*Preliminary estimates.

XII. PROGRESS CHARTS

1. Monthly Cash Disbursements -- War and Navy Departments
2. Monthly Airplane Deliveries
3. Military Airframe and Aircraft Engine Plants
4. Army, Navy, and Marine Corps Aeronautical Personnel
5. Status of Major Aircraft Plant Expansion Projects
6. Status of Major Army Ordnance Plant Expansion Projects
7. Army Active Duty Personnel
8. Construction Status of Battleships, Aircraft Carriers,
Large and Heavy Cruisers
9. Construction Status of Light Cruisers
10. Percent of Completion of Destroyers and Submarines
11. Deliveries of Destroyers and Submarines
12. Navy and Marine Corps Active Duty Personnel
13. Status of Atlantic Bases in British Possessions
14. U. S. Maritime Commission Shipbuilding Program
15. Strategic Materials Stockpile Program
16. Defense Housing Program

CHART I
MONTHLY CASH DISBURSEMENTS
 WAR AND NAVY DEPARTMENTS

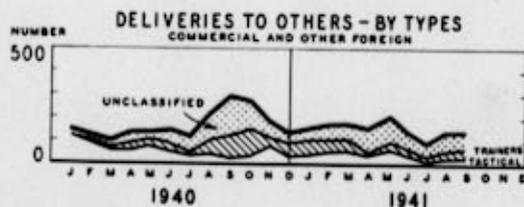
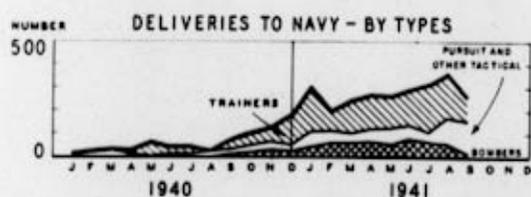
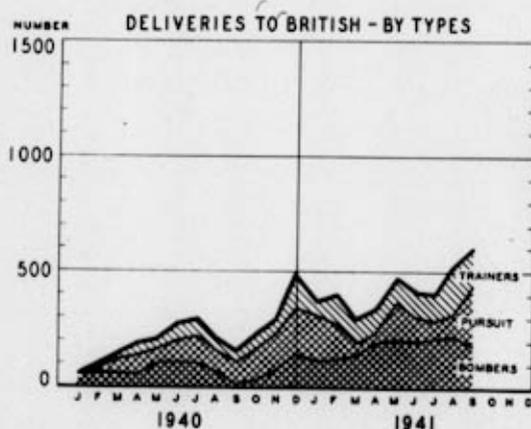
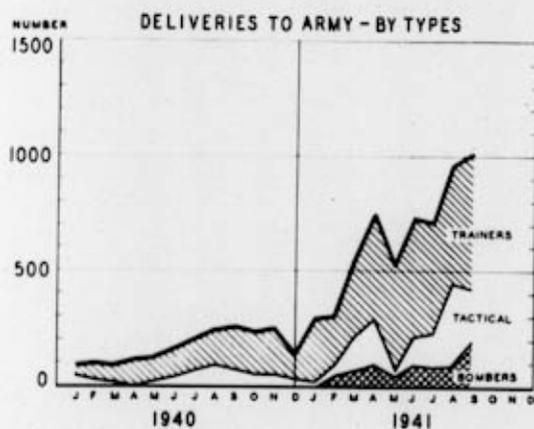
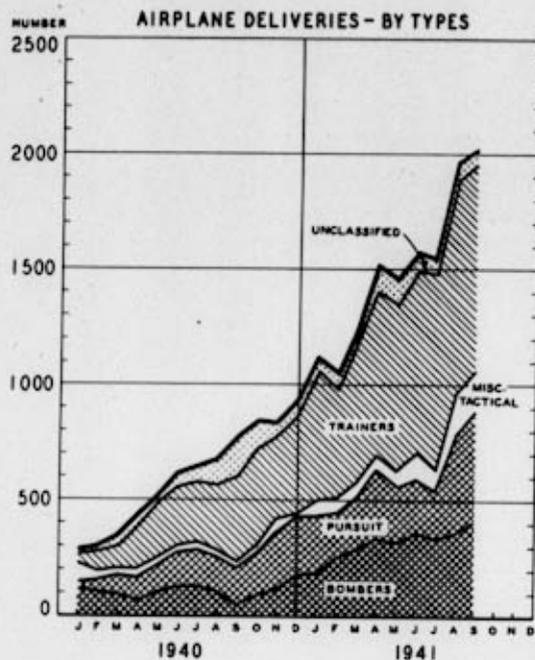
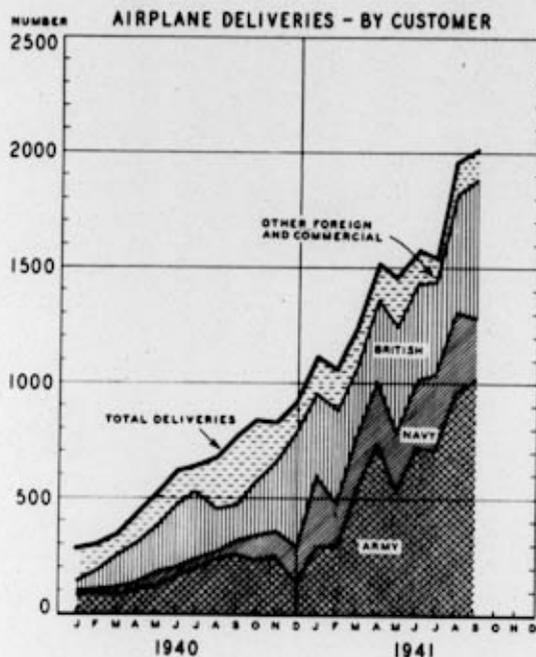


NOTE: ONLY DISBURSEMENT FOR MILITARY ACTIVITIES INCLUDED FOR THE WAR DEPARTMENT

SOURCE: DAILY TREASURY STATEMENTS

CHART 2

MONTHLY AIRPLANE DELIVERIES BY MANUFACTURES OF MILITARY AIRPLANES

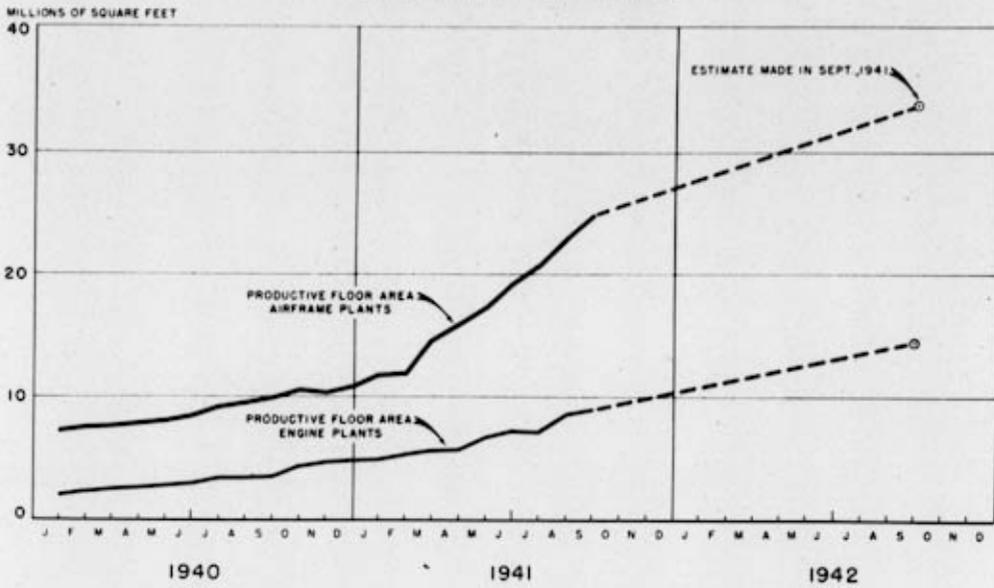


NOTE: PLANE DELIVERIES BY MAKER OF COMMERCIAL PLANES ONLY, NOT INCLUDED. DEFENSE AID AIRPLANES ARE INCLUDED IN ARMY AND NAVY DELIVERIES.

CHART 3

MILITARY AIRFRAME AND AIRCRAFT ENGINE PLANTS

PRODUCTIVE FLOOR AREA



NUMBER OF PRODUCTIVE EMPLOYEES

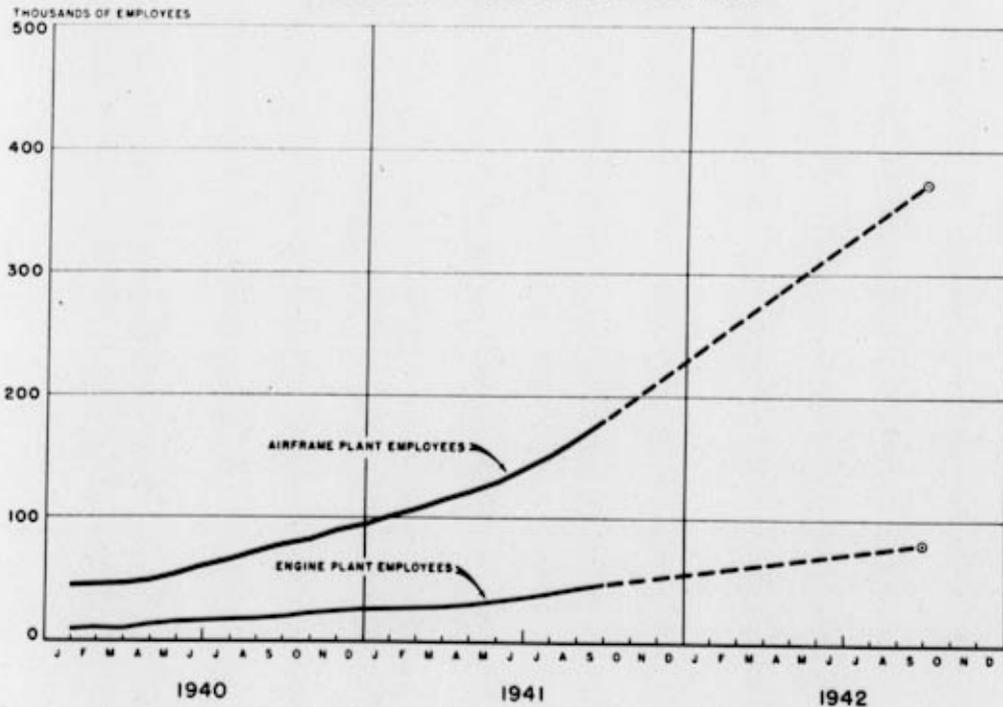
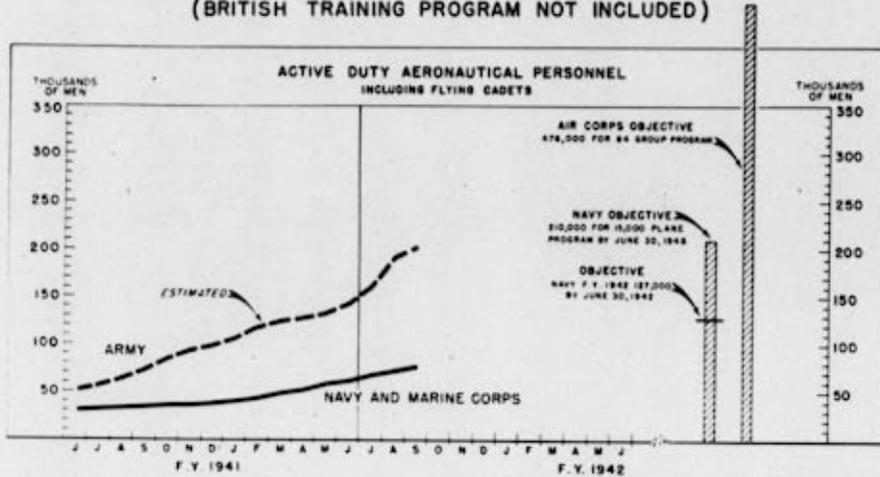
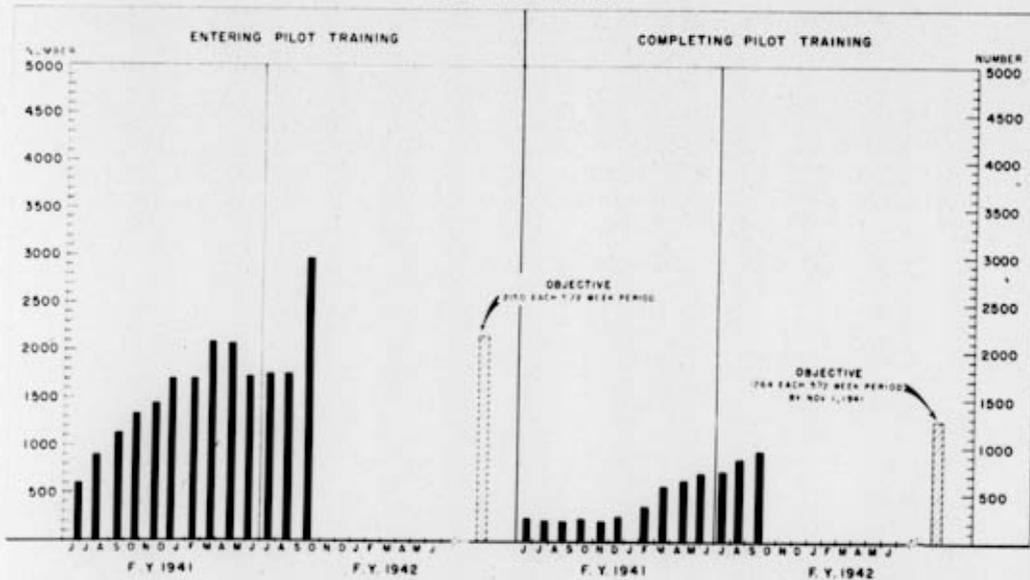


CHART 4

ARMY, NAVY AND MARINE CORPS AERONAUTICAL PERSONNEL
(BRITISH TRAINING PROGRAM NOT INCLUDED)



US ARMY AIR CORPS PILOT TRAINING
12,000 PILOTS PER YEAR



US NAVY - BUREAU OF AERONAUTICS PILOT TRAINING
U.S. MARINE CORPS INCLUDED

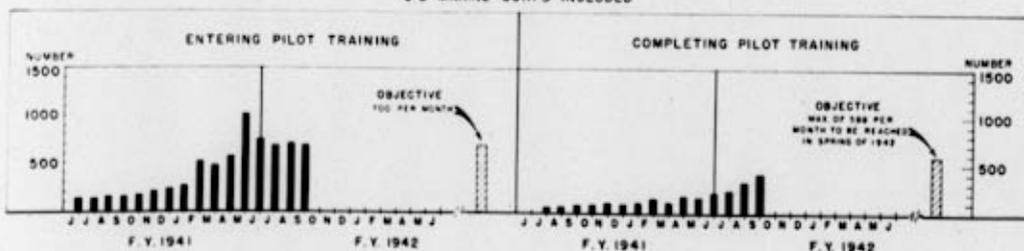
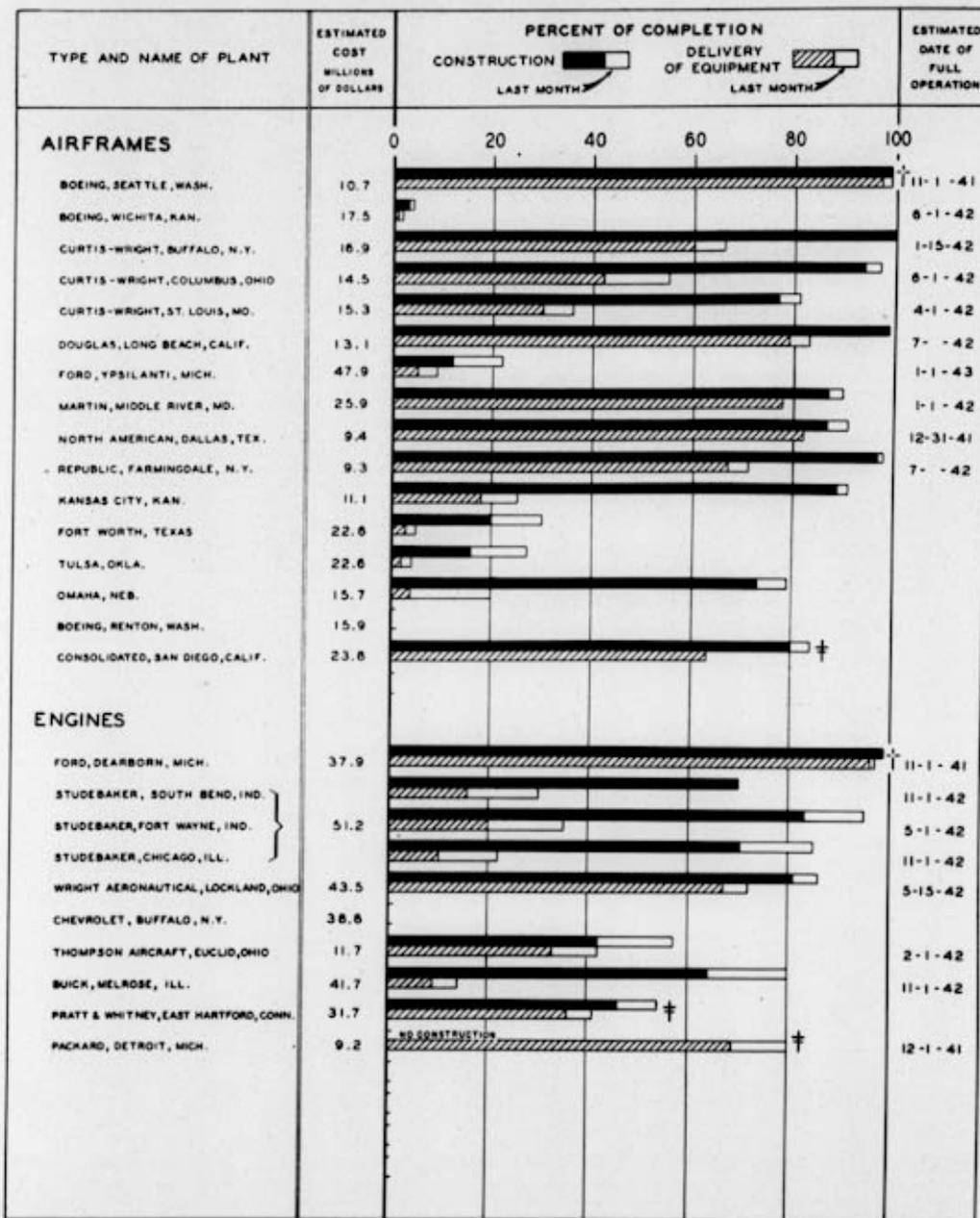


CHART 5
**STATUS OF
 MAJOR AIRCRAFT PLANT EXPANSION PROJECTS***
 ARMY, NAVY, AND DPC, INCLUDING DEFENSE AID PROJECTS
 AS OF OCT. 15, 1941

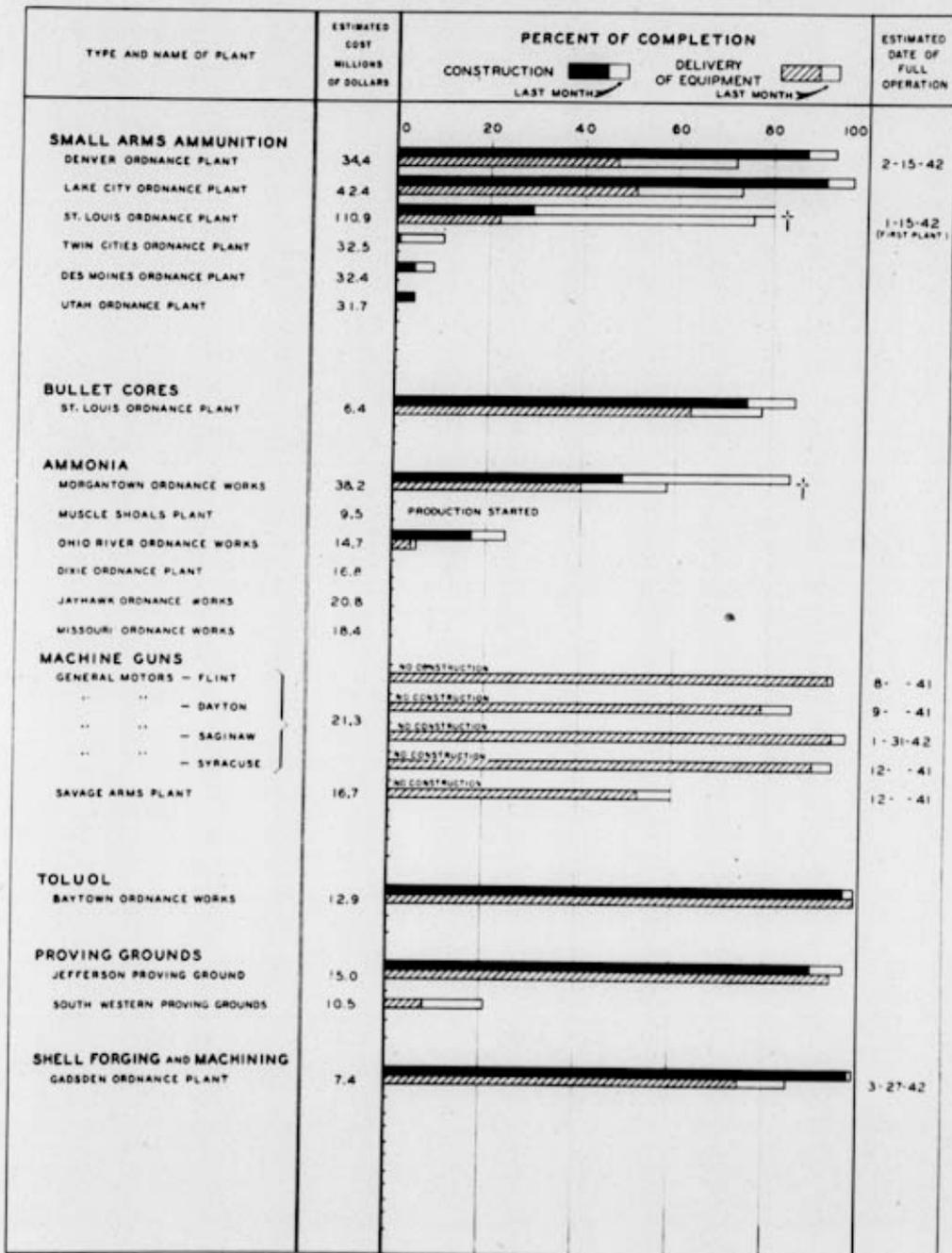


* THIS CHART IS DESIGNED TO REFLECT THE GENERAL STATUS OF THE PROGRAM. IT IS BASED ON DATA FROM SEVERAL SOURCES AND MAY NOT AGREE IN DETAIL WITH OTHER REPORTS AS CHANGES ARE CONSTANTLY BEING MADE AND BASIS OF REPORTING MAY BE DIFFERENT - THEREFORE IT IS SUBJECT TO CORRECTION.

† DOES NOT INCLUDE ADDITIONS

CHART 6

STATUS OF MAJOR ARMY ORDNANCE PLANT EXPANSION PROJECTS* AS OF OCT. 15, 1941

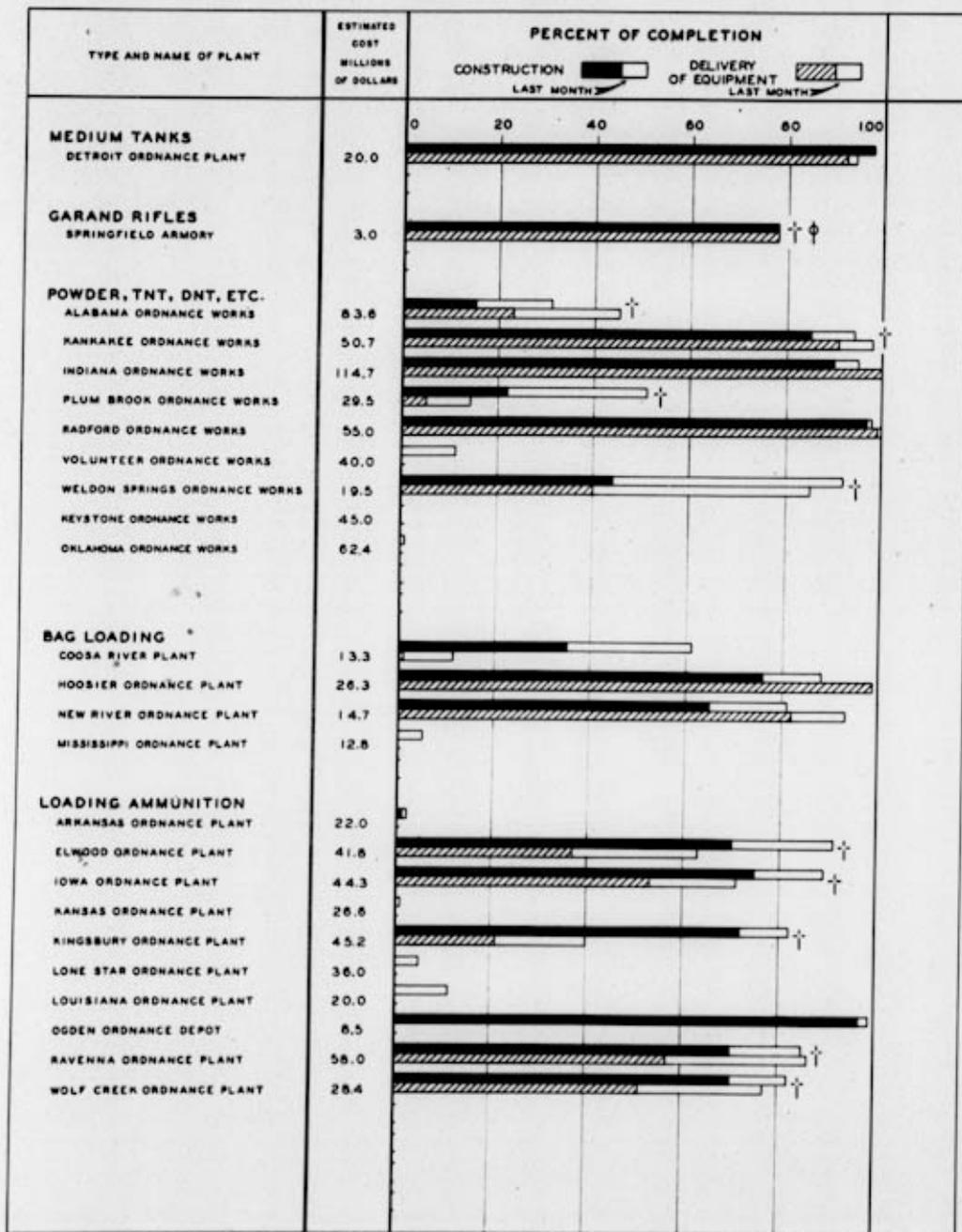


*THIS CHART IS DESIGNED TO REFLECT THE GENERAL STATUS OF THE PROGRAM
IT IS BASED ON DATA FROM THE OFFICE OF THE UNDER SECRETARY OF WAR AND
MAY NOT AGREE IN DETAIL WITH OTHER REPORTS AS CHANGES ARE BEING CONSTANTLY
MADE - THEREFORE IT IS SUBJECT TO CORRECTION.

† DOES NOT INCLUDE ADDITIONS

CHART 6 CONT.

STATUS OF
MAJOR ARMY ORDNANCE PLANT EXPANSION PROJECTS*
AS OF OCT. 15, 1941



*THIS CHART IS DESIGNED TO REFLECT THE GENERAL STATUS OF THE PROGRAM
IT IS BASED ON DATA FROM THE OFFICE OF THE UNDER SECRETARY OF WAR AND
MAY NOT AGREE IN DETAIL WITH OTHER REPORTS AS CHANGES ARE BEING CONSTANTLY
MADE - THEREFORE IT IS SUBJECT TO CORRECTION

† DOES NOT INCLUDE ADDITIONS
COMBINED PERCENTAGE

CHART 7

ARMY ACTIVE DUTY PERSONNEL

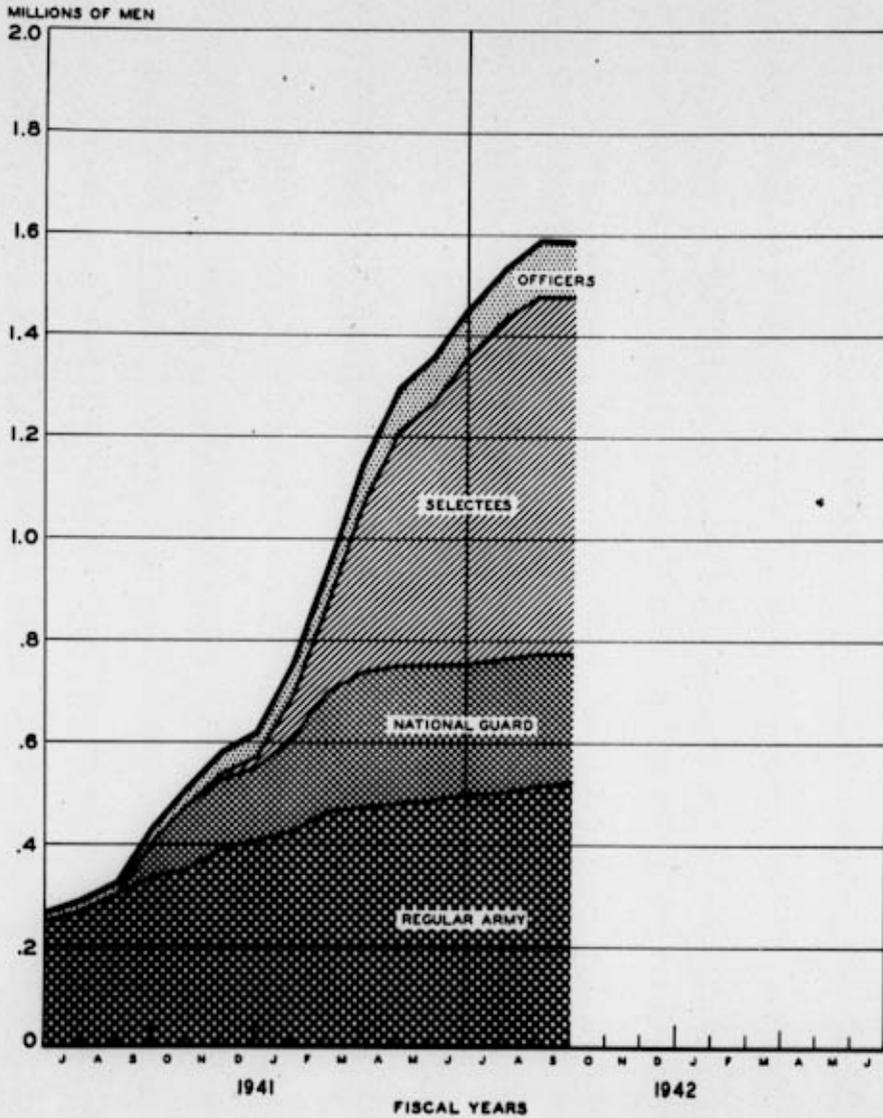
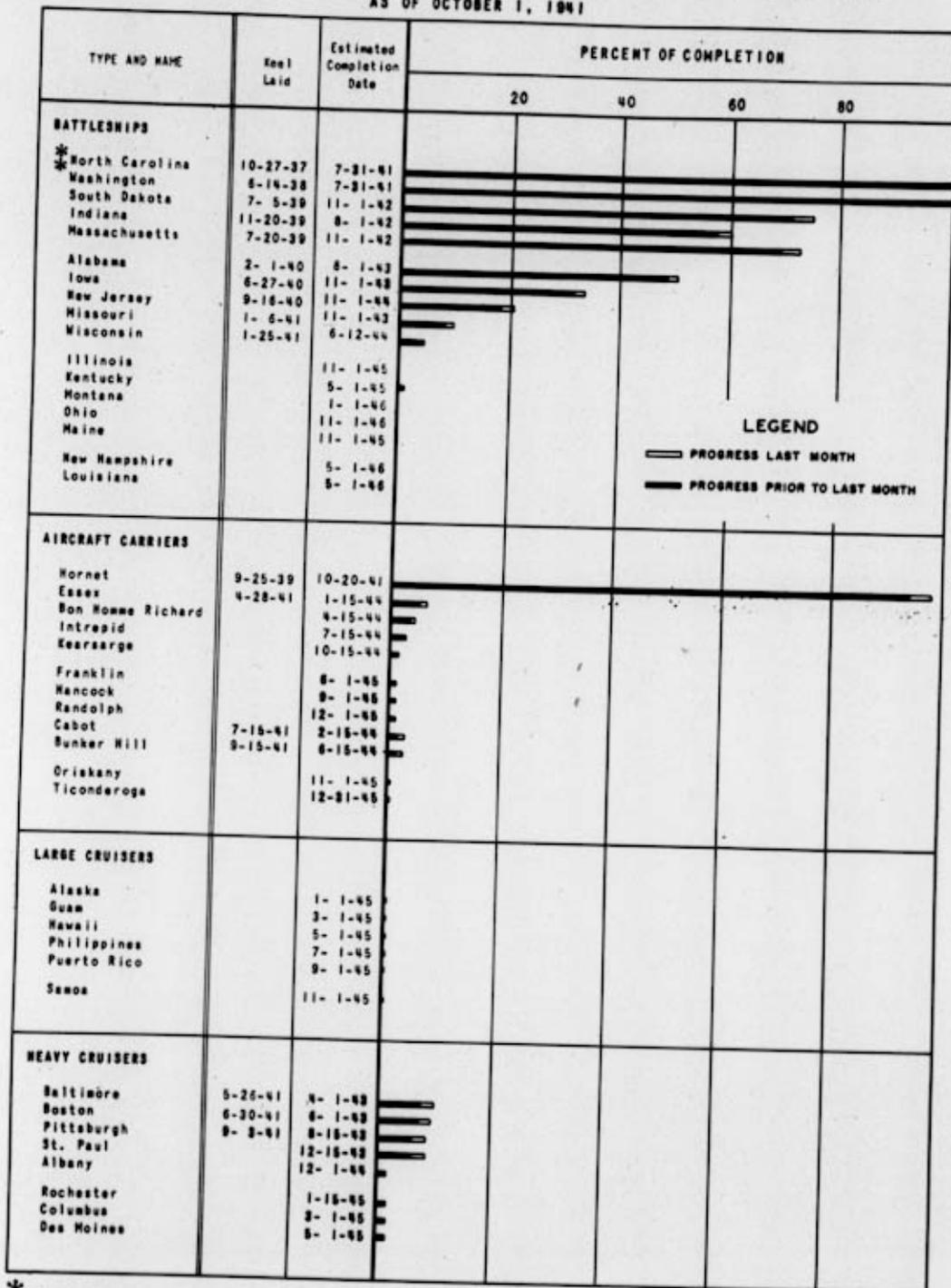


CHART 8

CONSTRUCTION STATUS OF
BATTLESHIPS, AIRCRAFT CARRIERS, LARGE AND HEAVY CRUISERS

AS OF OCTOBER 1, 1941



*COMPLETED

CHART 9

CONSTRUCTION STATUS OF LIGHT CRUISERS

AS OF OCTOBER 1, 1941

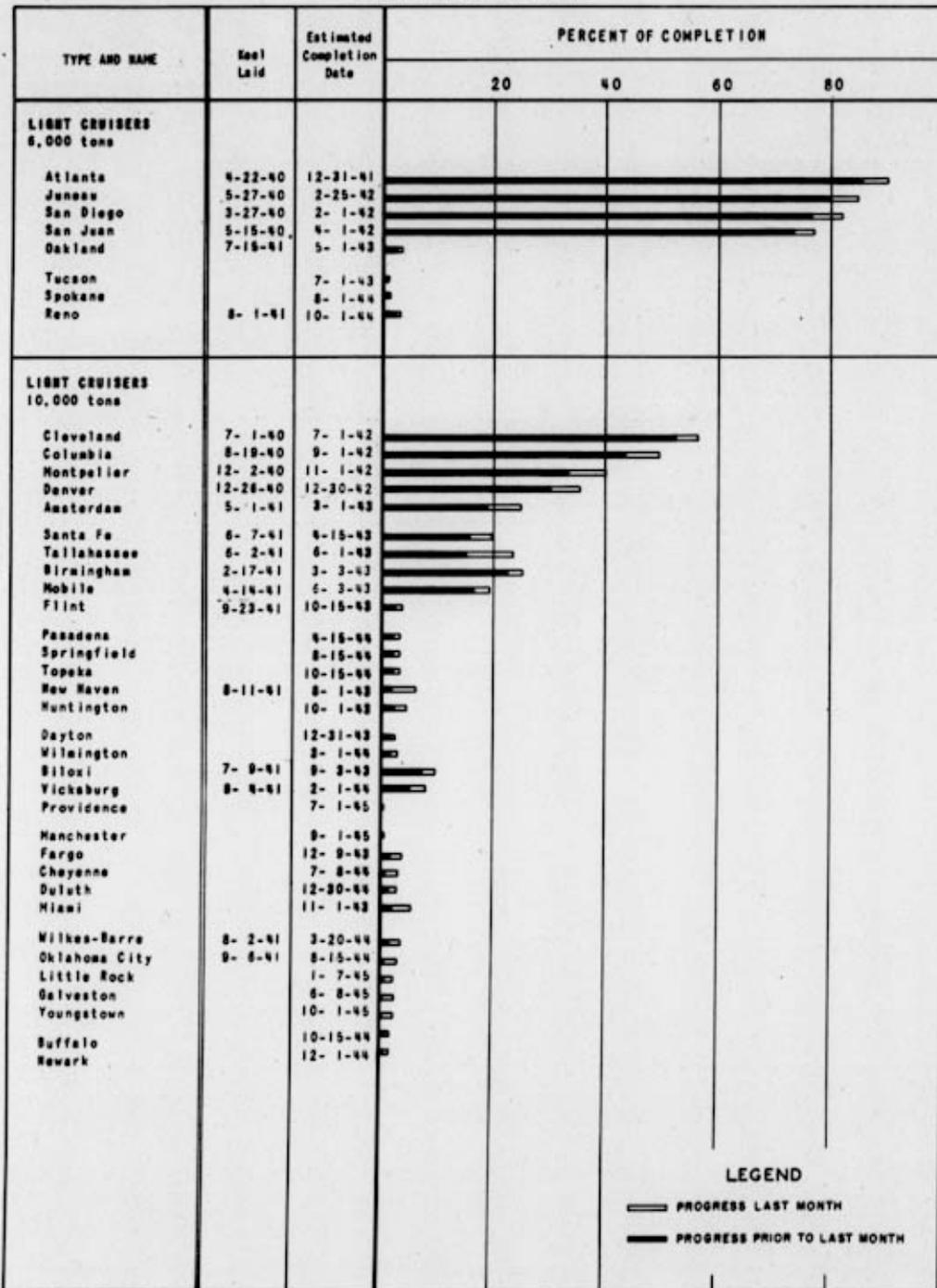
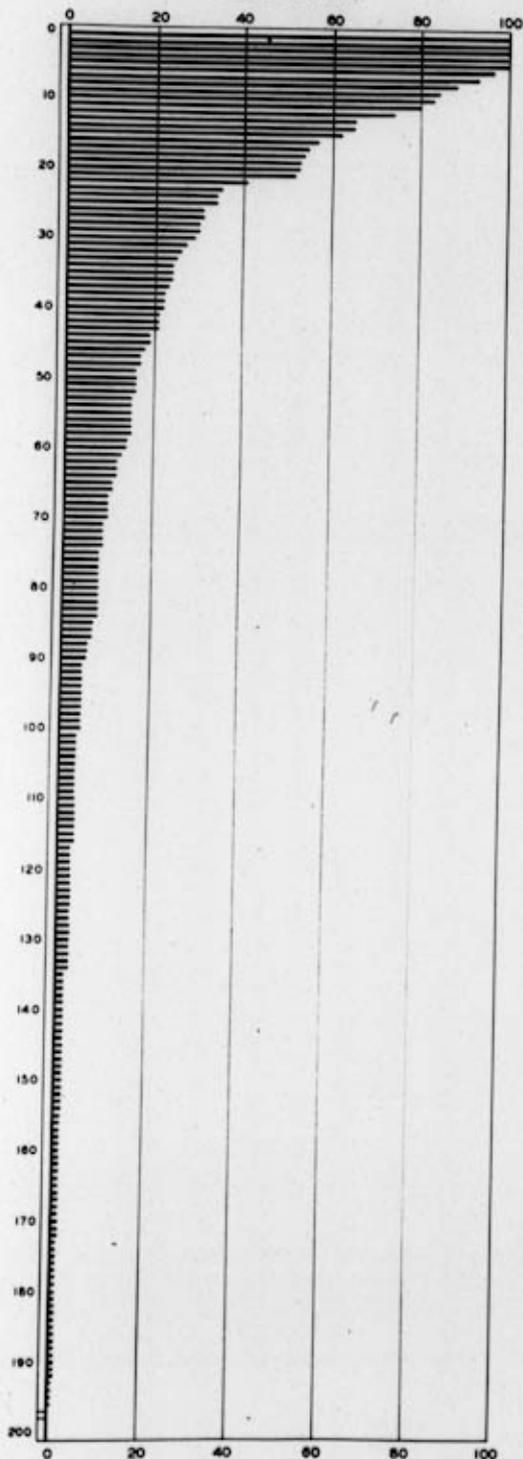


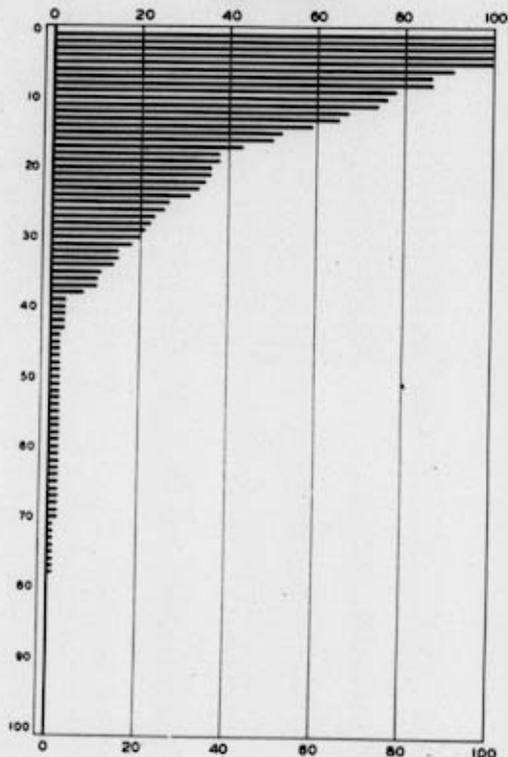
CHART 10

PERCENT OF COMPLETION OF DESTROYERS AND SUBMARINES
UNDER CONSTRUCTION MAY 1, 1941 AND AFTER
AS OF OCT. 1, 1941

DESTROYERS



SUBMARINES



LEGEND

 VESSELS CONTRACTED FOR
BUT NO PROGRESS
REPORTED

CHART II

DELIVERIES OF DESTROYERS AND SUBMARINES

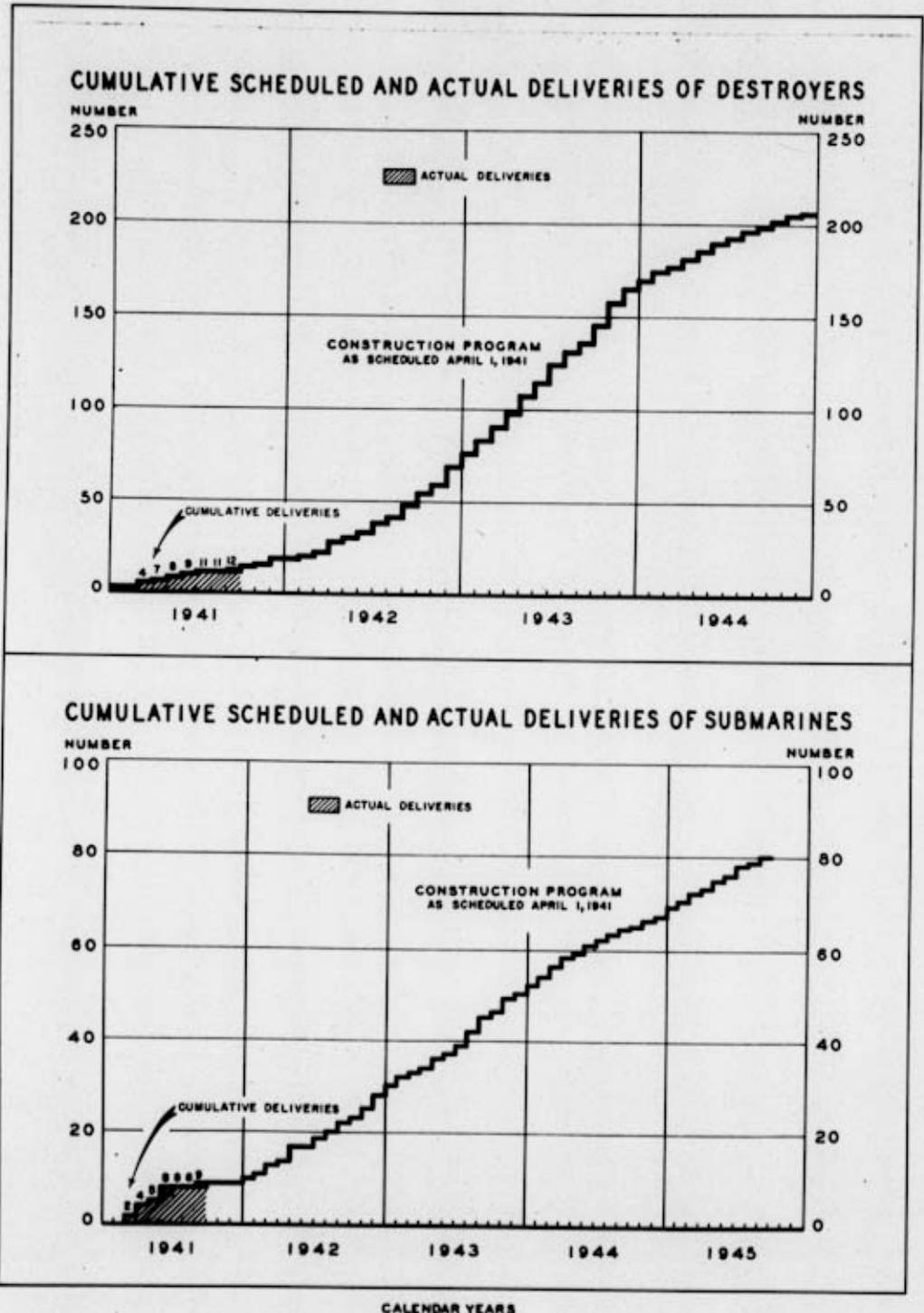
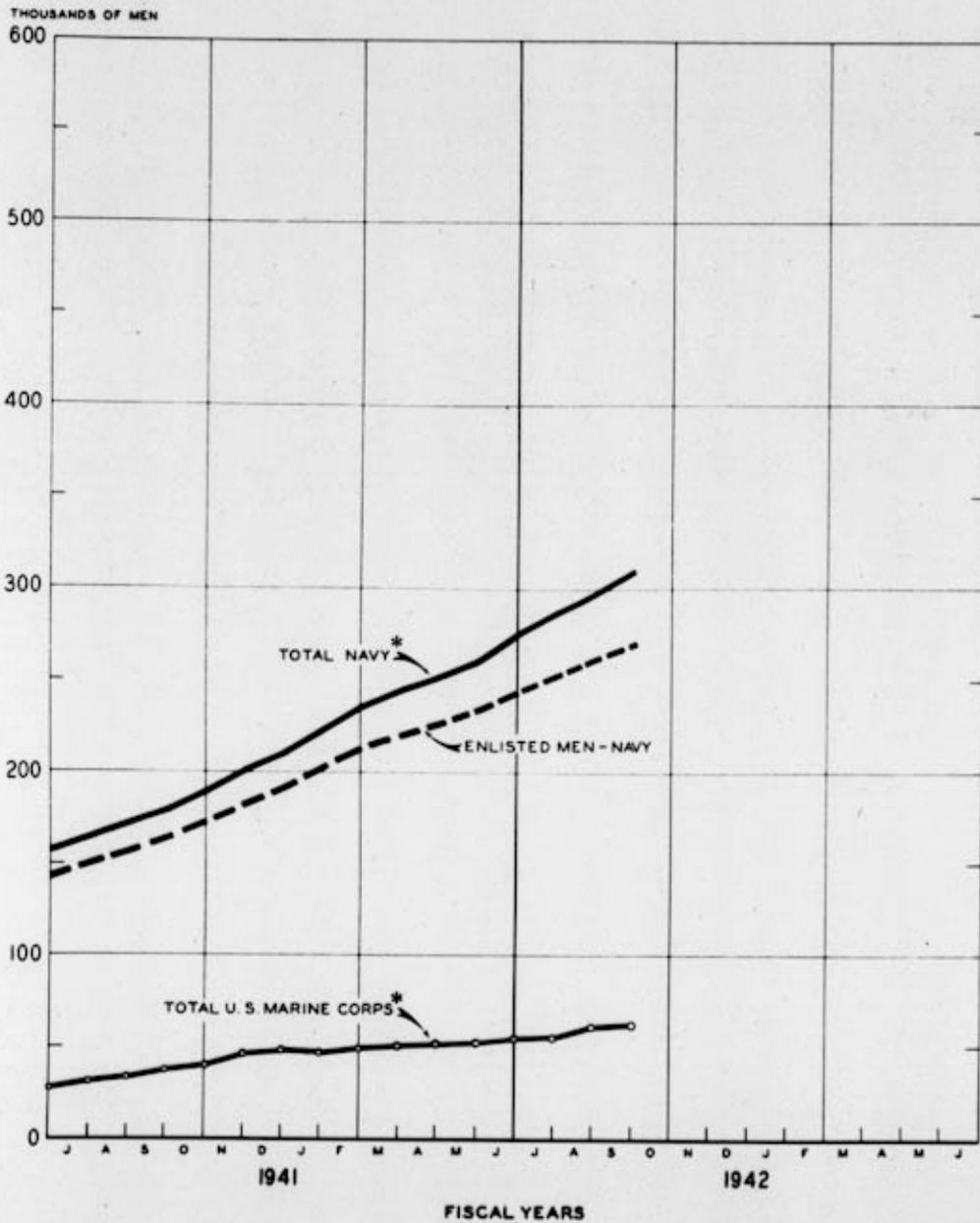


CHART 12

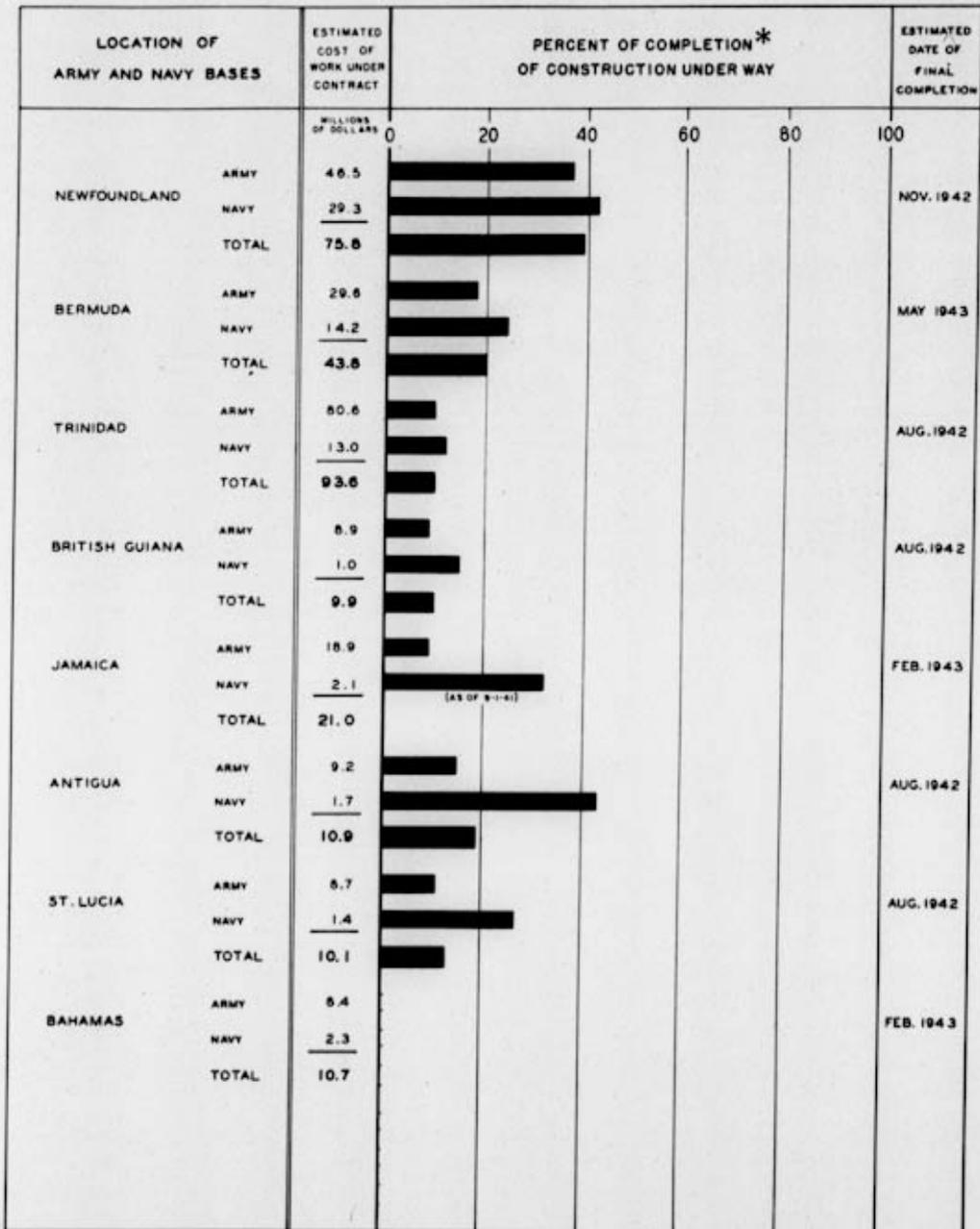
NAVY AND MARINE CORPS ACTIVE DUTY PERSONNEL



* INCLUDES COMMISSIONED OFFICERS, WARRANT OFFICERS, AVIATION CADETS, ENLISTED MEN AND NURSES ON ACTIVE DUTY IN REGULAR AND RESERVE UNITS.

CHART 13
**STATUS OF
 ATLANTIC BASES IN BRITISH POSSESSIONS**

AS OF OCT. 1, 1941



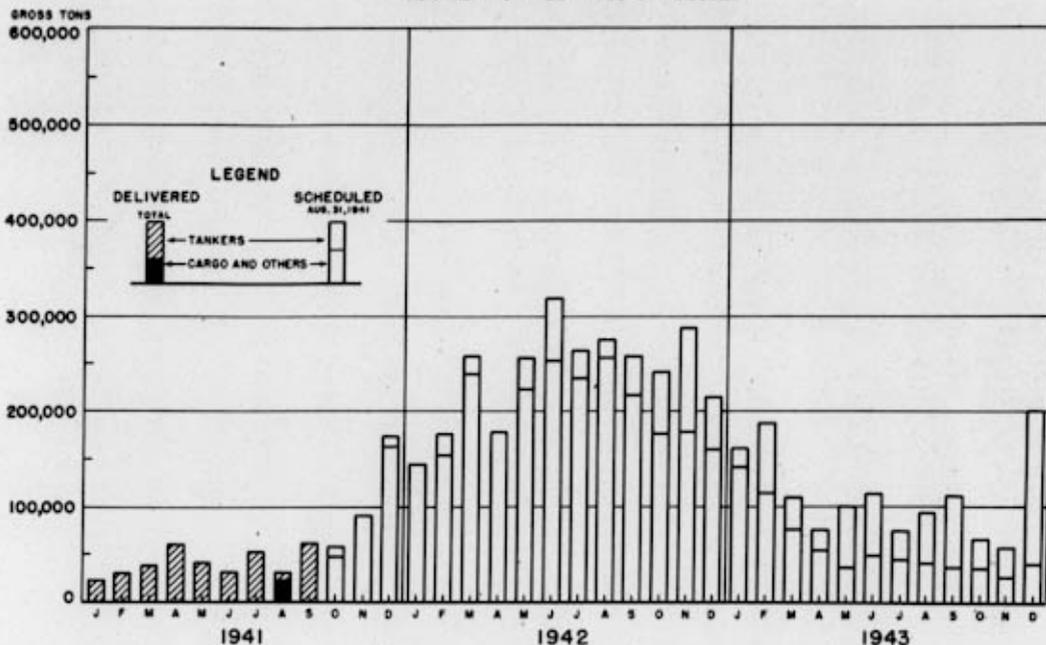
* ARMY - BASED ON PHYSICAL COMPLETION
 NAVY - BASED ON EXPENDITURES

CHART 14

U.S. MARITIME COMMISSION SHIPBUILDING PROGRAM

BASED ON CONTRACTS AWARDED TO SEPTEMBER 30, 1941

**GROSS TONS DELIVERED AND SCHEDULED
MONTHLY FOR ALL TYPES OF VESSELS**



**GROSS TONS DELIVERED AND SCHEDULED
CUMULATIVE FOR ALL TYPES OF VESSELS**

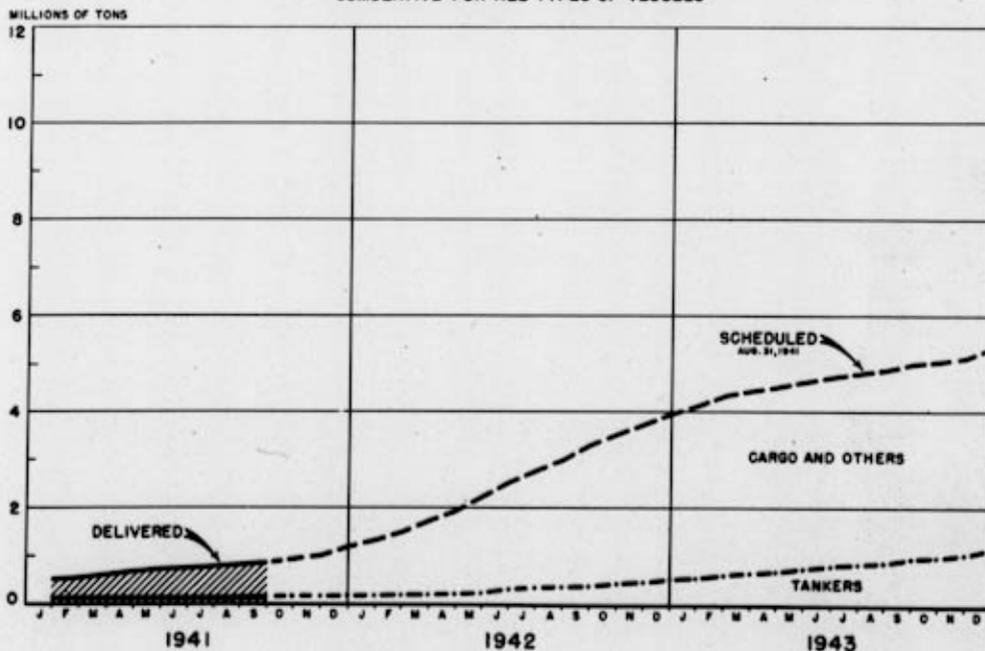
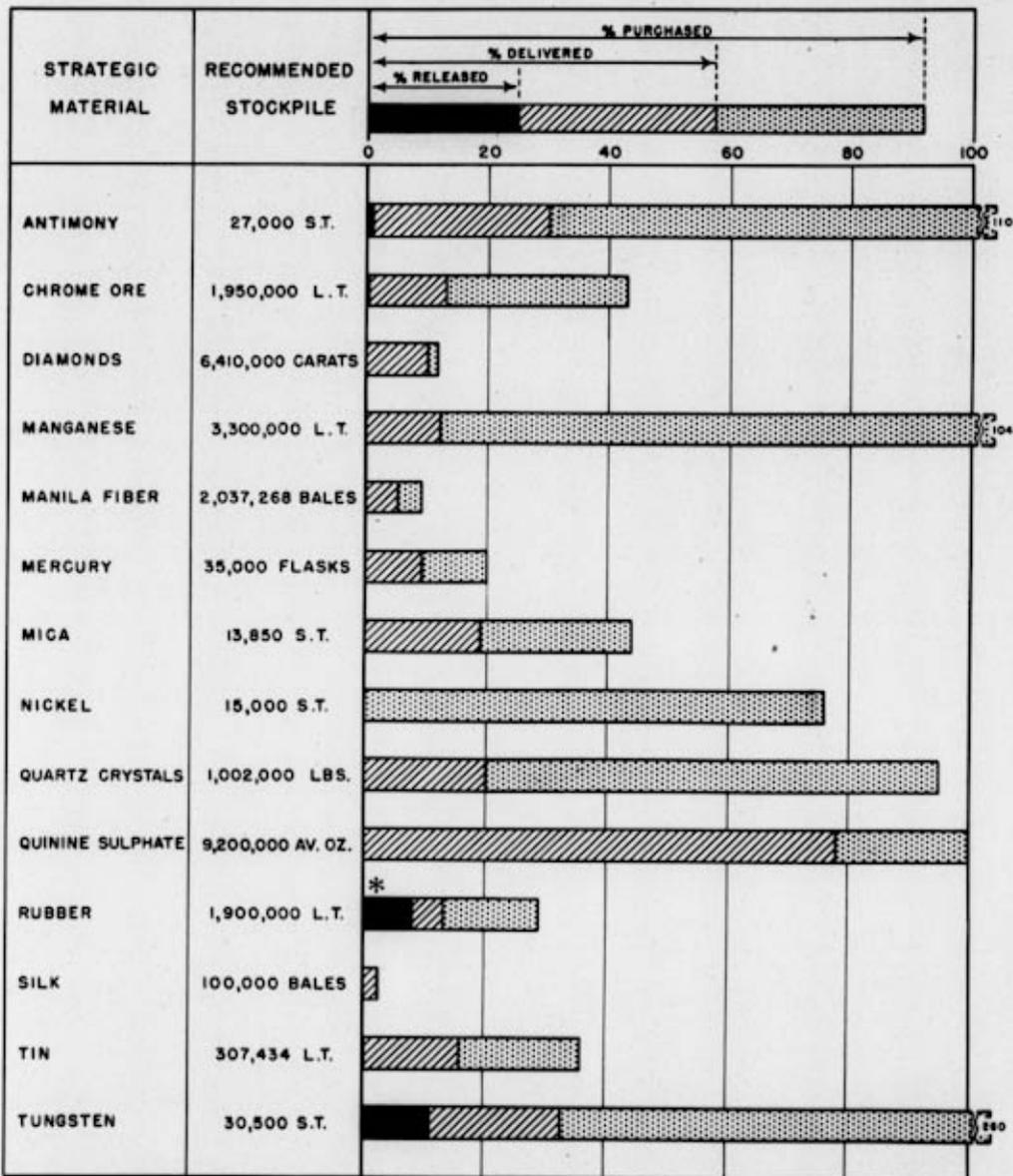


CHART 15

STRATEGIC MATERIALS STOCKPILE PROGRAM

(PERCENTAGES BASED ON QUANTITIES IN RECOMMENDED STOCKPILE PROGRAM)

AS OF OCT. 18, 1941



*QUANTITY DISPOSED OF INCLUDES 16,000 TONS DESTROYED BY FIRE

CHART 16

DEFENSE HOUSING PROGRAM

