

Report 37

NATIONAL WAR PROGRAM  
MONTHLY PROGRESS REPORT

October 30, 1943

Prepared by  
Bureau of the Budget  
Executive Office of the President

~~SECRET~~

DECLASSIFIED  
E.O. 11652, Sec. 3(E) and 5(D) and (E)  
OMB letter, 11-27-72  
By SLR NARS Date JAN 22 1973

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EXECUTIVE OFFICE OF THE PRESIDENT  
BUREAU OF THE BUDGET  
WASHINGTON, D. C.

November 16  
1943

MEMORANDUM FOR THE PRESIDENT: .

For your personal attention.

H. D. S.

Att.

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## I. SUMMARY

Aircraft Production: 77.4 million pounds of military airframes were accepted in October--an increase of 9 percent over September. The number of aircraft accepted in October totaled 8,362--an increase of 767 planes over September acceptances. Four-engine bomber acceptances were 1,078 for the month. (Pages 2-4)

Army Air Forces: Airplanes on hand totaled 53,200 on October 1; of these, 19,800 were first-line combat planes. Active duty personnel of the Army Air Forces totaled 2,322,000 -- 73,300 were pilots. (Pages 5, 6)

Navy Aeronautical Program: The Navy had 22,861 airplanes on hand on October 23; of these, 12,955 were combat planes. Navy and Marine Corps military aeronautical personnel totaled 247,967 on October 1 -- 33,035 were pilots. (Pages 7, 8)

### Active Military Strengths:

	<u>Total All Classes</u>	<u>Date</u>
Army .....	7,320,000	Nov. 1
Navy, Marine Corps, and Coast Guard	2,694,874	Oct. 15
The Army reported 2,151,412 overseas on November 1.		

(Pages 13, 14, 24, 25)

### Selected Ordnance Production -- Army

	<u>August</u>	<u>September</u>
Medium tank .....	1,861	1,570
Gun, 90mm antiaircraft .....	365	267
Gun, 155mm (field) .....	56	66
Carbine .....	273,429	332,158

(Pages 9-11)

Navy Ship Construction: 373 combatant vessels had been completed in 1943 through October 20: 2 battleships, 11 aircraft carriers, 31 aircraft carrier escorts, 3 heavy cruisers, 4 light cruisers, 102 destroyers, 178 destroyer escorts, and 42 submarines. (Pages 15-21)

Merchant Shipping: During October, 317,000 dwt. of United Nations' merchant vessels were reported lost, while gains from new construction increased 1.9 million dwt. (Pages 26-28)

## II. AERONAUTICAL PROGRAM

### October Aircraft Production

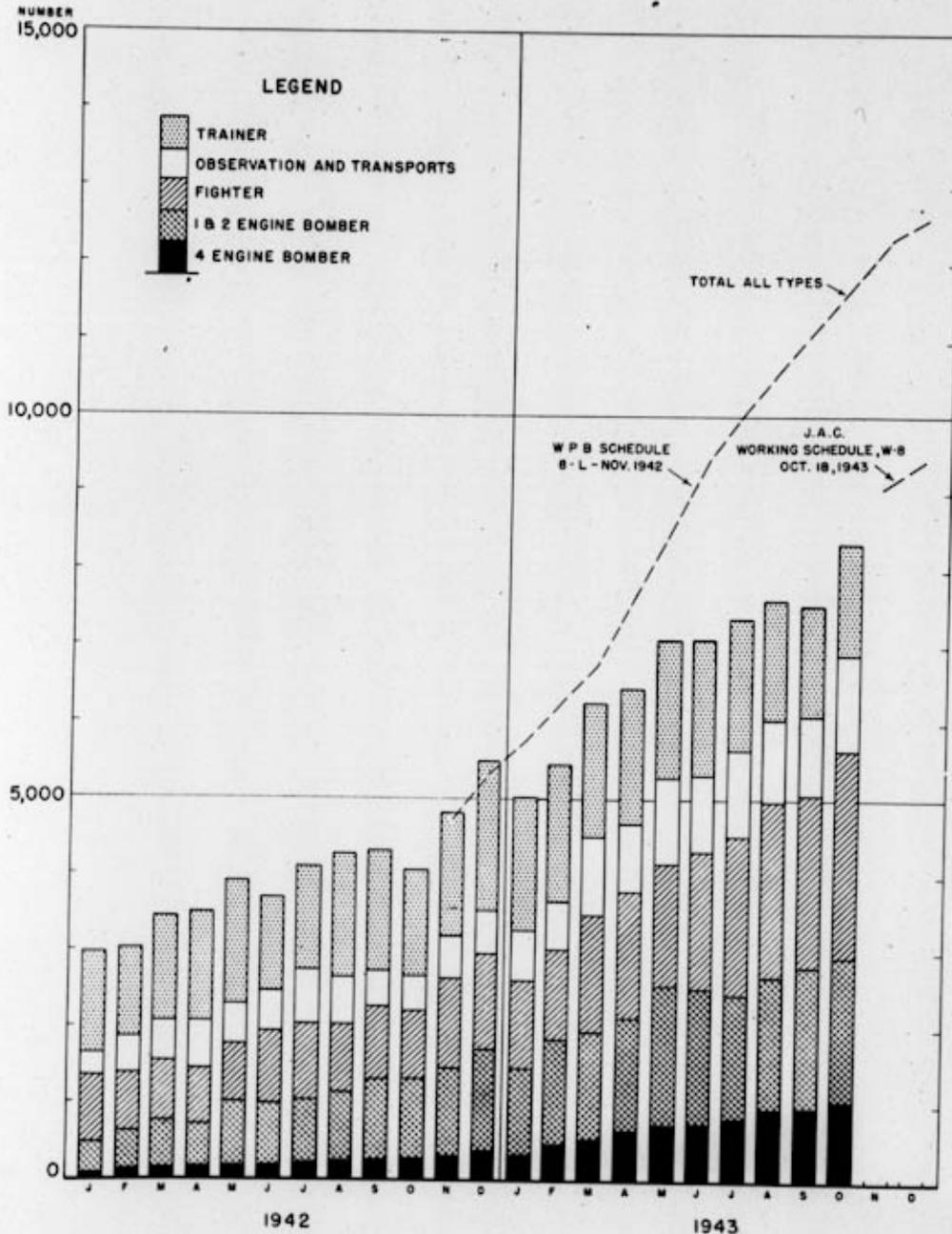
Preliminary reports indicate that 77.4 million pounds of airframes (spares included, gliders excluded) were accepted in October, bringing the total for the first ten months of the year to 578.6 million pounds. This is 15 percent below the 682.5 million pounds scheduled in the 911 million pound program for 1943. The weight accepted in October increased 9 percent over September.

Military airplanes accepted in October totaled 8,362, which is at an annual rate of 100,000 per year. This was 97 percent of the working schedule of the J.A.C. and represented an increase of 764 planes over the September total. 1,078 four-engine bombers were accepted, including 13 B-29's.

### Aircraft Acceptances for 1943 Through October

Type	Sept.	Oct.	Jan.- Oct.	Scheduled Nov. & Dec.
Bomber, 4-engine, long-range	15	13	39	82
Bomber, 4-engine	962	1,065	7,252	2,219
Bomber, 2-engine	845	943	8,462	2,037
Bomber, 1-engine	989	919	7,356	2,309
Fighter	2,263	2,726	18,267	6,355
Reconnaissance	32	26	375	100
Total combat	5,106	5,692	41,751	13,102
Transport, 4-engine	19	16	152	60
Transport, 2- & 1-engine	636	628	5,679	1,517
Total tactical	5,761	6,336	47,582	14,679
Trainer	1,494	1,456	16,843	2,871
Liaison	315	473	3,436	780
Rotary wing	2	5	12	15
Special purpose	23	92	439	148
Grand total	7,595	8,362	68,312	18,493

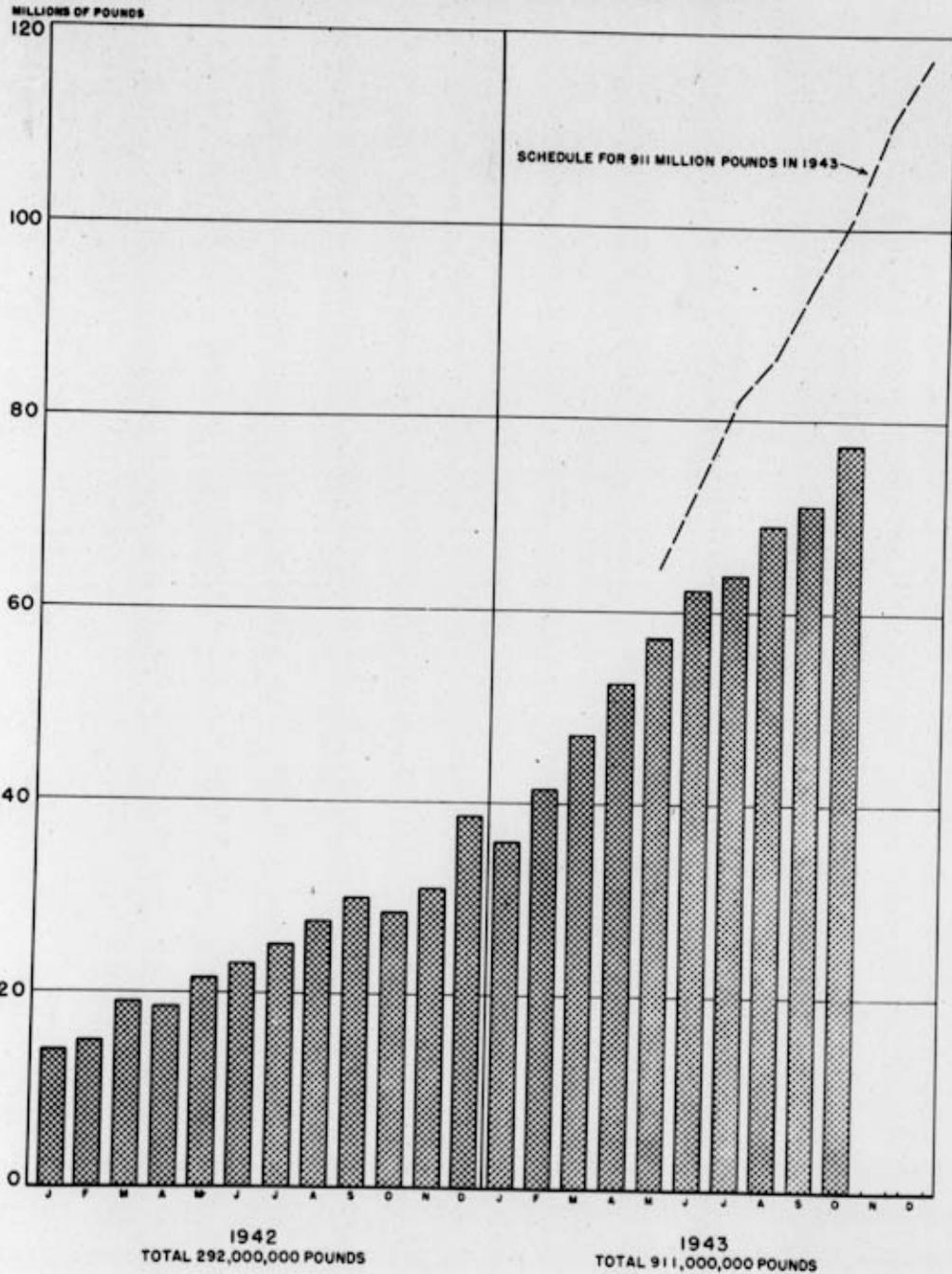
# MONTHLY ACCEPTANCES OF MILITARY AIRPLANES BY TYPE



SOURCE: WAR PRODUCTION BOARD

# MONTHLY ACCEPTANCES OF MILITARY AIRPLANES BY WEIGHT

( INCLUDES SPARE AIRFRAME PARTS BUT EXCLUDES GOVERNMENT-FURNISHED EQUIPMENT SUCH AS ENGINES, PROPELLERS, TURRETS )



### Army Air Forces

A. Airplanes. On October 1, the Army Air Forces had on hand 19,805 first-line combat airplanes. Of these, 5,857 were four-engine bombers—an increase of 518 heavy bombers during September.

#### Airplanes of the Army Air Forces on Hand Sept. 1, Oct. 1, and Gains and Losses in September

Type	On Hand Sept. 1 1943	September		On Hand Oct. 1, 1943	Net Gain or Loss
		Gains	Losses*		
<u>Combat</u>					
Bomber, heavy, long-range	—	5	—	5	5
Bomber, heavy	5,339	887	374	5,852	513
Bomber, medium	3,729	216	184	3,761	32
Bomber, light	1,513	96	701	908	-605
Fighter	8,514	1,030	603	8,941	427
Reconnaissance	246	105	13	338	92
Total combat	19,341	2,339	1,875	19,805	464
<u>Transport</u>					
Heavy	366	53	22	397	31
Medium	2,142	175	33	2,284	142
Amphibian	31	—	—	31	0
Utility	2,452	307	66	2,693	241
Total transport	4,991	535	121	5,405	414
Total combat & transport	24,332	2,874	1,996	25,210	878
<u>Trainers</u>	23,871	904	436	24,339	468
<u>Communications</u>	3,457	288	93	3,652	195
Total, all types	51,660	4,066	2,525	53,201	1,541

\*Includes losses from enemy action, survey, etc.

#### A.A.F. Airplane Inventories, Jan. 1 and Oct. 1, 1943

	Bomber			Fighter	Trans- port	Other	Total
	Heavy	Medium	Light				
October 1, 1943	5,857	3,761	908	8,941	5,405	28,329	53,201
Jan. 1, 1943	1,996	1,628	641	4,453	1,297	20,321	30,336
9-mo. increase	3,861	2,133	267	4,488	4,108	8,008	22,865

B. Personnel of the Army Air Forces. The active duty strength of the Army Air Forces, including personnel assigned from other services, totaled 2,321,858 on October 1 — an increase of 16,538 during September and 94 percent of the requirements for the 273-group program by December 31, 1944.

Active Duty Strength of the Army Air Forces, October 1, 1943  
and Minimum Requirements for 273 Groups by December 1944

Type of Personnel	Officers	Enlisted	Total	Minimum Requirements for 273 Groups by Dec. 1944
Pilots	71,866	1,442	73,308	118,736
Aviation cadets	--	108,220	108,220	84,382
Pre-aviation cadets	--	120,938*	120,938	--
Bombardiers and navigators	24,677	467	25,144	41,611
Observers	404	--	404	887
Engineers	7,146	--	7,146	5,926
Mechanics	--	227,704	227,704	289,244
Armorsers	--	59,553	59,553	83,005
Communications	3,410	--	3,410	6,265
Radio operators	--	41,397**	41,397	76,040
Other, Army Air Corps	82,662	966,526	1,049,188	1,054,708
Total, Army Air Corps	190,165	1,526,247	1,716,412	1,760,804
Assigned from other branches	56,164	549,282	605,446	706,157
Total, Army Air Forces	246,329	2,075,529	2,321,858	2,466,961

\*Includes pre-aviation cadets in Basic Training Centers and Classification Centers.

\*\*Excludes radar technicians, previously included.

C. Flying Training. No advanced pilot training classes were scheduled for graduation during September. In August 5,603 pilots were graduated, and a total of 75,932 pilots have completed advanced training since the beginning of the war emergency.

Bureau of Aeronautics

A. Airplanes. On October 23, the Navy reported a total of 22,861 useful airplanes on hand. Of these, 12,955 were tactical combat types—an increase of 1,222 tactical combat planes since September 23.

Navy Airplanes on Hand  
September 23, October 23, and Increase

Type	Sept. 23	Oct. 23	Increase
<u>Tactical Combat</u>			
Scout bomber	2,902	3,213	311
Torpedo bomber	1,786	1,985	199
Patrol bomber—boat:			
4-engine	71	80	9
2-engine	1,072	1,146	74
Bomber—landplane:			
4-engine	292	305	13
2-engine	770	798	28
Observation scout	1,422	1,433	11
Fighter	3,418	3,995	577
Subtotal	11,733	12,955	1,222
<u>Tactical Non-Combat</u>			
Utility	140	138	-2
Utility (multi-engine)	141	366	225
Transport	271	280	9
Transport (multi-engine)	427	452	25
Subtotal	979	1,236	257
<u>Training</u>			
Trainer, primary	3,212	3,397	185
Trainer, advanced	4,901	5,026	125
Subtotal	8,113	8,423	310
<u>Special Purpose</u>	118	213	95
<u>Experimental</u>	33	34	1
Grand total	20,976	22,861	1,885

B. Personnel. The active duty strength of the Navy and Marine Corps military aeronautical personnel on October 1 was 247,967, as compared with a requirement through December 31, 1943 of 290,647.

The number of aviation pilots on active duty on October 1 was 96 percent of required strength on that date.

Active Duty Strength, Oct. 1, 1943 and Requirements for Dec. 31, 1943  
Navy and Marine Corps Military Aeronautical Personnel

	Navy		Marine Corps		Total	
	Require- ments 12-31-43	Actual Oct. 1	Require- ments 12-31-43	Actual Oct. 1	Require- ments 12-31-43	Actual Oct. 1
<u>Pilots</u>	31,966	25,872	8,435	7,163	40,401	33,035
<u>Other</u>						
Officers*	23,870	23,556	3,084	3,053	26,954	26,609
Enlisted	144,292	125,516	79,000	62,807	223,292	188,323
Total	200,128	174,944	90,519	73,023	290,647	247,967

\*Includes navigators.

C. Pilot Training. From January 1, 1942 through September 17, 1943 the Navy commissioned 22,147 pilots. It had in training 43,934 student pilots on October 1, and 8,713 of these were in the last stage of training prior to commissioning.

### III. ARMY

#### Production of Ordnance Equipment

Assuming a uniform monthly production rate, 75 percent of the 1943 Army Supply Program should have been delivered by September 30. Of the 40 classes of critical ordnance items reviewed in this report, 15 are within 5 percent of this goal. Of the 25 remaining items, deliveries for 9 have been in excess of, and deliveries for 16 have been less than, 75 percent of the year's requirements.

The most serious delivery shortages are for heavy duty trucks, the .30 caliber carbine, the 4,000-pound bombs, parachute fragmentation bombs, antiaircraft ammunition, and ammunition for all 75mm and 105mm guns. Carbine deliveries, however, increased 22 percent in September. The parachute fragmentation bomb has been in production for only four months — September deliveries were only 54 percent of the forecast.

Excess deliveries of 20mm and 37mm aircraft guns, 90mm antiaircraft guns, 250-pound bombs, and 155mm howitzers are, in most instances, a reflection of program reductions and the difficulties inherent in reducing production suddenly.

While light and medium tanks have met immediate delivery schedules through September, future forecasts indicate that the 1943 requirements will not be met, due apparently to the difficulties inherent in model changes.

Tables on the following two pages show the status of deliveries of selected critical ordnance items for the current 1943 program.



Status of 1943 Deliveries of Selected Bombs and Ammunition  
(Includes International Aid and Navy Items Procured by Army)

Item	Sept.	Balance to be Produced in 1943	Jan. 1, 1943 to Sept. 30, 1943					
			Cumulative	% of Sept. 30, 1943 ASP*				
				0	25	50	75	100
<b>Bombs</b>								
250 lb. GP & demol.	43,331	113,956	661,044					
500 lb. GP & demol.	206,484	790,141	935,859					
1,000 lb. GP & demol.	73,329	126,814	421,816					
2,000 lb. GP & demol.	18,011	33,327	106,673					
4,000 lb. GP & demol.	216	2,436	2,439					
1,000 lb. AP & semi-AP	29,206	84,316	268,184					
Cluster, fragmentation	79,957	788,105	611,290					
Fragmentation, parachute	53,658	1,372,761	97,239					
<b>Small Arms Ammunition</b> (Million rounds)								
All .30 cal.	1,013	3,612	8,552					
All .50 cal.	413	1,281	3,351					
<b>For 20mm Guns, M1 and M2, Hispano</b> (Thousand rounds)								
	19,648	43,306	126,694					
<b>Antiaircraft Ammunition</b> (Thousand rounds)								
For 40mm AA guns	2,631	13,264	17,421					
For 90mm AA guns	283	3,631	2,002					
<b>Artillery Ammunition</b> (Thousand rounds)								
For 60 & 81mm mortar	1,235	4,943	14,852					
For 75mm howitzer (pack and field)	1,005	5,481	5,806					
For 75mm field gun	1,718	9,350	10,993					
For 105mm howitzer	1,420	8,360	8,859					
For 155mm howitzer	359	13	3,179					
For 155mm field gun	104	181	1,229					

\*Army Supply Program.

War Construction Program by the Corps of Engineers

To October 1, the Office of the Chief of Engineers had authorized a total of \$11.0 billion for emergency projects under its War Construction Program:

Construction in the United States .....	\$9.9 billion
Construction outside the United States .....	.7 billion
Real estate program .....	.4 billion
<b>Total .....</b>	<b>\$11.0 billion</b>

Status of War Construction and Real Estate Programs  
October 1, 1943

Type of Facilities	Estimated Cost		Work in Place						
	Mill- lions	% of Total	Mill- lions	Percent of Estimated Cost					
				%	0	25	50	75	100
<u>War Construction Program</u>									
Air Force	\$2,933	27%	\$2,822	96	████████████████████				
Ground Force	2,699	25	2,649	98	████████████████████				
Storage & shipping	953	9	928	97	████████████████████				
Industrial	2,862	26	2,815	98	████████████████████				
Outside U. S.	691	6	471	68	████████████████████				
Other	425	4	396	93	████████████████████				
<u>Real Estate Program</u>	401	3	295	74	████████████████████				
Total, Oct. 1	\$10,964	100%	\$10,376	95	████████████████████				
Total, Sept. 1	10,853		10,193	94	████████████████████				
Increase	\$ 111		\$ 183		████████████████████				

The status of the program of construction in the United States, covering major projects only, on October 1 was as follows:

Status of Major Projects of the War Construction Program\*  
By Stages of Completion — October 1, 1943

Stage of Completion	Number of Projects	Estimated Cost	Percent of Total Cost
Completed	1,833	\$8,000,370,000	88.9%
Under construction	281	981,832,000	10.9
Not started	9	13,765,000	.2
<b>Total</b>	<b>2,123</b>	<b>\$8,995,967,000</b>	<b>100.0%</b>

\*Jobs of \$500,000 and over.

Military Personnel

The estimated increase in the active duty strength of the Army during October was 44,549, bringing the total to 7,320,000 on November 1.

Distribution of the Army Active Duty Strength, by Class  
September 1, October 1, and Increase

Class of Personnel	Oct. 1 Actual	Nov. 1 Estimated	October Increase
Commissioned officers	584,655	589,964	5,309
Warrant and flight officers	24,772	25,291	519
Enlisted men and selectees	6,582,161	6,619,077	36,916
W.A.C.	48,923	50,619	1,696
Subtotal	7,240,511	7,284,951	44,440
Army Nurse Corps	34,940	35,049	109
Total	7,275,451	7,320,000	44,549

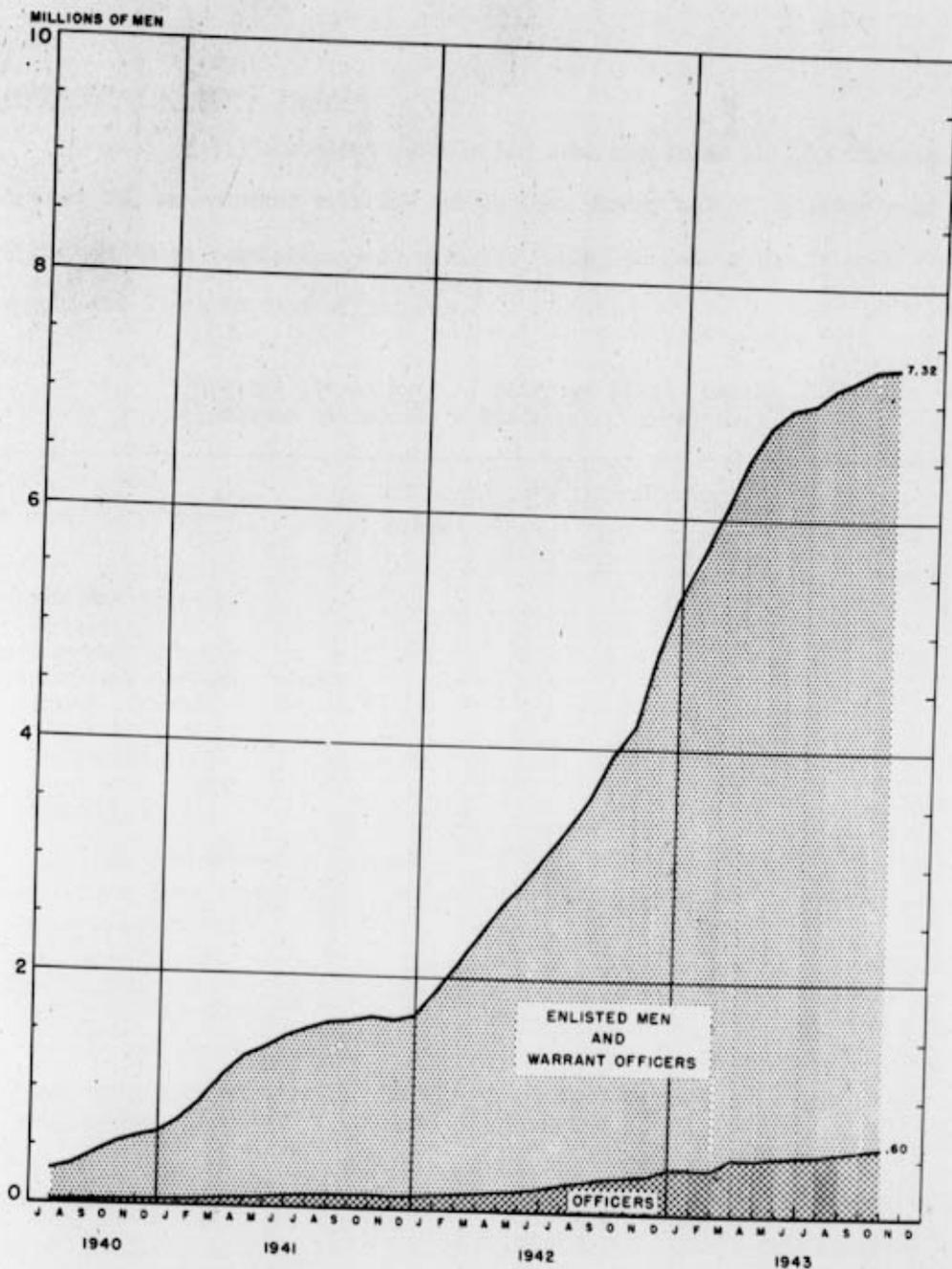
During October, the Army active duty strength overseas and in ships increased 212,676 to a total of 2,252,381, or 31 percent of the total Army strength.

Disposition of Army Active Duty Military Personnel  
By Assignment — September 1, October 1, and Increase

Assignment of Personnel	Oct. 1 Actual	Nov. 1 Estimated	Oct. Increase
Army Ground Forces in U.S.	1,955,707	1,808,739	-146,968
Army Air Forces in U.S.	1,655,613	1,578,027	- 77,586
Army Service Forces in U.S.	1,301,399	1,415,679	114,280
In defense commands in U.S.	191,855	197,382	5,527
In staging areas	131,172	67,792	-63,380
In ships	52,299	100,969	48,670
Overseas	1,987,406	2,151,412	164,006
Total	7,275,451	7,320,000	44,549

On November 1, the total active duty military personnel in continental U.S., overseas, and in ships was distributed as follows: Ground Forces, 3,060,843 or 42 percent; Air Forces, 2,196,946 or 30 percent; and Service Forces, 2,062,211 or 28 percent.

# TOTAL ARMY STRENGTH



IV. NAVYCompletions of Naval Vessels

A total of 373 combatant vessels had been completed in 1943 through October 20, as compared with 145 completions during all of calendar year 1942. Of these completions, 64 occurred during September and 27 more during the first 20 days of October.

Physical Completions of Selected Naval Vessels  
(Includes Lend-Lease Vessels and Conversions)

Type	1943				1942 Actual
	Sept.	Oct. Thru 20th	Jan. 1 Thru Oct. 20	Scheduled Oct. 21 to Dec. 31	
<b>Combatant Vessels:</b>					
Battleship	0	0	2	0	4
Aircraft carrier	0	0	11	4	1
Aircraft carrier, escort	4	2	31	17	17
Heavy cruiser	0	1	3	1	0
Light cruiser	0	0	4	4	8
Destroyer	13	3	102	27	81
Destroyer escort	41	19	178	120	0
Submarine	6	2	42	18	34
<b>Total combatant</b>	<b>64</b>	<b>27</b>	<b>373</b>	<b>191</b>	<b>145</b>
Patrol craft*	54	25	598	223	475
Mine vessels	44	24	323	77	272
Auxiliaries	22	11	254	109	208
Landing force vessels**	48	27	520	129	215

\*Commencing with this issue, YP District Patrol Craft are omitted from Patrol Craft figures.

\*\*1ST, LSD, and LCI(L)

Status of Construction of Selected Naval Vessels

Of 1,160 combatant vessels on order on October 20, 19 percent had been launched, 21 percent were on the ways, and 60 percent had not been placed on the ways.

Status of Construction of Selected Naval Vessels, Oct. 20, 1943  
(Includes Land-Lease Vessels)

Type	New Construction on Order				Con- vert- ing	Add'l Auth.
	Not Yet on Ways	On Ways	Launch- ed	Total		
Combatant Vessels:						
Battleships	2	2	0	4	0	0
Aircraft carrier	13	10	5	28	0	0
Aircraft carrier, escort	14	3	11	28	42	0
Large cruiser	1	1	1	3	0	0
Heavy cruiser	15	10	1	26	0	0
Light cruiser	24	17	5	46	0	0
Destroyer	166	44	38	248	0	0
Destroyer escort	283	108	131	522	0	0
Submarine	183	46	26	255	0	0
Total combatant	701	241	218	1,160	42	0
Patrol craft*	189	146	190	525	98	0
Mine craft	97	79	135	311	0	0
Auxiliaries	140	76	103	319	246	52
Landing force vessels**	584	82	27	693	0	40

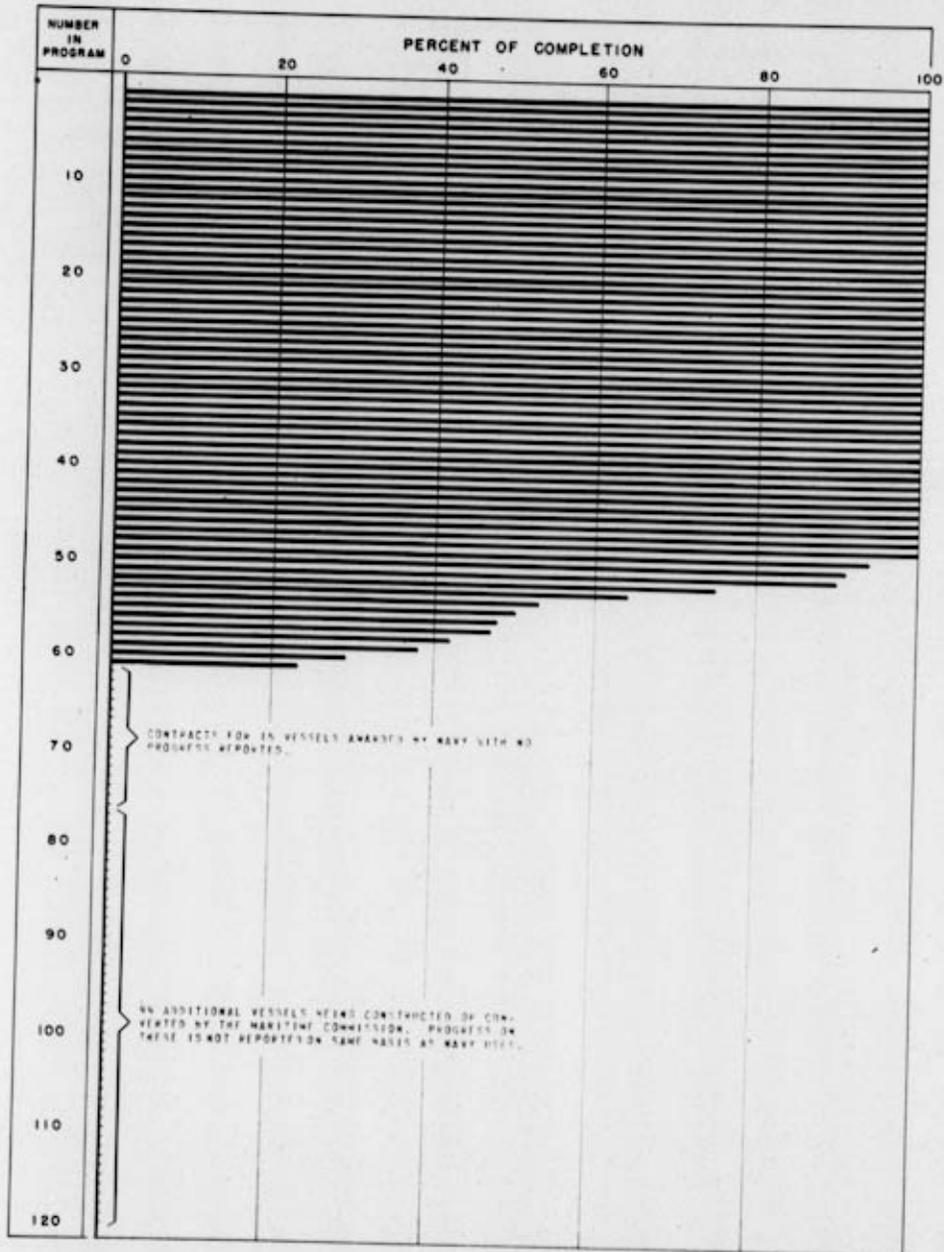
\*Commencing with this issue, YP District Patrol Craft are omitted from Patrol Craft figures.

\*\*LST, LSD, and LCI(L)



# CONSTRUCTION PROGRESS ON AIRCRAFT CARRIERS, ESCORT

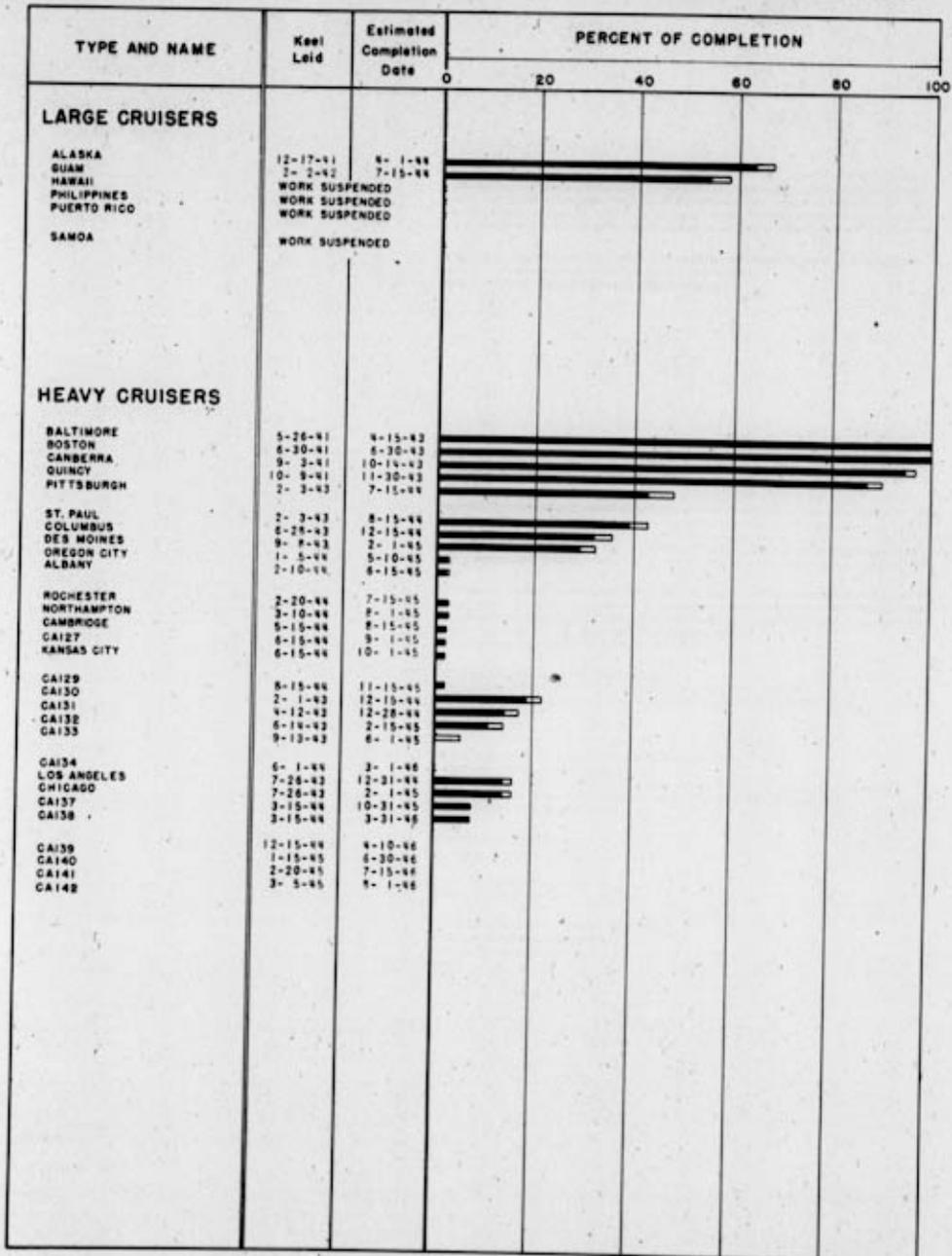
— PROGRESS JULY 1, 1940 TO OCTOBER 1, 1943



## CONSTRUCTION PROGRESS ON LARGE AND HEAVY CRUISERS

■ PROGRESS JULY 1, 1940 TO SEPTEMBER 1, 1943

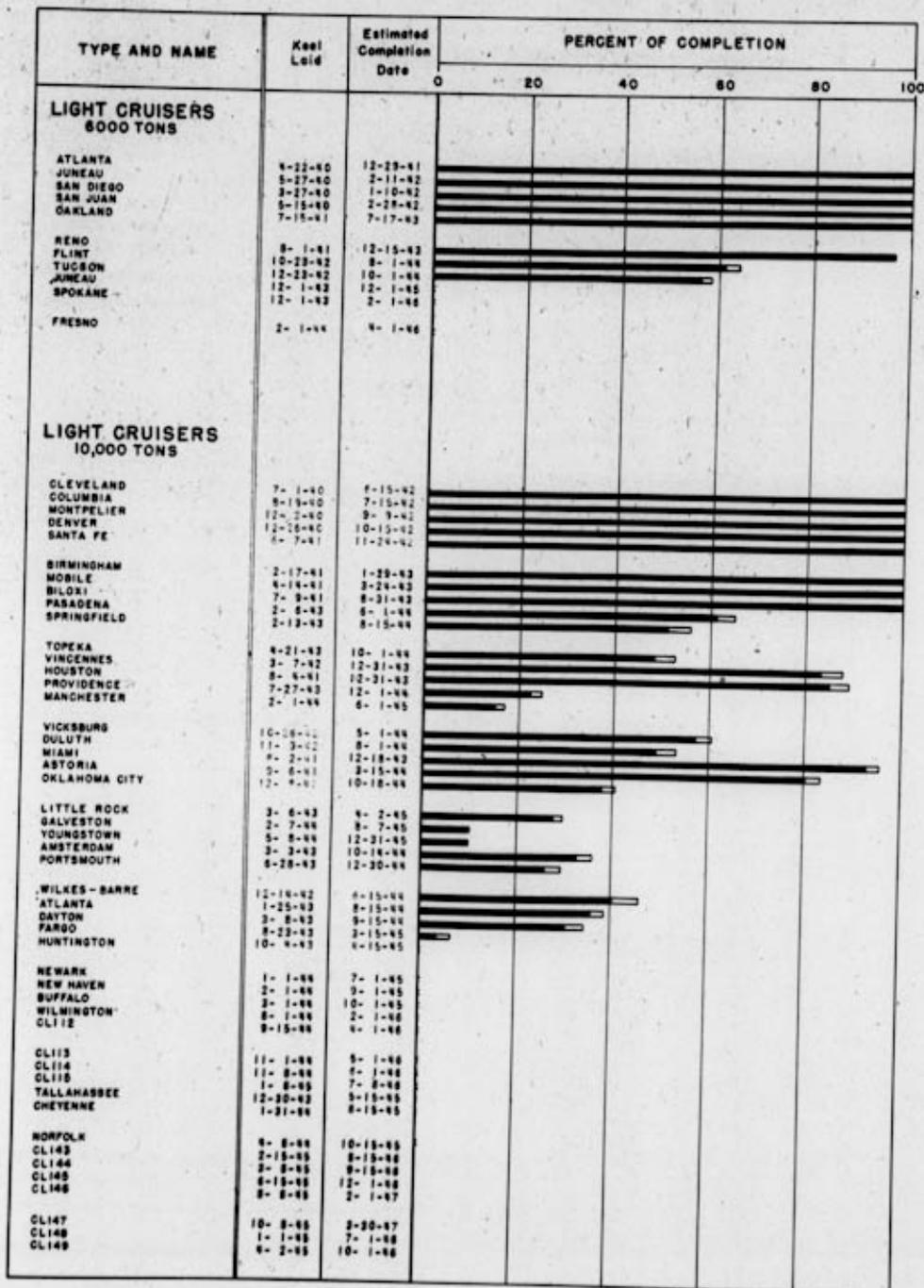
□ PROGRESS FOR SEPTEMBER 1943



# CONSTRUCTION PROGRESS ON LIGHT CRUISERS

■ PROGRESS JULY 1, 1940 TO SEPTEMBER 1, 1943

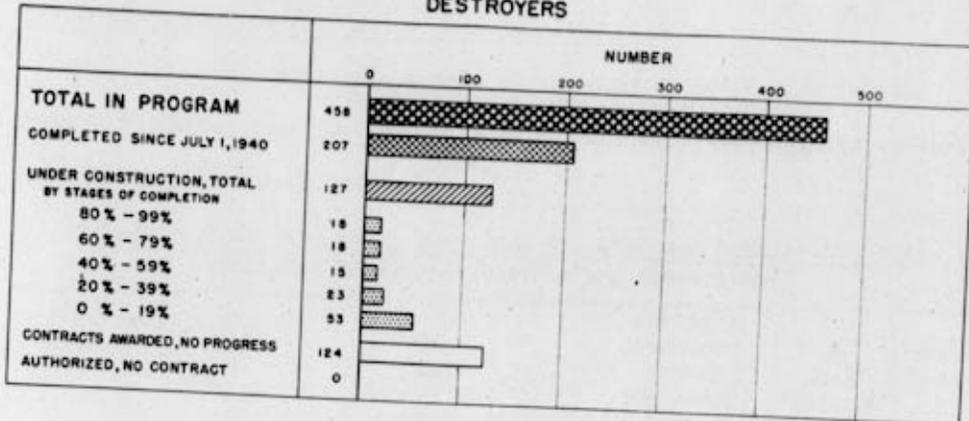
□ PROGRESS FOR SEPTEMBER 1943



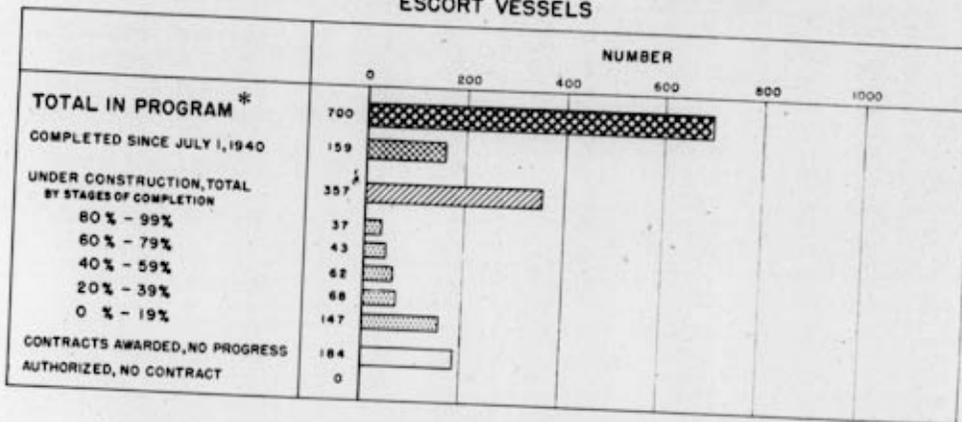
# DESTROYERS, ESCORT VESSELS AND SUBMARINES CONSTRUCTION PROGRAM

OCTOBER 1, 1943

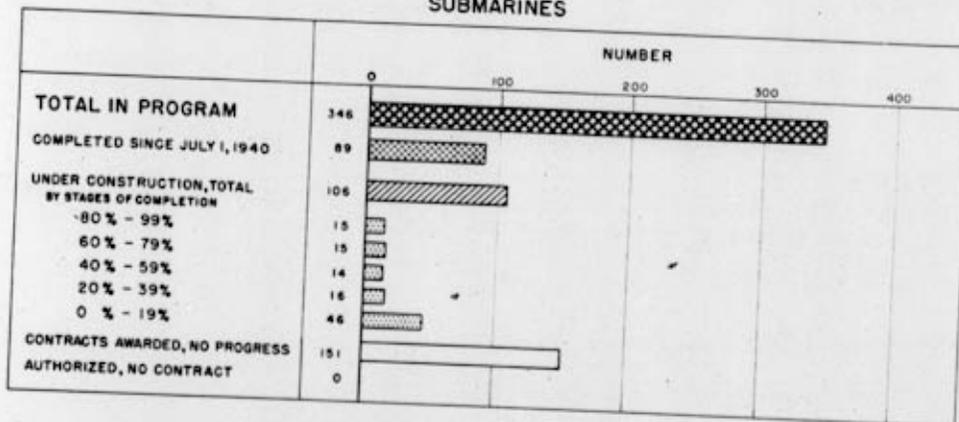
## DESTROYERS



## ESCORT VESSELS



## SUBMARINES



\* 205 VESSELS WERE CANCELED IN SEPTEMBER AND AN ADDITIONAL 100 SINCE OCTOBER 1.

Change in Vessels on Hand Since June 30, 1940

The number of combatant vessels of the Navy on October 20 had increased 351 since June 30, 1940 to a total of 734. These figures reflect only publicly announced losses.

Selected Naval Vessels on Hand June 30, 1940 and October 20, 1943  
(Includes Lend-Lease Vessels and Conversions)

Type	On Hand June 30 1940	New Completions	Publicly Announced Losses, Transfers, & Reclassifications	On Hand Oct. 20 1943	Net Gain or Loss
Combatant Vessels:					
Battleship	15	8	1	22	7
Aircraft carrier	6	13	4	15	9
Aircraft carrier, escort	0	50	25	25	25
Heavy cruiser	18	3	6	15	-3
Light cruiser	19	13	3	29	10
Destroyer	225	210	125	310	85
Destroyer escort	0	178	29	149	149
Submarine	100	92	23	169	69
Total combatant	383	567	216	734	351
Patrol craft*	36	1,163	182	1,017	981
Mine craft	36	707	227	516	480
Auxiliaries	138	589	124	603	465
Landing force vessels**	0	721	232	489	489

\*Commencing with this issue, YP District Patrol Craft are omitted from Patrol Craft figures.

\*\*LST, LSD, and LCI(L)

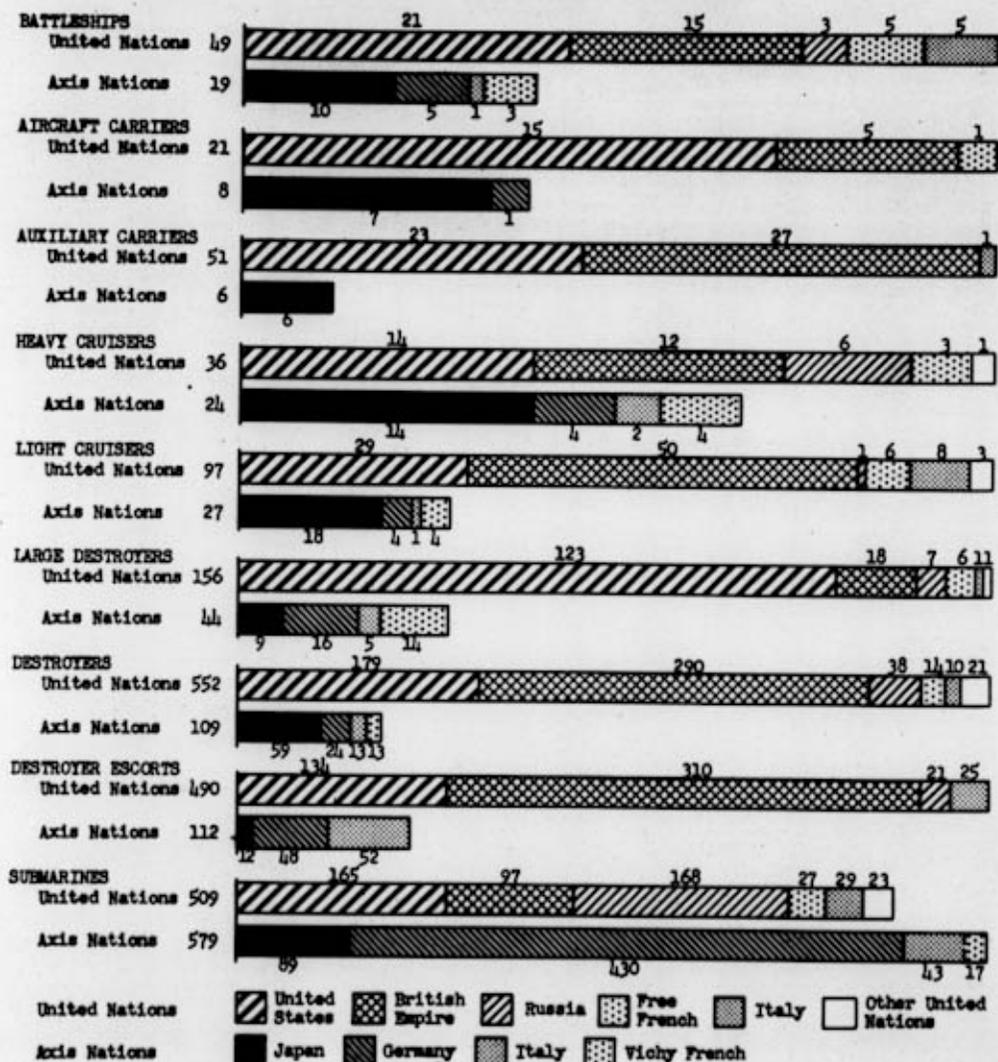
Note: The Battleship Oklahoma is included in the on-hand figure in the above table. It is excluded from the chart on the following page.

### Number of Combatant Vessels of United Nations and Axis Nations

The following chart, based on information developed by the Division of Naval Intelligence, merely presents in units the number of vessels in each category for the principal United Nations and Axis navies. It does not attempt to measure the fighting strength.

#### COMPARATIVE NUMERICAL STRENGTH OF COMBATANT VESSELS

UNITED NATIONS VS. AXIS NATIONS -- OCT. 1, 1943



Navy, Marine Corps, and Coast Guard Personnel

The total active duty military personnel of the Navy, Marine Corps, and Coast Guard on October 15 was 2,694,874 — an increase of 110,336 during the preceding 30 days.

Active Duty Military Strength of the  
Navy, Marine Corps, and Coast Guard — October 15, 1943

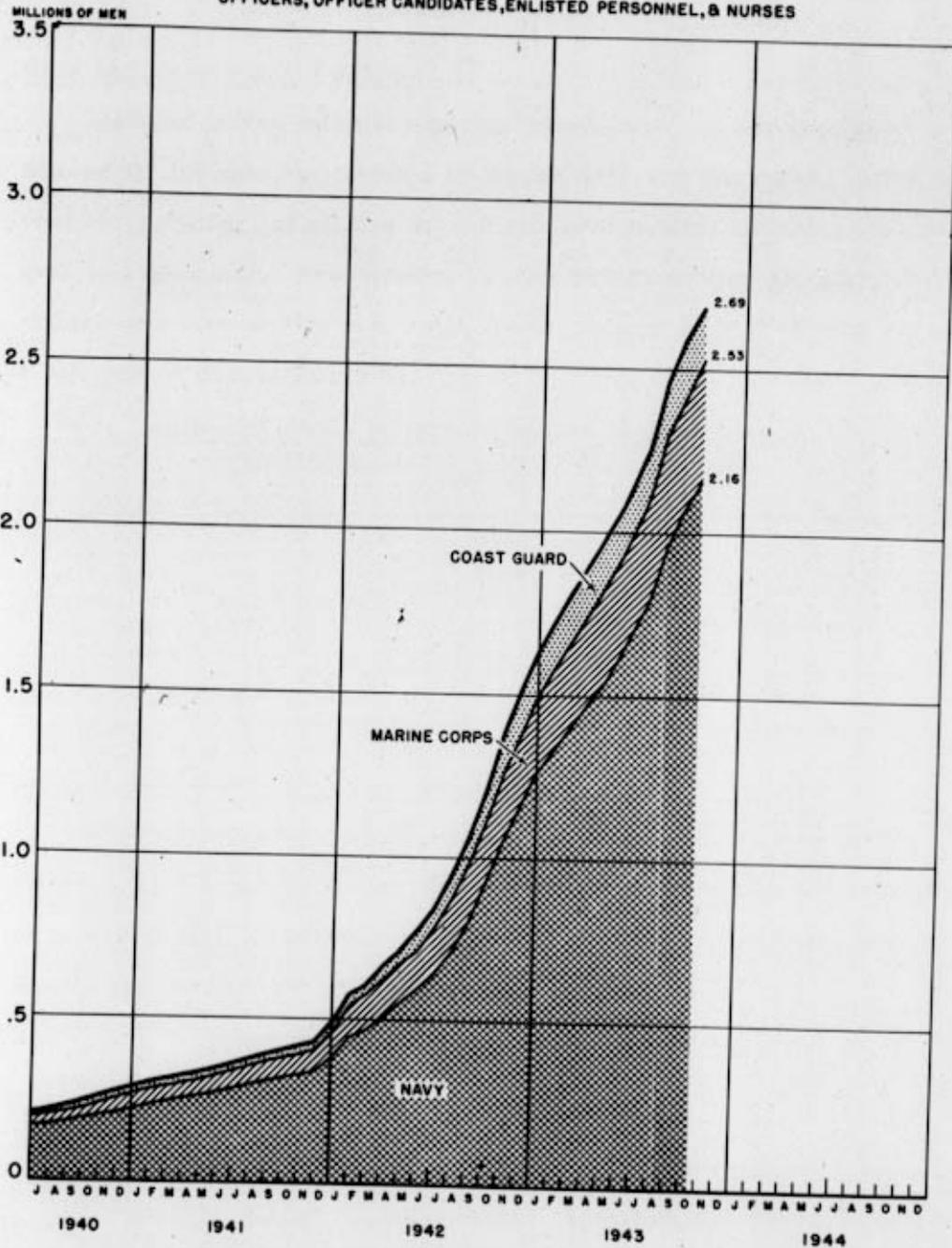
	Officers	Officer Candidates	Enlisted Personnel*	Nurses	Total
<u>Navy</u>					
Men	197,058	118,331	1,799,777	6,649	2,121,815
Women	5,431	802	31,892	—	38,125
Subtotal	202,489	119,133**	1,831,669	6,649	2,159,940
<u>Marine Corps</u>					
Men	25,546	12,225	322,614	—	360,385
Women	379	154	7,081	—	7,614
Subtotal	25,925	12,379	329,695	—	367,999
<u>Coast Guard</u>					
Men	9,247	1,196	151,338	—	161,781
Women	399	68	4,687	—	5,154
Subtotal	9,646	1,264	156,025	—	166,935
Grand total	238,060	132,776	2,317,389	6,649	2,694,874

\*The enlisted strengths approved by the President are:  
 Navy ..... 2,092,960 by Dec. 31, 1943  
 Marine Corps ..... 370,500 by Dec. 31, 1943  
 Coast Guard ..... 150,000 by Feb. 28, 1943

\*\*As of September 30, 1943

# TOTAL ACTIVE DUTY STRENGTH OF NAVY, MARINE CORPS AND COAST GUARD

OFFICERS, OFFICER CANDIDATES, ENLISTED PERSONNEL, & NURSES



## V. MERCHANT SHIPPING

### Gains and Losses, United Nations

Losses of United Nations' merchant vessels reported during October totaled 317,000 dwt., an increase of 144,000 dwt. over September. Gains reported, totaling 1.9 million dwt. of new construction, increased 111,000 dwt. over September. From December 1, 1941 through October 31, 1943, 28.2 million dwt. were constructed, while losses amounted to 17.2 million dwt.— a net gain of 10.9 million dwt.

### Gains and Losses of United Nations' Merchant Vessels Reported Dec. 1, 1941 Through Oct. 31, 1943 (000 Dwt.)

	Dec. 1, 1941 Through Aug. 31, 1943	Sept.	Oct.	Total to Nov. 1
Gains	24,483	1,789	1,900	28,172
Losses	16,739	173	317	17,229
Net gains	7,744	1,616	1,583	10,943

### Merchant Ship Deliveries by U.S. Shipbuilders

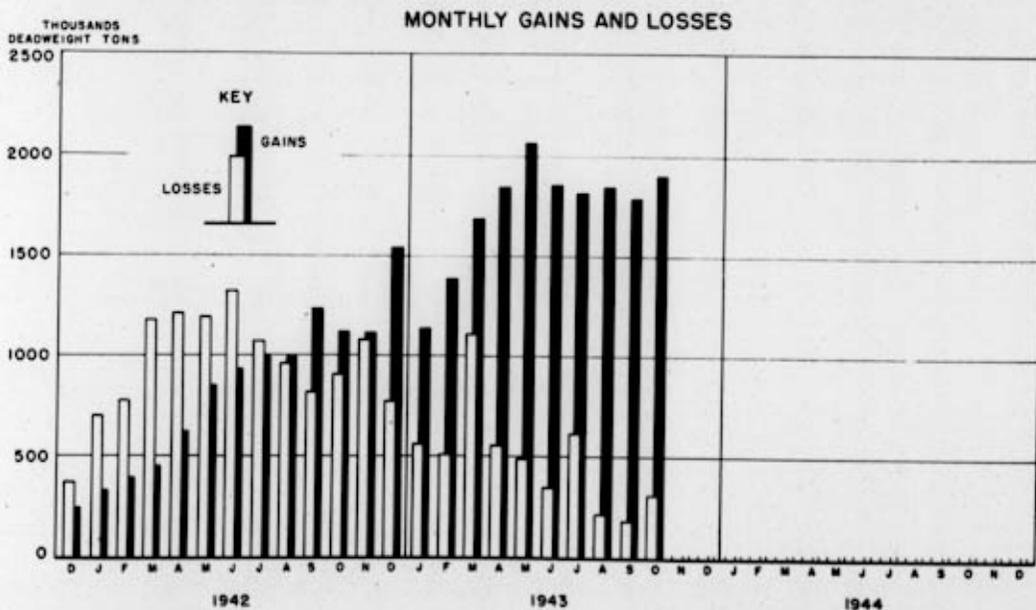
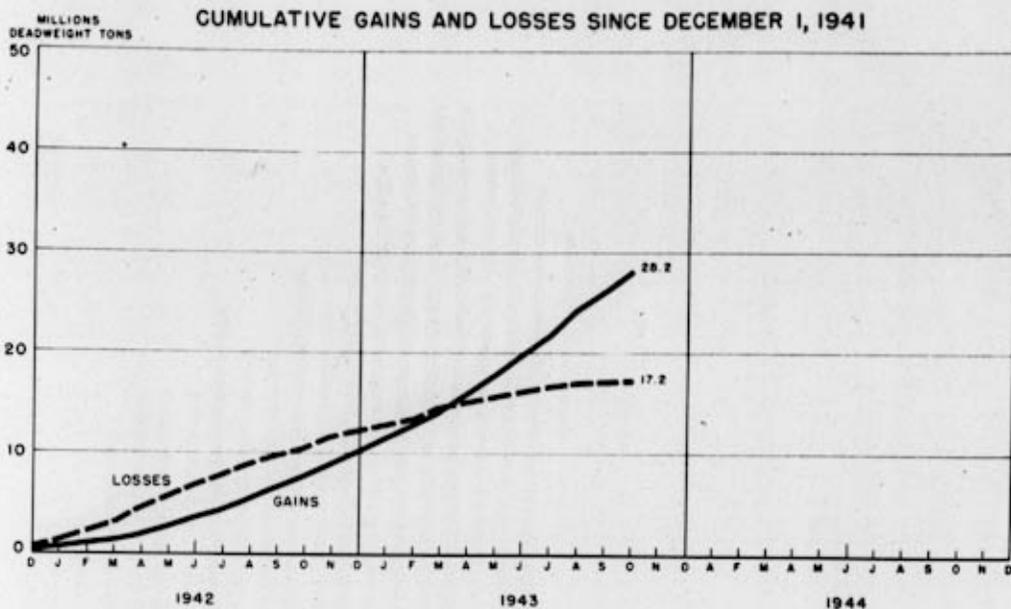
During October, 142 merchant vessels totaling 1,605,000 dwt. were delivered by U.S. shipbuilders. The September deliveries were 138 vessels at 1,562,000 dwt. To November 1, 79 percent of the 18,889,000 dwt. programmed for the year had been delivered.

### Merchant Ship Deliveries by U.S. Shipyards October 1943

Type	Number	Dwt.
Dry cargo	105	1,118,408
Tanker	37	486,429
Total	142	1,604,837

CHART 10

## GAINS AND LOSSES OF MERCHANT OCEAN VESSELS AVAILABLE TO THE UNITED NATIONS\*

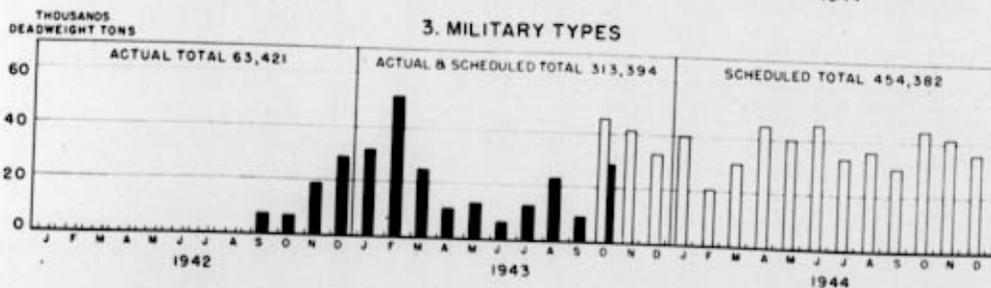
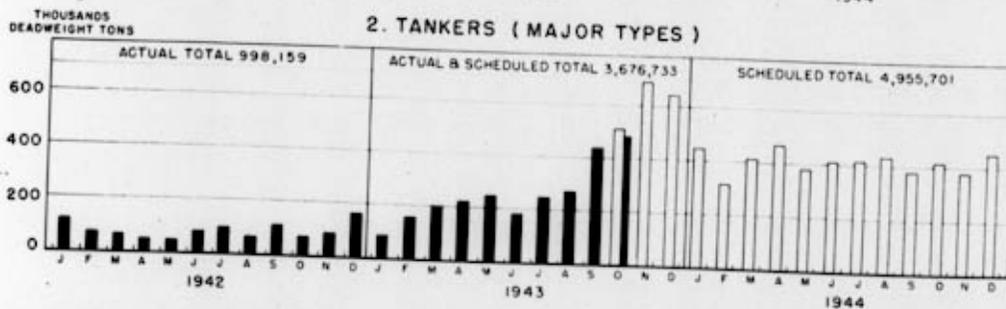
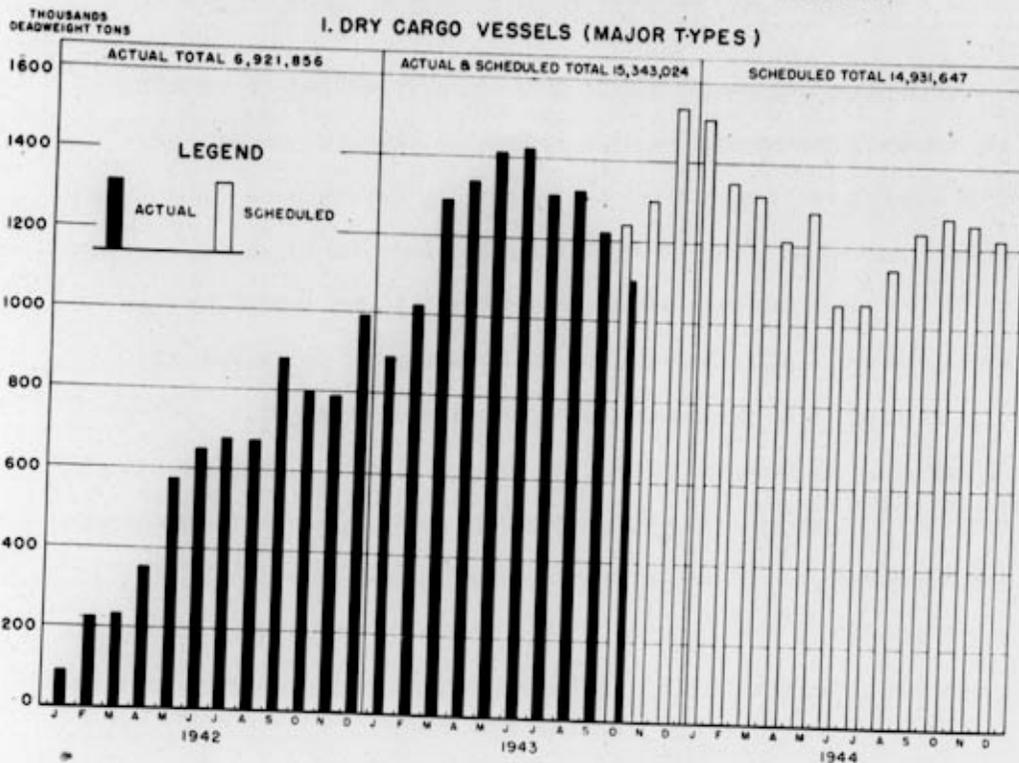


\* BEGINNING WITH AUGUST 1943, MERCHANT VESSELS COMMISSIONED FOR MILITARY SERVICE ARE INCLUDED. LOSSES ARE ON A NOTIFICATION BASIS.

SOURCE: WEEKLY REPORT OF THE COMBINED SHIPPING ADJUSTMENT BOARD

# DELIVERIES OF SHIPS BY U. S. MERCHANT SHIPBUILDERS

U. S. MARITIME COMMISSION - PRIVATE AND BRITISH ACCOUNTS



## VI. REVIEW OF PRODUCTION IN SELECTED WAR INDUSTRIES

Studies by the War Projects Unit of the Bureau indicate that:

(1) The steel expansion program for new open-hearth furnaces has been delayed by equipment priorities and lag in the blast furnace program, and full output is not expected until February 1944; sintering facilities for more efficient use of lower grade ore are also lagging.

(2) Magnesium ingot production has substantially increased since early 1943, with production for September amounting to 67 percent of planned capacity. A small surplus has accrued because of temporary slackening of demand, caused by fabricating difficulties.

(3) Small arms ammunition requirements for 1943-44 have been further reduced by 11 percent since last month's report, with a consequent procurement saving of \$500 million and other possible economies through concentrated operation.

### Steel Expansion Program

The steel expansion program is being examined separately in several phases. In the report for June, blast furnaces and electric furnaces were discussed. Open-hearth furnaces and sintering facilities are reviewed herein.

Open-Hearth Furnaces. Steel-making capacity, amounting to 5.1 million tons per year, is being added to existing capacity through 14 new open-hearth plants. Six are Government-financed (\$66.7 million) and eight are private plants. Performance for July 1943 and capacity of this new expansion and original facilities are summarized below:

Source of Production	No. of Plants	Capacity (Tons per Mo.)	Performance--July '43	
			Amount	% of Capacity
<u>Original Capacity</u>	Not Available	6,400,000	6,483,000	101%
<u>Expansion Program</u>				
Govt. financed	6	312,000	34,000	11
Privately financed	8	115,000	66,000	57
Total	--	6,827,000	6,583,000	97%

Full operation for most of the Government-financed plants is not expected to be attained before February 1944. Repeated delays in construction, because of relatively low priorities on equipment, have seriously delayed production. Production is also handicapped by failure to complete blast furnaces which are to supply hot metal for the new open-hearth furnaces under this program.

Mounting operating difficulty is reported under three heads; (1) lack of accumulation of scrap iron and steel, which constitutes an important part of the furnace charge; (2) inadequate reserve coal supply; and (3) recruitment of operating labor. Peak labor requirements are estimated at 9,300 employees in the six new Government-financed open-hearth plants.

Sintering Facilities. Sintering is a roasting process used to treat iron ore, particularly of the lower grades, prior to placing it in blast furnaces. Its effect is to increase iron content of raw ores, usually from 20 percent to 45 percent, with consequent saving in heating time and in fuel, in blast furnace operation.

The existing sintering capacity of the steel industry in 1941 amounted to 16.4 million tons of ore per year. This capacity is being expanded by 10.8 million tons. Twelve plants, which constitute 61 percent of this increased capacity, are being provided by a Government expenditure of \$13 million. The remaining expansion is being privately built in eleven plants. Construction and production are lagging in the Government plants because of relatively low priorities for equipment and general subordination of this phase of the total steel expansion program. Full use of these facilities is not anticipated before the summer of 1944.

#### Magnesium

The program for magnesium production, through the ingot stage, was reviewed in the report for April 1943. In the six-month interval since that review, construction has been completed, production has been substantially increased, and at the end of September there existed a small surplus of production over requirements (amounting to two weeks' production at current rate). This surplus has accrued largely through reduced use of magnesium because of fabricating difficulties.

Requirements for 1944 are now established at 472 million pounds, as compared with 1943 scheduled requirements of 393 million pounds and a designed capacity of 586 million pounds.

Distribution of 1944 requirements is as follows: aircraft 41%; chemical warfare 29%; other military 6%; essential alloys 7%; and exports 17%.

#### Small Arms Ammunition (Amendment)

Since last month's report on this industry, requirements for 1943-44 have been further reduced by 4.7 billion rounds (11%) with an apparent saving in procurement costs of \$500 million and a possible reduction of approximately 40,000 employees. If the required 1944 output is obtained by maximum concentration of operations in the most efficient plants, studies show that a further saving is possible, amounting to \$51 million in cost, and the release of at least 17,000 more employees below manpower levels in fractional operations.

VII. STOCKPILE AND PUBLIC PURCHASES OF BASIC WAR COMMODITIES

Strategic and critical materials are purchased by the Government:

(1) for stockpiles to be used only in case of an emergency with respect to the specific items concerned; (2) for stockpiles to be released only by WPB; and (3) for resale to industry currently upon receipt. The following table shows the status of selected items as of October 15, 1943:

Status of Selected Stockpile Commodities - October 15, 1943

Commodity	Unit of Measure	Recommended Purchase Program	Percent of Purchase Program		
			Stockpile Inventory Oct. 15, 1943	Inventory Increase Since Sept. 15	Inventory Increase Since Pearl Harbor
Alcohol	1,000 gal.	185,000	39%	-40%	39%
Antimony, metal	Tons	24,922	50	0	19
Chrome ore	1,000 l.t.	1,950	34	-1	20
Diamond dies	Dies	60,000	13	0	8
Manganese ore	1,000 l.t.	3,900	19	1	7
Manila fiber	1,000 bales	2,037	3	0	-4
Mercury	Flasks	87,200	60	16	55
Mica	Tons	16,845	66	-1	50
Nickel, content of matte	Tons	<u>1/</u> 15,000	0	0	0
Nitrate of soda	1,000 tons	2,100	<u>2/</u>	0	-1
Opium	1,000 lbs.	640	101	0	101
Quartz crystals	1,000 lbs.	2,199	196	4	128
Quinine sulphate	1,000 av.oz.	12,450	22	0	-36
Rubber	1,000 l.t.	<u>3/</u> 1,900	8	-1	-10
Silk	1,000 bales	50-100	10	0	2
Tin, refined	1,000 l.t.	<u>1/</u> 360	14	-5	0
Tungsten	Tons	48,000	26	3	10
Zinc concentrates	1,000 tons	<u>1/</u> 1,700	14	2	10
Zinc, metal	Tons	430,000	23	-41	23

1/ Part or all of this amount consists of recommended purchases per annum.

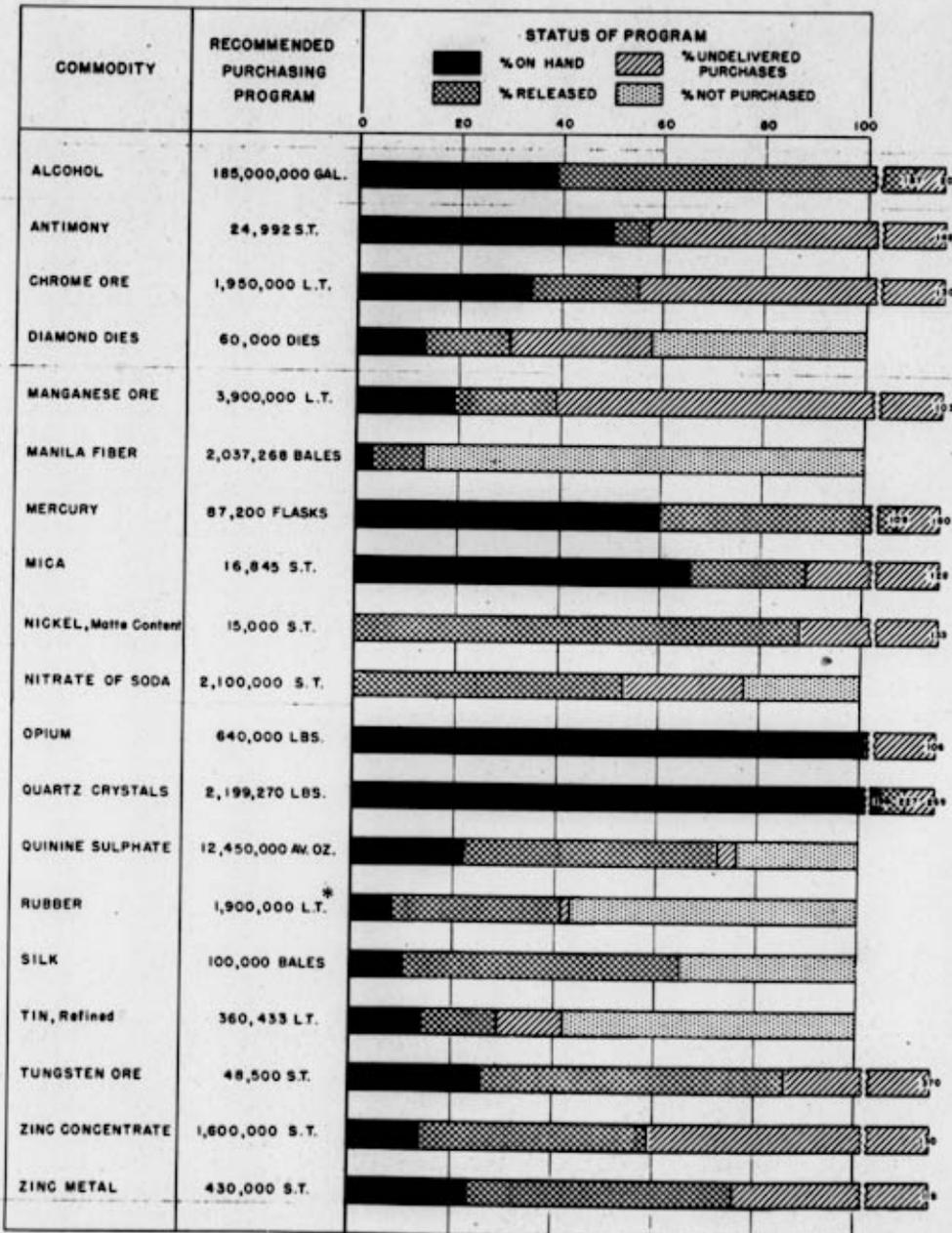
2/ 88,770 tons stored in Chile.

3/ Latest program recommends purchase of all available.

# STATUS OF SELECTED CRITICAL AND STRATEGIC MATERIALS

(PERCENTAGES BASED ON QUANTITIES IN RECOMMENDED PURCHASE PROGRAM)

AS OF OCT. 15, 1943



\*LATEST PROGRAM RECOMMENDS PURCHASE OF ALL AVAILABLE

VIII. WAR HOUSINGPublicly Financed

To October 1, 1943, a total of \$2.2 billion had been made available for the construction of public war-housing projects.

Including the Home Owners' Loan Corporation conversion program, to October 1 a total of 777,574 family dwelling units, dormitories for single persons, and trailers had been programmed, of which 541,908 or 70 percent had been completed.

Status of Public War Housing Program -- October 1, 1943

Status	New Construction				HOLC Conversions	Total Program
	Family Dwelling Units	Dormi- tories	Trailers	Total	Family Dwelling Units	
Completed	377,621	127,059	31,248	535,928	5,980	541,908
Under construction	92,900	28,884	6,999	128,783	15,640	144,423
Not started	37,965	7,435	6,175	51,575	39,668	91,243
Total	508,486	163,378	44,422	716,286	61,288	777,574

Privately Financed

In addition to the public war-housing program, Title VI of the National Housing Act provides for insurance by the Federal Housing Administration on mortgages, not to exceed \$1.2 billion in the aggregate, on houses designed for the use of war workers. To October 1, a total of 272,153 mortgages on privately financed war housing had been accepted for insurance and 243,231 new dwelling units had been started. Approximately 295,000 dwelling units can be insured under available funds.

## IX. AGRICULTURE AND WAR FOOD ADMINISTRATION

### Prices

The October price report showed the index number of prices received by farmers to be down one point to 192, while the parity index rose one point to 166.

The ceiling price of live hogs, applied October 4, brought an immediate drop in price of about 35 cents per hundredweight on top grades. Since the middle of October the top price on hogs at Chicago has been below the ceiling, and it is feared that a market glut resulting from marketings at a rate more rapid than hogs can be handled by packers might make it impossible for the War Food Administration to maintain its support prices.

Unfavorable crop conditions in the winter wheat belt, slow movement of wheat to market, and active buying by alcohol distillers have helped to push the price of wheat several cents above the wheat-price-equivalent of the flour ceilings.

### Transportation

As always, the month of October brought the peak movement to market of farm products and this year presented a difficult situation in transportation. As a whole, the requirements have been met most satisfactorily by the railroads, although there have necessarily been some box car shortages as a result of unprecedented demands. Crop movements had to be taken care of and, at the same time, feed had to be supplied to deficit areas. An extraordinary job has been accomplished by the railroads in moving the Maine potato crop. Storage facilities for this year's record crop were inadequate, and up to October 31 over 11,400 cars of potatoes had been moved.

Further difficulties are expected in transportation affecting agriculture, because of the over-burdening of railroad facilities and because deterioration of truck equipment seems to exceed the replacement program.

### Machinery and Supplies

Special emphasis has been given to urging farmers to order fertilizer supplies now and to take delivery during the fall and winter months to help relieve storage and transportation problems.

Farm machinery production has been lagging somewhat behind schedule, but output is speeding up.

A program to provide farmers with essential lumber requirements, initiated for the months of June, July, August, and September, has been continued, and the movement of preference rating certificates indicates that lumber is getting to the farmers.

#### Distribution

To help move the largest potato crop in history, for which there is inadequate commercial storage, the War Food Administration and the produce industry have joined in a nation-wide appeal to housewives to help store the crop by buying for future home use. Movement from late potato states is currently running about 6,400 cars a week, compared with 3,800 cars a week a year ago. Total shipments from these states to date are about 50 percent ahead of last year. Potatoes continue to sell at ceiling and near-ceiling prices in all areas in spite of the record-breaking supplies.

To provide for the special needs of hospitals, up to 5,000,000 pounds of butter will be released from stocks held or set aside by the Food Distribution Administration. The program will be effective through March. No more butter will be bought for Government account until April.

During November and December, the months of seasonal lowest cheese output, manufacturers of Cheddar cheese are being required to set aside only 25 percent of their monthly production for Government purchase. This is half the amount of the set-aside quota for October.

The entire turkey needs of the Armed Forces for overseas shipment, amounting to 12,000,000 pounds, have been purchased and a good share of the military needs for turkeys for use in this country have been assured. Turkey sales to civilians have been resumed.

The War Food Administration has directed the release of 2,790,000 cases of canned peaches, peas, and tomato catsup to civilian consumers from the reserves held to meet possible emergency requirements of Government war uses. Present requirements do not indicate a need for canners to hold the full amount of these reserves.

Allocations for all claimants for the calendar year 1944 are now being made and will be considered by the newly-formed Food Requirements and Allocations Committee during the latter part of this month and next month.

Milk and cream sales in 90 metropolitan areas are now being controlled and additional areas are being added rapidly.

### Farm Labor

Farm employment in October showed a slight increase over the same month in 1942 but was about 2 percent under the October average for the years 1938-42.

The October 1 index of farm wages at 280 percent of the 1910-14 average was 60 points higher than on October 1, 1942. This was the greatest increase in farm wage rates ever recorded for the period of a year.

Under the War Food Administration farm labor program, in the five months ending October 1, 2,700,000 placements of workers on farms had been made by State Agricultural Extension Services. Of the placements, 57 percent were men, 19 percent were women, and 24 percent were youths. Individuals placed numbered 1,200,000, but many workers were placed on more than one farm, which accounts for the difference between 1,200,000 and 2,700,000. Most of the 6,150 local farm placement offices throughout the country are operated by the Extension Service. The remainder are operated by the U. S. Employment Service under contract with Extension Service. The 2,700,000 placements included workers imported for farm work, of whom 52,624 were nationals from Mexico, 8,828 from Jamaica, and 4,698 from the Bahama Islands.

## X. ECONOMIC STABILIZATION PROGRAM

The settlement of the mine workers' wage dispute, approved by the War Labor Board, however essential to the maintenance of coal production, will put wage stabilization to a severe test and may intensify opposition to the subsidy program.

Prices--Cost-of-Living: The cost of living increased 0.4 percent in the month ending September 15, reversing the downward trend of three preceding months. A striking increase of 2.2 percent in clothing prices, the first such increase since the beginning of general price control, was the major factor. Unless subsidies are available to offset such increases, the cost of living will continue to rise.

Prices--Farm: The general level of prices received by farmers declined 0.5 percent during the month ending October 15, while prices paid by farmers, following a two-month period with no upturn, rose 0.6 percent. Prices received are now 116 percent of parity, compared with 117 percent last month and 110 percent in October 1942. A revision of the subsidy on beef cattle, designed to ease the pressure on retail ceilings, was established by the Office of Economic Stabilization. Congress is currently considering a bill which would prohibit this and all other food subsidies, with minor exceptions.

Wages: Increases permitted under the Little Steel formula have been realized to such an extent that more and more voluntary cases coming before the War Labor Board involve gross inequities or intra-plant differentials rather than Little Steel maladjustments.

War Bonds: Although total subscriptions of war bonds during the Third War Loan Drive (September 1 to October 16) reached \$18.9 billion, sales of Series E bonds totaled only \$2.5 billion, or perhaps \$1.5 billion above "normal". Since all of the additional sales except \$800 million were in large denominations (\$500 or more) or represented investments of idle funds, the net diversion from inflationary spending was relatively small.

Taxes: The Treasury's \$10.5 billion tax program has met with determined opposition in the House Ways and Means Committee. The Committee is reported already to have agreed on a bill involving no change in individual income taxes and raising only about \$2 billion in additional revenue.

## XI. WAR FINANCES

### Disbursements

Disbursements for war purposes during October were nearly \$7 billion. For the first four months of fiscal year 1944, disbursements amounted to 28.5 percent of the \$100 billion estimated for the fiscal year.

	<u>July</u>	<u>August</u>	<u>Sept.</u>	<u>Oct.</u>
	( B i l l i o n s )			
Monthly rate	\$6.746	\$7.529	\$7.212	\$6.988
Adjusted annual rate	78.200	90.634	86.818	84.122

### Appropriations

Appropriations, other Congressional authorizations, and commitments of Government corporations for war purposes increased \$53 million in October to a total of \$344.3 billion since June 30, 1940. Net disbursements against this amounted to \$138.5 billion for the total period.

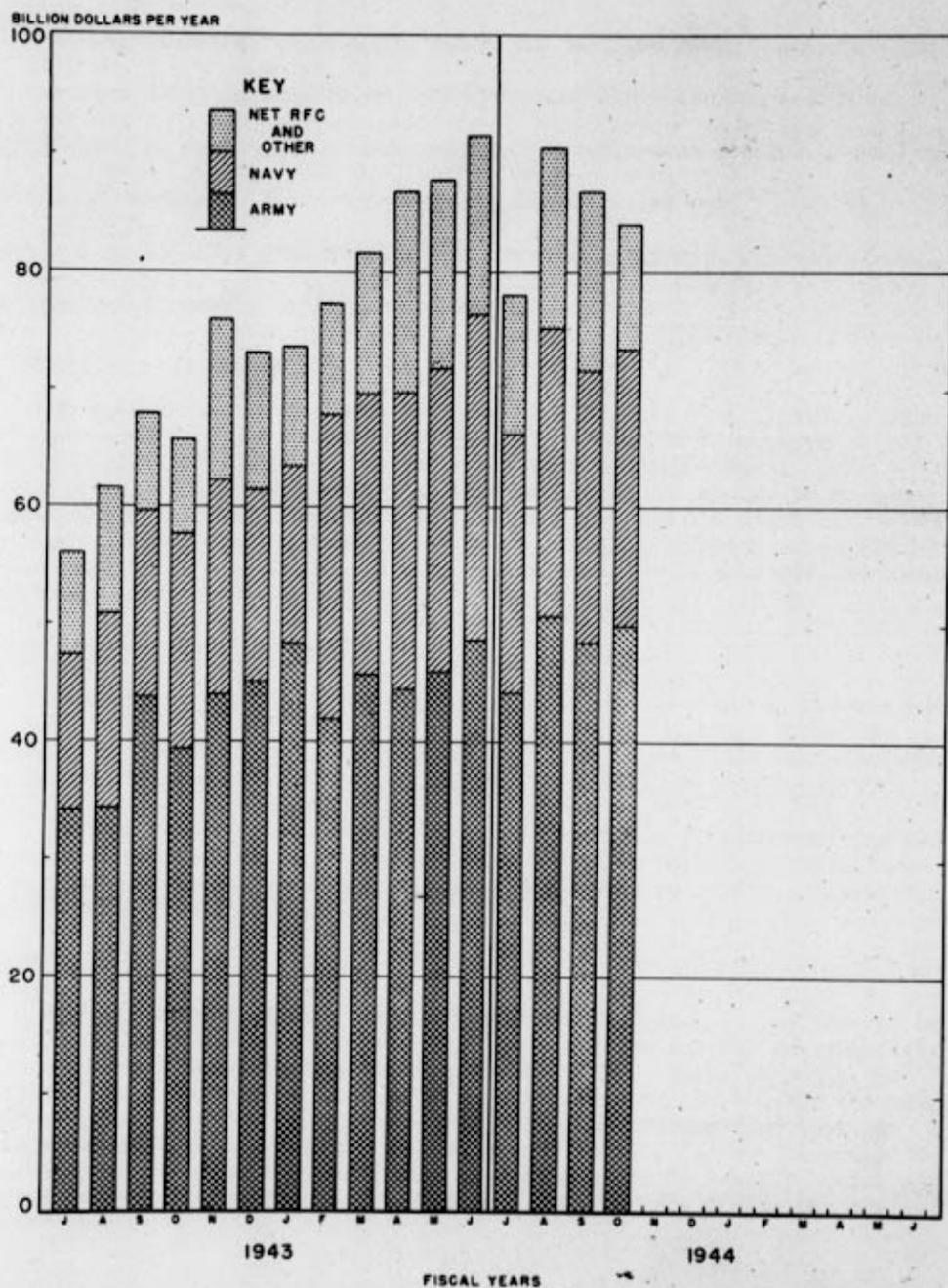
#### Appropriations and Disbursements, F.Y. 1941 Thru October of F.Y. 1944 (Billions)

	Appropriations & Authorizations*			Disbursements
	F.Y. 1941 Thru F.Y. 1943	F.Y. 1944	Total	F.Y. 1941 Thru Oct. 1943
War	\$126.649	\$59.036	\$185.685	\$76.196
Navy	47.480	28.321	75.801	39.533
Maritime Commission	11.243	.013	11.256	5.053
Govt. corpns. (commit.)	19.904	.807	20.711	6.454
Other	26.411	9.818	36.229	11.243
Est. approp. required beyond F.Y. 1944 for completion of Navy	--	--	14.631	--
Total	\$231.687	\$97.995	\$344.313	\$138.479

\*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.

CHART 13

## MONTHLY WAR DISBURSEMENTS ON AN ANNUAL BASIS



## XII. MANPOWER

Non-agricultural employment, which has declined since July, remained at the same level in October as September, and agricultural employment experienced an expected seasonal decline. Unemployment reached a new low of 700,000 workers. Labor turnover and absence rates were higher in August than in July. The average hours worked by factory employees rose in August, and weekly earnings were higher.

### Labor Supply and Employment

In October the labor force declined from 53.3 to 52.6 million. This was accounted for by a decline of 600,000 in agricultural employment and the withdrawal of 100,000 other workers from the labor market. Non-agricultural employment remained at the same level in October as in September (41.2 million). Unemployment reached a record low point of 700,000 workers. A year ago the labor force was 1.4 million higher, non-agricultural employment was 700,000 higher, agricultural employment 200,000 lower, and unemployment 900,000 higher.

### Labor Turnover and Absenteeism

Separation rates in manufacturing industries rose from an average rate of 7.56 in July to 8.12 in August. In war industries, blast furnaces, steel work, and rolling mills reported the lowest rate (4.3) and aluminum and magnesium smelters and refineries reported the highest rate (13.96).

Absence rates also increased in August over July in manufacturing and mining. A rate exceeding 7 percent was reported in tank factories, fire-arms plants, ferrous foundries, airframe and propeller plants, shipyards, and bituminous coal mines.

### Industrial Injuries

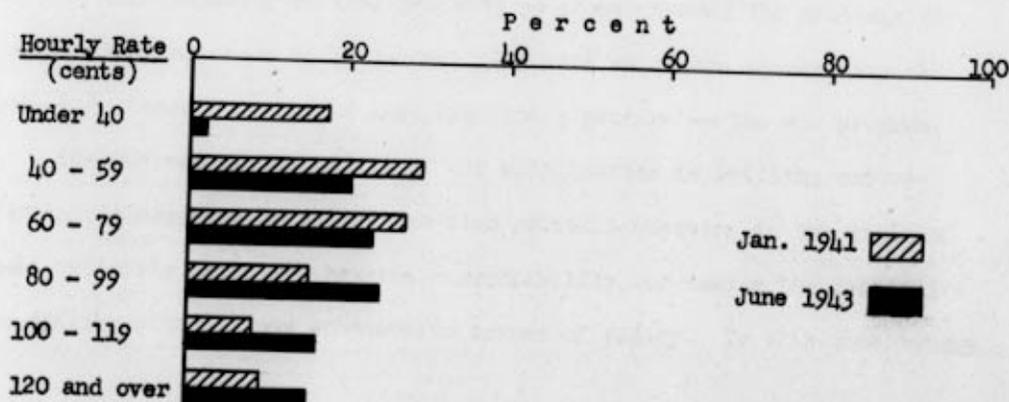
The volume of disabling work injuries has increased during the war as employment has increased, particularly in industries subject to relatively high accident rates. During the first half of 1943, there were 387,000 disabling work injuries in factories as compared with 635,000 for the entire year of 1942. Between January and June 1943, the average time lost per injury was 20 man-days. Even if no allowance is made for the economic equivalent of permanent disabilities or deaths, this is roughly equivalent to the loss of the services of 50,000 full-time workers during the six months covered.

### Hours, Earnings, and Wage Rates

During August, the average hours worked by factory workers was 45, as compared with 44.4 in July. Average hourly earnings rose slightly from 96.3 to 96.5 cents. Weekly earnings averaged \$43.43 in August, as compared with \$42.76 in July. Workers in durable goods manufacturing continued to work longer hours and receive higher earnings than workers in non-durable goods factories. Average weekly earnings in August 1943 were 15.6 percent higher than in August 1942.

Changes in hourly or weekly earnings reflect overtime, incentive, and premium payments and the shift of workers from low-wage to high-wage jobs as well as changes in wage rates and the number of hours worked. A recent study by the Bureau of Labor Statistics shows important differences in the numbers of workers employed at different wage-rate levels in June 1943, as compared with January 1941, the base period of the "Little Steel" formula of the National War Labor Board. In general, workers in war industries receive higher rates of pay than in non-war industries. The highest-paid workers earning \$1.40 or more per hour include working foremen and highly skilled craftsmen, such as tool-makers and pattern-makers, loftsmen in shipyards, rollers in steel mills, and flight inspectors in aircraft. The lowest-paid jobs (under 40 cents an hour) are found in certain branches of the lumber, food, chemical, textile, clothing, and tobacco industries. There has been an increase in the proportion of workers employed above 80 cents an hour and a decline below that point. This is especially noteworthy in the case of workers receiving under 40 cents an hour, who declined from 17 percent in January 1941 to 2 percent in June 1943.

Estimated Distribution of Workers in Manufacturing Industries  
by Hourly Wage Rates, January 1941 and June 1943



### XIII. ADMINISTRATIVE DEVELOPMENTS

After six months of relatively smooth operations, the war agencies again faced a crisis. New and varied problems emerged on the domestic front as the war advanced; administrators were generally conscious of them, yet there was considerable inertia on the operating level in acting upon them. Basically, the problems to be dealt with stem from success, the success of the war organization, of the production program, and of the Armed Forces -- successes which are shortening the war and at the same time shortening the cycle of change in the wartime economy and speeding up the obsolescence of organic adjustments. At the very time that the production program is going full blast, it is necessary to make many adjustments, curtailing or closing out some lines of production and expanding others, shifting tools and equipment to other uses that have served their purpose in making weapons or building military facilities, disposing of goods which the program of the war has made surplus, revising the stockpiles to fit the changed circumstances of freer shipping and shorter labor supply, and disposing of real property no longer needed for military purposes. The thousands of individual judgments which are necessarily involved in these adjustments must fit into a pattern -- the war program.

The success of the Office of War Mobilization in settling controversial interagency questions has also raised a question in the minds of some officials as to who has the responsibility for taking the initiative in dealing with the new substantive issues of policy. To this uncertainty,

bearing as it does on the present moment of inertia, is added the normal tendency, in an administrative structure, to move to the highest possible level for direction and decision. Consequently, there is need (1) to make clear again to all war agencies what is expected of them, (2) to stimulate prompt action on the operating level, and (3) to reorient the war organization toward the problem of mature war economy. The old issues of the role of civil and military authorities, of centrifugal vs. centripetal forces, and of vigorous, far-sighted leadership on the operating level are again present on the domestic front. If the Office of War Mobilization (contrary to what seems to be its purpose and its policy) is not to be forced into the position of accepting the duties of a colossal operating department, the three steps suggested above should be taken promptly. They involve a number of old issues, but issues which can never be solved with finality. Is the controlling organization on the operating level to be civilian or military? Can the integrity of the controlling organization be maintained against the centrifugal forces which ceaselessly pull it apart, or can the "czars" be pulled together again into a more closely knit family? How can vigor and foresight be revived at the operating level?

#### War Production Board

Routine operations of the War Production Board were running smoothly during October. A systematic effort was under way to reconsider the adequacy of the top personnel in the Industry Divisions. Some changes in personnel and organization of the Divisions were made -- for example, a new Forest Products Bureau was established to better cope with critical problems of lumber and paper. The apparent uncertainty of policy with regard to the future of the Board, however, hampered efforts to renovate and strengthen work of the Industry Divisions. Uncertainty as to its future role was also reflected in the Board's hesitation on such policy matters as what to do about the current crisis in the affairs of the Smaller War Plants Corporation, and in the low morale of the staff.

### Manpower

Progress was made in setting up local committees and in providing administrative procedures to carry out the West Coast Manpower Program. One observable benefit of the program was the deflation of estimates of manpower requirements by industries in the area. This deflation reduced the estimated labor deficit substantially.

### Office of Price Administration

Administrative developments in the OPA were (1) reorganization of enforcement work in an Enforcement Department reporting directly to the Price Administrator; (2) reorganization of the Administrative Management Department, which involved, among other things, bringing the Budget and Planning Division under the immediate direction of the Deputy Administrator for Management; (3) continued progress in establishing formal industry advisory committees (now 250) to replace the informal groups with which OPA formerly consulted; and (4) extension of controls to pricing 18 fresh fruits and vegetables, to rationing jams and jellies, and to regulating rents in New York City. The Vinson directive of October 28, regarding subsidies for non-processing slaughterers, was expected to strengthen OPA's defense of the beef price regulation in the Emergency Courts of Appeals.

Another decision of the OES, not to grant the industry's request for a petroleum price increase, was expected to remove for the time being one source of friction between OPA and PAW. Relations in that area were improving.

### Transportation

The War Shipping Administration established an Advisory Board to aid in settling claims growing out of the loss of ships which had been requisitioned by the WSA. It also planned to establish new charters with new rates of compensation by the end of the year.

Looking toward possible priority action for the western carriers, ODT reached an agreement with WPB and WFA on the procedure to be followed. Difficulties between ODT and ICC, arising out of their dual responsibility for controlling traffic, delayed the adoption of a general diversion order covering the western carriers.

Owing to the growing shortage of equipment, parts, tires, and manpower, which point to serious trouble in the motor transport field, ODT was contemplating a more drastic program of conservation, a policy advocated for some time by the WPB Division of Stockpiling and Transportation.

### Petroleum Administration for War

The Foreign Division was split up into three branches — production, refining, and distribution — the heads of which were to constitute a Foreign Operating Committee.

### Foreign Economic Administration

The chief administrative development in the Foreign Economic Administration during October was the announcement by the Administrator of the broad outlines of administrative organization for FEA and the appointment of some key personnel. The plan announced was substantially that recommended by the Bureau of the Budget after its survey of the foreign economic agencies to be merged under Executive Order No. 9380, September 25. There remains the task of actually merging the staffs of the various agencies and beginning operations as a single unit.

Relations with other Government agencies affecting foreign economic operations remained unsettled. The actual way in which State is to guide FEA on matters of foreign policy for operations both in Washington and in the field is not clear. Procedures still have to be worked out as to the level at which State will pass on proposed FEA operations and as to the degree of detailed supervision to be exercised over operations by the Department. No agreement has been reached on the status and degree of independence to be enjoyed by FEA's staff abroad. Some changes in these relationships, as defined in the June 3 letter of the President to the Secretary of State, will be needed to effectively carry out Executive Order No. 9380.

The allocation of responsibility between FEA and the Combined Boards, CIAA, Treasury, and the military, is not clearly defined. Because of the broad operating responsibilities delegated under Executive Order No. 9380 to FEA, delineation of responsibility for each agency will be necessary.

Further unification of foreign economic activities was provided by Executive Order No. 9385, which transferred the foreign procurement of food from the War Food Administration to the Foreign Economic Administration. Preliminary arrangements were made for the transfer of personnel, records, contracts, and property, in accordance with the order.

The effectiveness of the Combined Food Board should be enhanced as a result of two developments — inclusion of a Canadian representative on the Board, and the clarification of the Board's relationship to the War Food Administration by the designation of the War Food Administrator as the U. S. member on the Board.

### United Nations Relief and Rehabilitation Administration

Plans were made during the month for the first meeting of UNRRA to be held in November immediately after the signing of the order creating it. It is expected that at this meeting problems of internal organization in UNRRA and determination of the scope of its authority will be resolved.