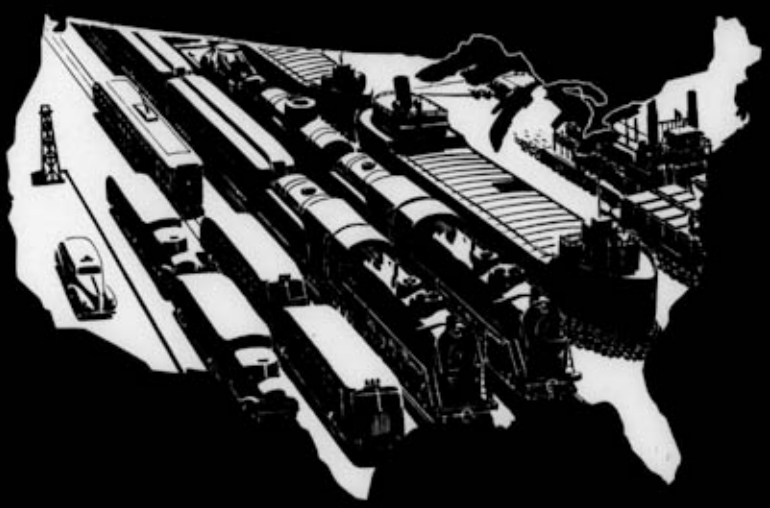
ANNUAL REPORT
PRESIDENT
1942



The Office of

DEFENSE TRANSPORTATION

OFFICE OF DEFENSE TRANSPORTATION

Washington, D. C.

ANNUAL REPORT TO THE PRESIDENT

Calendar Year 1942

TABLE OF CONTENTS

TABLE OF CONTENTS (Continued)

LIST OF CHARTS

LIST OF SCHEDULES

BLANK PAGE

OFFICE OF DEFENSE TRANSPORTATION

Washington, D. C.

ANNUAL REPORT TO THE PRESIDENT

Calendar Year 1942

In compliance with Section 3(1) of Executive Order 8989, which established the Office of Defense Transportation, Progress Reports have been submitted to the President for the individual months of 1942. These reports have described in detail the problems of transportation as they have arisen month by month during the year and the development of our organization and the orders issued or other measures taken to meet these problems. It is not my purpose in this Annual Report to review all of the matters discussed in these Monthly Progress Reports. I shall confine myself to a brief description of the responsibilities placed on the Office of Defense Transportation by Executive Orders and the major problems that have been handled during the past year.

By way of introduction, it may be interesting to compare briefly the transportation situation at the end of 1917, during World War I, just prior to the taking over of the railroads by the government, with the situation existing in 1941 before the establishment of the Office of Defense Transportation.

DOMESTIC TRANSPORTATION FACILITIES OF THE COUNTRY IN 1917 AND 1941

In 1917 the domestic intercity transportation of the United States was practically all handled by the railroads, the only material exception being the large movement of traffic by vessels on the Great Lakes during the open season. Transportation of crude oil by pipe line had been in effect on a relatively small scale since 1879. There were 23,797 miles of interstate crude oil trunk lines in 1919 and 57,502 miles in 1941. There were 6,075 miles of interstate trunk lines for refined oils in 1941 and none in 1919. The operation of the great modern system of inland waterway transportation on the Mississippi and Ohio Rivers and their tributaries had not yet begun. The enlargement of the Erie Canal into the New York State Barge Canal was not completed until 1918. Intercity transportation of passengers and freight by highway was negligible, and by airway was nil. The tons of freight transported on the coastwise and intercoastal steamship lines was less than 4% of the tons originated by the railroads.

In 1941 the transportation systems by railway and by the Great Lakes were much the same in mileage and extent as in 1917; but in 1941 we also had the great systems of transportation which have been developed by highway, inland waterway, pipe line, and airway. The tonnage handled by the coastwise and intercoastal lines had increased to 12% of the tons originated by the railroads. With the exception of the coastwise and intercoastal lines, all these systems of transportation have played an important role in the transportation of passengers and freight during the present war emergency.

TRAFFIC HANDLED BY THE RAILROADS FROM 1911 TO 1942, INCLUSIVE

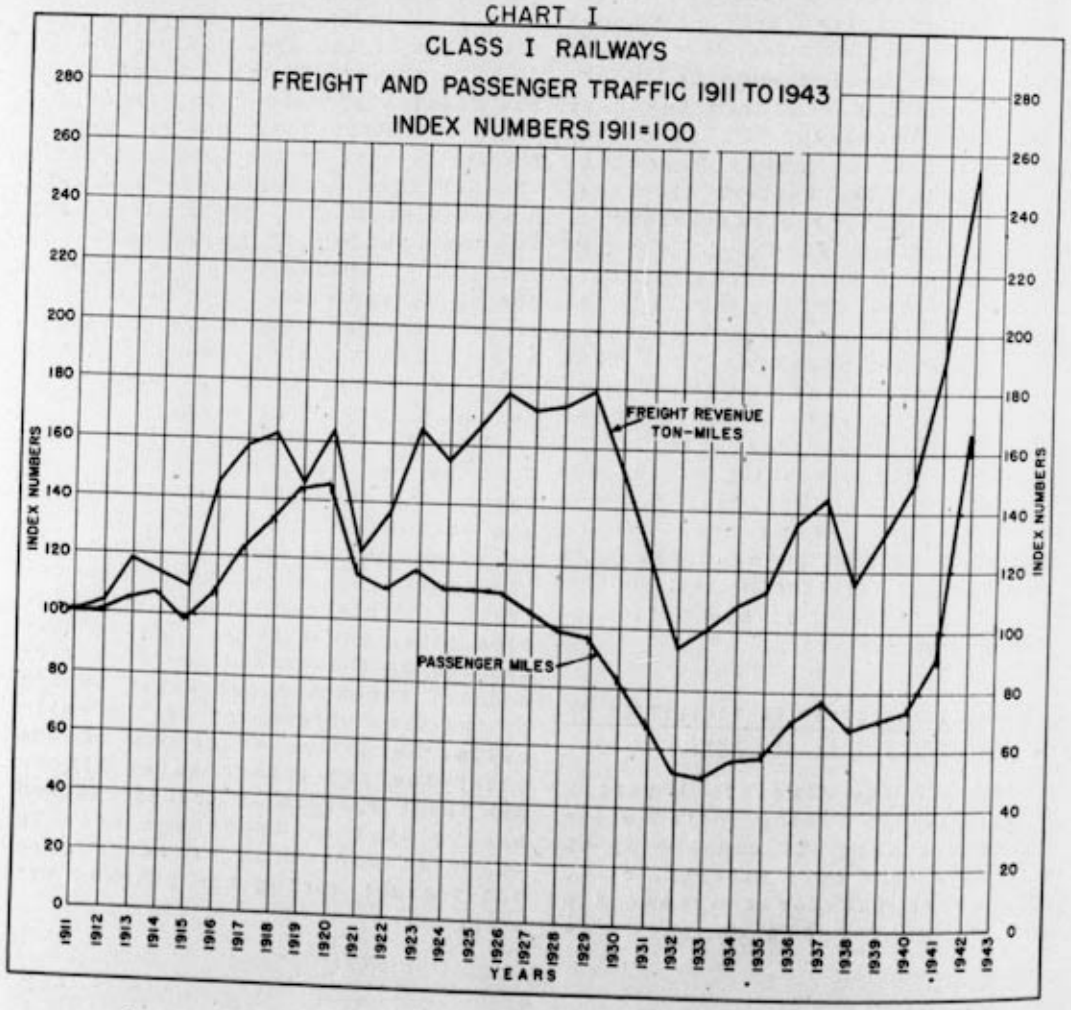
Chart I gives by index numbers (traffic in 1911 = 100) a comparison of the ton-miles and passenger-miles of traffic handled on the Class I railroads from 1911 to 1942. A table giving the basic data for this chart is attached in Schedule 1. The freight and passenger traffic in 1917 represented substantially all of the intercity freight traffic, except that handled on the Great Lakes during the open season, and 98% of all intercity passenger traffic, including that on the Great Lakes. The chart brings out the sharp increase in both freight and passenger traffic in 1916 and 1917, following the slump in 1915, which was before the manufacture of large quantities of war materials for the Allies began in this country. There was a correspondingly sharp increase in 1940 and 1941 compared with 1939.

Passenger traffic also showed sharp increases in both periods.

PROPORTION OF INLAND DOMESTIC TRANSPORTATION HANDLED BY RAILWAYS IN 1917 AND 1941

In 1917 the railroads constituted practically the entire inland domestic transportation machine and

CHART I



there were no auxiliary systems of transportation to fall back on when the railroads became clogged in the latter part of 1917. In 1941, on the other hand, the dependence on the railroads was not so complete.

The proportions of the inland intercity domestic freight and passenger transportation handled by the railways in 1916 and in 1941 are shown in Chart II. It may be that the estimate for "highways" is too low. It has a very inadequate statistical basis.

In 1916 the railways handled 77.2% of the inland intercity freight ton-miles and 98% of the passenger-miles. In 1941, they handled 63.6% of the ton-miles and only 9.7% of the inland intercity passenger-miles, computed on a basis which included passenger automobile traffic.

COASTWISE AND INTERCOASTAL TRAFFIC

In addition to the inland intercity transportation facilities described above, intercity domestic transportation includes coastwise and intercoastal shipping. Ton-miles are not reported for coastwise and intercoastal shipments, so that they cannot be put on a comparable basis with those on the inland transportation facilities. The tons of domestic coastwise and intercoastal traffic received at U. S. ports during 1919 and 1920 (prior years not available) and 1940 and 1941, as compared with the tons originated on Class I railroads, are given below.

It will be noted that in 1919 and 1920 the coastwise and intercoastal traffic was less than 4% of the railroad tons originated, while in 1940 this percentage had increased to 14.8%, thus indicating the increased importance of this form of transportation. The figures for intercoastal traffic through the Panama Canal were not reported in 1919 and 1920, but only amounted to 1,537,175 net tons in 1921. In 1940 the Panama Canal carried 7,540,157 net tons of intercoastal freight. The tonnage decreased to 4,572,452 tons in 1941. This decrease represents the first important diversion of traffic from the coastwise and intercoastal lines to the railroads in consequence of the war emergency. In 1942 this diversion became much more serious; practically all domestic intercoastal traffic through the Panama Canal ceased. Coastwise traffic was limited to the movement of about 17,000,000 tons of petroleum and its products and 15,000,000 tons of coal, a total of approximately 32,000,000 tons or 2.3% of the 1,421,000,000 tons originated on Class I railroads in 1942.

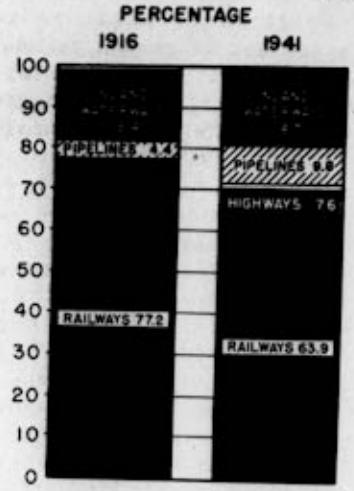
NET TONS OF COASTWISE AND INTERCOASTAL FREIGHT

	1919	1920	1940	1941
Atlantic Ports	26,065,064	31,557,949	105,122,579	103,978,833
Gulf Ports	2,916,231	1,727,707	10,796,330	9,079,510
Pacific Ports	14,307,589	12,085,833	33,852,644	35,395,538
Total	43,288,884	45,371,489	149,771,553	148,453,881
Class I Railroads				
Tons Originated	1,096,449,305	1,255,420,991	1,009,420,663	1,227,650,428
Per cent Coastwise and Intercoastal Tons to Railroad Tons Originated	3.9%	3.6%	14.8%	12.1%

CHART II

INTERCITY DOMESTIC FREIGHT AND PASSENGER TRANSPORTATION (INCLUDING FOR-HIRE AND PRIVATE CARRIERS) 1916—1941

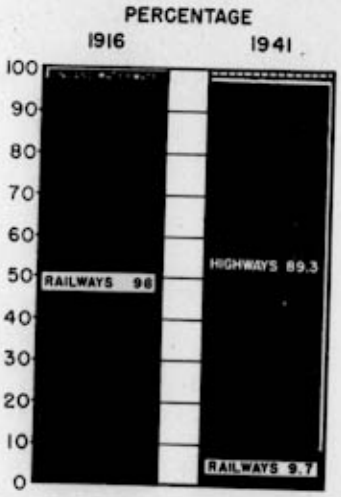
REVENUE TON-MILES



	MILLIONS 1916	1941
AIRWAYS	(A)	18
INLAND WATERWAYS (INCLUDING GREAT LAKES)	87,833(B)	140,454
PIPELINES	21,000(B)	73,846
HIGHWAYS	(A)	57,123(B)
RAILWAYS	367,257	481,766
TOTAL	476,090(B)	753,207(B)

NOTES:-
(A) NEGLIGIBLE
(B) ESTIMATED

PASSENGER-MILES



	MILLIONS 1916	1941
AIRWAYS	(A)	1,370
INLAND WATERWAYS (INCLUDING GREAT LAKES)	864(B)	1,821
HIGHWAYS	(A)	278,874(B)
RAILWAYS	42,045	30,317
TOTAL	42,909(B)	312,382(B)

NOTES:-
(A) NEGLIGIBLE
(B) ESTIMATED

INLAND WATERWAYS 0.6%
AIRWAYS 0.4%

As shown on Chart II, page 4, the freight traffic for all forms of transportation in 1941 produced 757 billion revenue ton-miles. It is estimated that this freight in 1942 increased approximately 22% over 1941 for all agencies, but there was a wide variation in the amount of the increase for the different agencies, as shown below:

ESTIMATED PER CENT OF INCREASE IN REVENUE TON-MILES

	1942 over 1941
Railways (including Electric)	34.3%
Highways	- 10.7%
Inland Waterways including Great Lakes	3.7%
Pipe Lines	7.4%
Airways	not available
Total	22.4%

The ton-miles of coastwise and intercoastal freight are not reported, but as indicated above, it is estimated that the tons decreased from 148,000,000 in 1941 to 32,000,000 in 1942, or 78%. This decrease and the decrease of 10.7% in the ton-miles on the highways accounted for part of the increase of 34.3% in the railroad ton-miles.

OPERATING CONDITIONS ON THE RAILROADS IN 1917

Let us now examine in more detail the conditions on the railroads in 1917 which caused the congestion in the latter part of 1917, and led to Federal acquisition and operation during the emergency of the last World War.

In 1917 the Railroad War Board, consisting of a group of railroad presidents, tried to pool the facilities and coordinate the operations of the railroads in order to use the railroad plant to its utmost efficiency in the wartime emergency. Their efforts failed chiefly because:

First, the earnings of some railroads would have been seriously affected through the necessary rerouting of traffic to provide the greatest efficiency for the railroad transportation machine as a whole; and this naturally prevented fullest cooperation. The Department of Justice did not feel it had authority to waive the provisions of the Sherman Anti-Trust Law and permit pooling of revenue and facilities to relieve these inequalities between roads.

Second, there had been a great increase in operating costs in 1917 with further increases in prospect without any increase in rates. Consequently, earnings were decreasing and quick and large increases in rates were necessary, which could not be expected under private operation.

Third, the various government departments issued priority orders indiscriminately to expedite the transportation of materials without regard to the necessity for the expedited movement. Under private operation, the railroads were not in a position to question the relative priority of these orders. This resulted in serious congestion on the railways at the ports, in the shipyards, and in the Pittsburgh district, and was the compelling reason for taking over the railroads in the last days of December, 1917. It was necessary to have a Director General of Railroads of equal rank with Cabinet officers in order to stop the indiscriminate issuance of transportation priority orders and give preference to essential war materials in the order of actual requirements.

OPERATING CONDITIONS ON THE RAILROADS IN 1941

In 1941, however, the conditions of 1917, described above, which made Federal control and operation necessary, were not present.

In spite of a record freight traffic, there was no congestion, and therefore, no issue of conflicting priority orders. The Car Service Section of the Association of American Railroads kept in close touch with the situation at the ports and at construction projects and prevented the serious accumulation of cars under load, which caused so much difficulty in 1917.

There also had been close cooperation among the railroads, the armed forces, the U. S. Maritime Commission, and the shippers. Furthermore, the railroads had made extensive additions and improvements to their plants since 1918, particularly with respect to additional main tracks, yards and terminals, block signals and other devices for expediting traffic. The combination of these factors enabled the railroads to handle a record voluse of traffic in 1941 without congestion.

In 1941 the railroads handled 6% more revenue ton-miles than in 1929, the previous peak, and 20% more than in 1917. In passenger traffic the peak was in 1920. The railroads in 1941 handled 5.5% less passenger-miles than in 1929, 37.3% less than in 1920, and 25.7% less than in 1917. Therefore, while the freight traffic load in 1941 was much greater than in 1917, the passenger traffic load was substantially less.

It is true that while the aggregate mileage and capacity of railroad tracks was much the same in 1941 as in 1929, there had been a substantial reduction in the number of locomotives and cars on account of the severe falling off in freight traffic during the depression and the more serious falling off in passenger traffic resulting from the development of highway travel. This situation is discussed in greater detail later in this report in connection with our recommendations to the War Production Board for materials and equipment.

The unit capacity of the equipment, however, had been greatly improved by the retirement of a large number of light locomotives and cars. For example, while the aggregate tractive power of all locomotives had decreased 17% since 1929, the average unit tractive power had increased 14.7%, and in 1941 was 51,401 pounds. While the aggregate capacity of the freight cars was 19% less than in 1929, the average unit capacity had increased 8.6% and in 1941 was 50.3 tons. The total number of passenger train cars in 1941 was 28.8% less than in 1929, but many of the old wooden passenger coaches had been replaced by modern lightweight, all-steel coaches, and most of the cars in main-line express train service had been air-conditioned. The railroads also had added a number of high-speed streamlined trains and made substantial reductions in the time between important centers, particularly in the West and the South.

In 1941, the railways, the principal domestic transportation machine, were functioning smoothly and carried the heaviest freight traffic load of all time without congestion. The other transportation systems, highway, waterway, airway and pipelines, also were functioning smoothly and were relieving the railways of a great burden of traffic. This was particularly true of highway transport in passenger service and in short-haul merchandise service. The first important diversion to the railways from other forms of transportation, namely, from the intercoastal shipping lines operating through the Panama Canal to transcontinental rail movement, as pointed out above, began in 1941, but this was easily absorbed by the railroads. Mr. Ralph Budd, appointed Transportation Commissioner of the Office for Emergency Management on January 7, 1941, handled the transportation problems that arose during 1941 with a small and efficient organization.

GENERAL FUNCTIONS AND ORGANIZATION OF THE OFFICE OF DEFENSE TRANSPORTATION

After Pearl Harbor and the entrance of the United States into the war, the situation changed rapidly and the war emergency required the direction and coordination of domestic transportation by an organization with far greater powers than were possessed by the Transportation Commissioner of the Office for Emergency Management. Consequently, Executive Order 8989 was issued on December 18, 1941, creating the Office of Defense Transportation.

Copy of this Order and of three subsequent orders enlarging the responsibilities of the Director of the Office of Defense Transportation are attached for convenient reference as Schedule 2.

The general purpose for which the Office of Defense Transportation was established is set forth in the preamble to Executive Order 8989 in the following words:

> "to insure maximum utilization of the domestic transportation facilities of the Nation for the successful prosecution of the war,"

and is further defined in Section 3(a), as follows:

> (The Office of Defense Transportation shall) "Coordinate the transportation policies and activities of the several Federal agencies and private transportation groups in effecting such adjustments in the domestic transportation systems of the Nation as the successful prosecution of the war may require."

The Order then proceeds to place on the Office of Defense Transportation certain specific duties and responsibilities which are discussed in the following pages in detail, together with the organization set up to handle them, the principal problems that have arisen, and the measures taken to meet them.

Section 7 of Executive Order 8989 contains the following provisions with respect to the organization of the Office of Defense Transportation:

> "There shall be within the Office of Defense Transportation a Division of Railway Transport, a Division of Motor Transport, a Division of Inland Waterway Transport, a Division of Coastwise and Intercoastal Transport, and such other operating and staff divisions as the Director may determine. The Director may provide for the internal management of the Office of Defense Transportation and shall obtain the President's approval for the appointment of the heads of the above divisions and such other divisions as may be established."

To comply with this Section and to discharge my overall responsibility, as well as the more specific duties hereinafter described, an organization was developed during the year, as shown in Chart III.

As indicated by Chart III, the organization consists of:

(a) The Director's Office, consisting of the Director, Deputy Director, Executive Assistant, and their staffs, the Administrative Office and the Information Office.

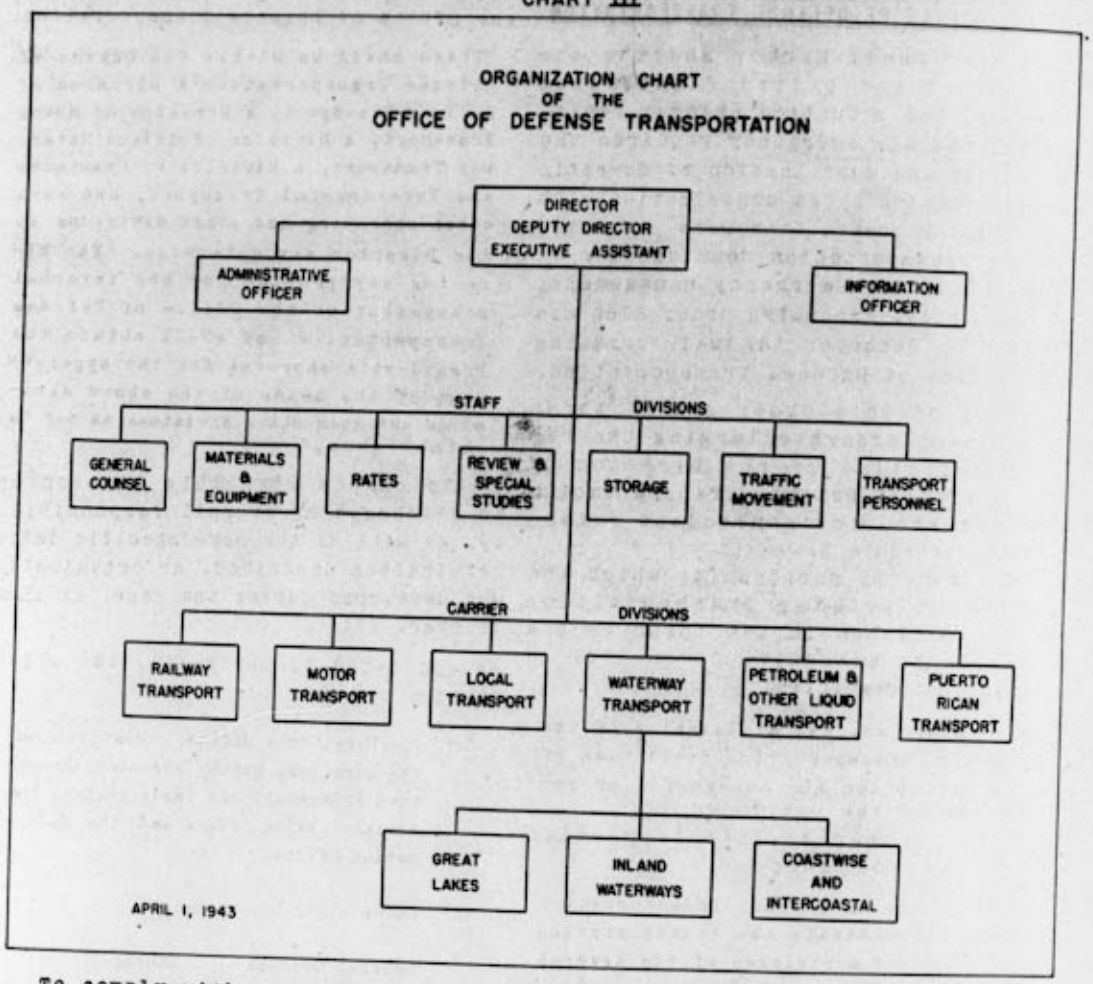
(b) Seven Staff Divisions:

- General Counsel
- Material and Equipment Requirements
- Rates
- Review and Special Studies
- Storage
- Traffic Movement
- Transport Personnel

(c) Six Carrier Divisions:

- Railway Transport
- Motor Transport
- Local Transport
- Waterway Transport
- Petroleum and Other Liquid Transport
- Puerto Rican Transport

CHART III



To comply with provisions of Section 7 of the Executive Order, the Waterway Transport Division is further sub-divided into three divisions: Great Lakes, Inland Waterways, Coastwise and Intercoastal.

The carrier divisions provide the direct contact between the Office of Defense Transportation and the companies or individuals operating the various forms of domestic transportation as defined in Section 1 of Executive Order 8989, namely:

Railroad
Motor
Pipe Line
Air Transportation
Inland Waterway
Coastwise and Intercoastal

The Division of Petroleum and Other Liquid Transport, in addition to performing the function of a carrier division with respect to pipe lines, acts as a staff division in coordinating the activities of the other carrier divisions in the transportation of petroleum and other liquids. Its operations are further described on page 19.

The Division of Local Transport, in addition to handling local passenger transport problems, also has jurisdiction over all buses, as described on page 24.

Because the bulk of the service being performed by the domestic air lines is for the Army, it has not

been held necessary to set up a special carrier division for air transport. This Office is keeping in touch with the situation and is ready to act if necessary.

The Division of Puerto Rican Transport was established late in September, 1942, in accordance with Executive Order 9214, dated August 5, 1942. It extended the jurisdiction of the Office of Defense Transportation to Puerto Rico and other territorial possessions of the United States. This division handles the problems of all forms of domestic transportation in Puerto Rico, and its operations are further described on page 34.

The functions of the staff divisions extend to all forms of domestic transportation. In addition to furnishing assistance and advice to the carrier divisions with respect to their particular transportation problems in the field, the staff divisions usually provide the point of contact between the Office of Defense Transportation and transportation activities of other Federal agencies, for the purpose of carrying out the provisions of Section 3(a) of Executive Order 8989.

The functions of these staff divisions are indicated by their titles and by more detailed descriptions of their activities in the following pages. Special comment on the Division of Review and Special Studies, however, is appropriate at this point, because this division has taken over many of the functions of the Division of Transport Conservation, to which reference is made on page 28, and which has been discontinued. The functions of this division are set forth in my Directive of December 31, 1942, establishing this division, which will be found in Schedule 3, sheet 2.

The names of the directors of these divisions and their principal assistants, as of April 30, 1943, are given in Schedule 3. Detailed reports have been made by each division covering its principal activities during the year and are available for reference.

As of December 31, the personnel of the Office of Defense Transportation consisted of 3,983 employees, of whom 729 were in Washington, and 3,254 were in the field. As shown by the following table, the chief growth in the organization has occurred in the field forces since September 30, 1942. This growth in field forces was mainly in the Division of Motor Transport to carry out the Certificate of War Necessity program for the conservation of rubber-borne transport as hereinafter described:

Number of Employees

	Washington	Field	Total
June 30, 1942	396	235	631
September 30, 1942	625	933	1558
December 31, 1942	729	3254	3983

ESTIMATES OF TRAFFIC LOAD ON TRANSPORTATION FACILITIES

In addition to the overall responsibility for domestic transportation as above defined, Executive Order 8989 placed more specific responsibility in the Office of Defense Transportation in certain matters, as follows:

The Office of Defense Transportation is instructed to:

"3(b) compile and analyze estimates of the requirements to be imposed upon existing domestic transport facilities by the needs of the war effort; determine the adequacy of such facilities to accomodate the increased traffic volume occasioned by the war effort . . . "

In complying with this duty, we have been governed by Section 5 of the Order, which states:

"In the study of problems and in the discharge of its responsibilities, it shall be the policy of the Office of Defense Transportation to collaborate with existing departments and agencies which perform functions and activities per-

taining to transportation and to utilize their facilities and services to the maximum."

Therefore, it has not been the policy of the Office of Defense Transportation to build up, for the purposes of preparing estimates of traffic requirements and making other general statistical studies, a large statistical organization which would of necessity duplicate the statistical units of existing Government departments and agencies. Instead, operating statisticians have been assigned to those divisions which require current analyses of carrier operations and, under the supervision of my Executive Assistant, who has had wide experience in transportation statistics, a small statistical unit has been organized to coordinate statistical studies made within our organization and by other agencies.

For use in making estimates of the requirements of the domestic transportation system for materials and equipment, the following Government agencies and departments have been asked to assist the Office of Defense Transportation in the preparation of the factual data as the basis for its estimates of future traffic:

War Production Board
Interstate Commerce Commission
Chief of Engineers, U. S. A.
U. S. Maritime Commission
Public Roads Administration
Petroleum Administrator for War
Bituminous Coal Commission
Department of Agriculture
Department of Commerce
Office of Price Administration
Reconstruction Finance Corporation

Similar assistance has been received from the statisticians of the various carrier organizations, such as the Association of American Railroads, the American Short Line Railroad Association, the American Transit Association, the American Trucking Associations, Great Lakes Carrier Association, the Regulated Mississippi River Carriers Association, National Water Carriers Association, Southern Water Carriers Association, American Petroleum Institute and Petroleum Industry War Council.

The data received from these various sources have been carefully reviewed by the statistical unit under the direction of my Executive Assistant and also by the operating statisticians of the various carrier divisions. On the basis of these analyses, the Office of Defense Transportation then has prepared its own estimates of traffic requirements for submission by the Division of Materials and Equipment to the War Production Board, the successor to the Supply Priorities and Allocation Board, in accordance with the last part of Section 3(b), reading as follows:

"In this connection advise the Supply Priorities and Allocation Board as to the estimated requirements and recommend allocations of materials and equipment necessary for the provision of adequate domestic transportation service."

SHORTAGE OF MATERIAL AND EQUIPMENT FOR TRANSPORTATION AGENCIES

Obtaining the War Production Board's approval of the recommendations of the Office of Defense Transportation for the material and equipment necessary "to assure maximum utilization of the domestic transportation facilities of the Nation for the successful prosecution of the war" has from the beginning proved to be one of the major problems which the Office of Defense Transportation has been called upon to meet. This problem has assumed even greater magnitude, as the demands of the armed forces for critical materials have increased with greater rapidity than the production of those materials.

From time to time in the Monthly Progress Reports, I have called your

Calendar Year 1942

RAILROADS	Units Requested	Units Authorized	Units Delivered
Locomotives - Steam	1,048	498	287
Diesel	1,020	670	386
Electric	58	58	23
Total Locomotives	2,126	1,226	696
Freight Cars	175,000	63,000	61,043
Passenger Cars	3,000	381	381
LOCAL TRANSIT			
Street Cars	800	357	277
Trolley Coaches	600	421	345
Integral City Type Buses	12,000	7,278	6,753
Integral Intercity Type Buses	2,000	1,962	1,787
Bus Bodies	-	6,320	5,820
Sedan Conversions	-	-	45

attention to the gravity of this problem and our difficulties in getting the War Production Board to give adequate consideration to the needs of the railroads and other transportation agencies. The preceding table shows the number of units of new transportation equipment requested for 1942 delivery, the number authorized, and the number actually delivered during the year for the railroads, for local transit companies, and for highway trucking operations.

TRUCKS

The production of trucks for civilian use was stopped by order of the War Production Board on the following dates:

Light Trucks	- December 31, 1941
Medium Trucks	- February 28, 1942
Heavy Trucks	- March 31, 1942

After those dates, the only trucks for civilian use that were produced were those under production on those dates, for which exception was made by the War Production Board. Also the production of 4,000 heavy trucks was authorized to replace those borrowed from the civilian pool by the Army and 500 off-the-highway vehicles. The number of trucks in the pool to be allocated for civilian use in 1942, in comparison with the number requested of the War Production Board in February, 1942, divided among light, medium and heavy trucks, was approximately as follows:

	Units Requested	Units Supplied Civilian Pool
Light Trucks	51,000	20,000
Medium Trucks	171,000	68,000
Heavy Trucks	39,500	9,000
Total	261,500	97,000

The procedure for allocating the trucks in the civilian pool is explained on page 24 .

PRESENTATION OF RAILROAD REQUIREMENTS TO THE WAR PRODUCTION BOARD

In materials and equipment for the railroads, which in 1942 handled about 70% of the intercity freight traffic, the situation is most critical with respect to new locomotives, maintenance material for existing rolling stock and rail for replacement. New equipment and maintenance material also are sorely needed for all forms of rubber-borne transport.

Charts IV, V, VI and VII, which were presented to the War Production Board in support of the recommendation of this Office for materials and equipment for 1942, show clearly the seriousness of this situation with respect to new locomotives, freight cars and rail for replacement.

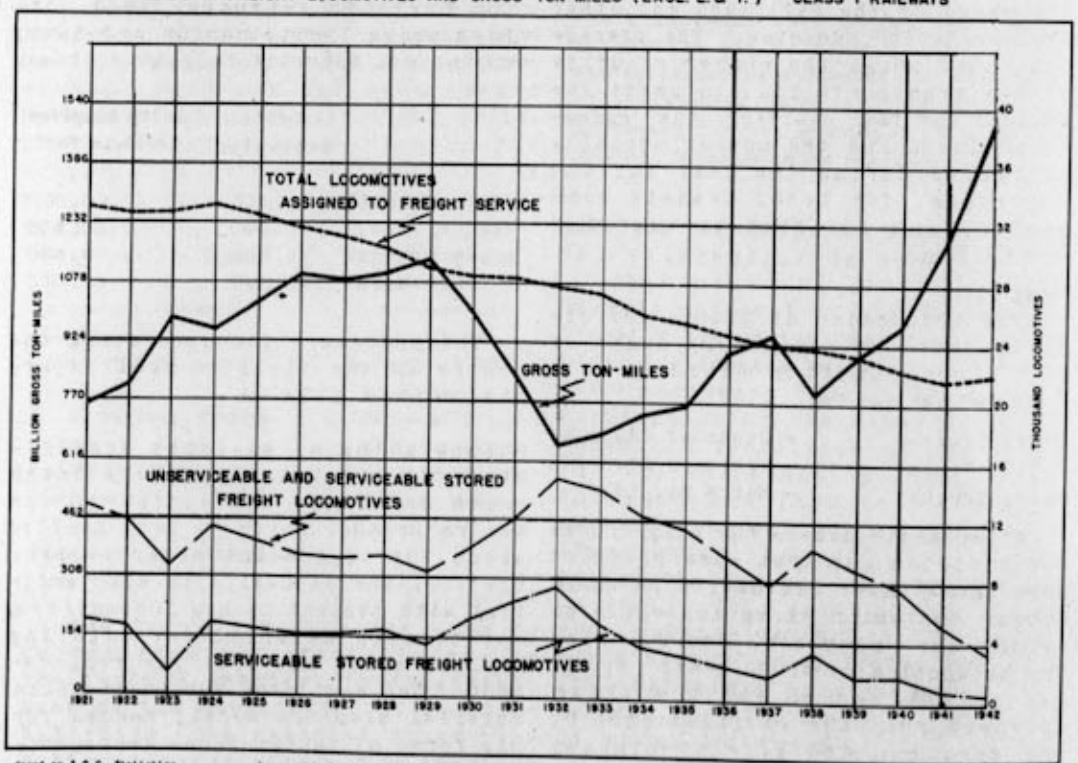
Chart IV indicates that since 1938 gross ton-miles in freight service have increased from 789 billions to 1500 billions in 1942. On the other hand, total freight locomotives assigned to freight service in 1942 were 21,927 as compared with 23,891 in 1938. What is more serious, the reserve of unserviceable and serviceable stored locomotives, on which the railroads have been able to draw in the past in the event of emergencies, decreased from 10,353 in 1938 to 3,437 in 1942.

The situation with respect to passenger locomotives is similar, as indicated by Chart V. The reduction in the unserviceable reserve of freight cars since 1938 is shown in Chart VI.

Despite these added burdens on railroad facilities and the fact that the railroads own considerably less equipment than in 1929, very little new equipment has been authorized during the present emergency. Taking a period which included our participation in the last World War, from December 31, 1916, to December 31, 1919, the total tractive capacity of railroad locomotives increased 14.6%; the total tonnage capacity of freight cars increased 6.7%; and the total number of passenger cars increased 2.0%. In contrast, from

CHART IV

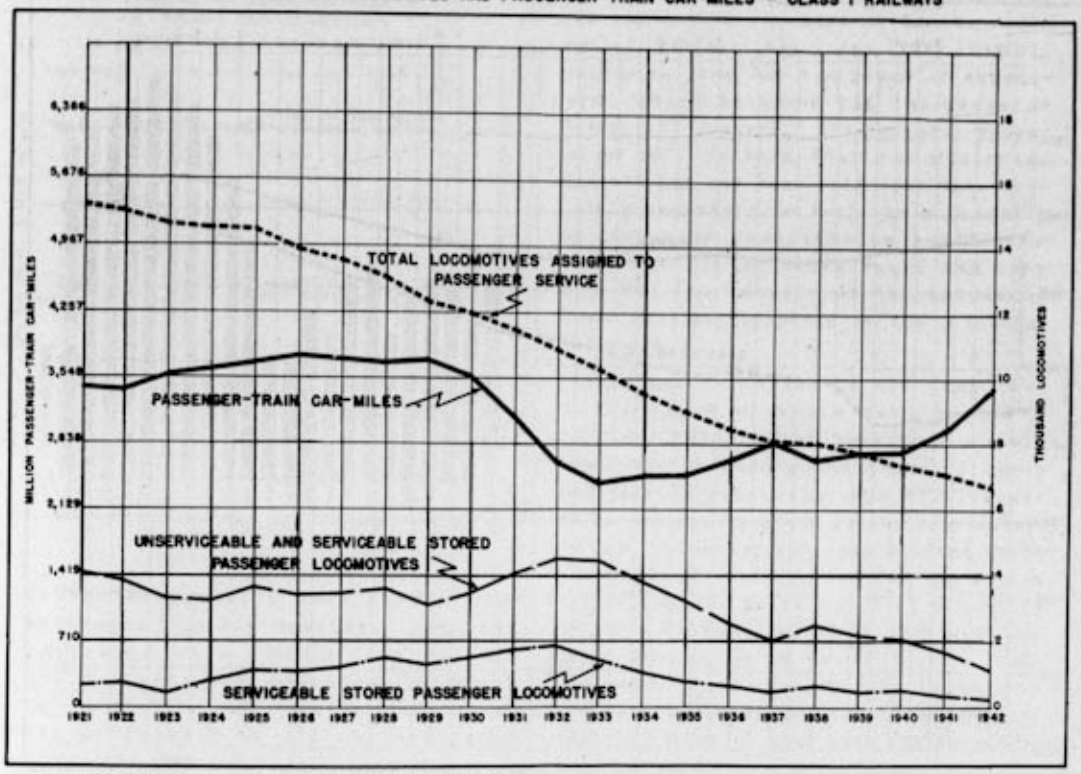
TRENDS IN FREIGHT LOCOMOTIVES AND GROSS TON-MILES (EXCL. L.& T.) – CLASS I RAILWAYS



Based on I.C.C. Statistics. Locomotive data as of July 1 for each year.

CHART V

TRENDS IN PASSENGER LOCOMOTIVES AND PASSENGER-TRAIN CAR-MILES – CLASS I RAILWAYS



Based on I.C.C. Statistics. Locomotive data as of July 1 for each year.

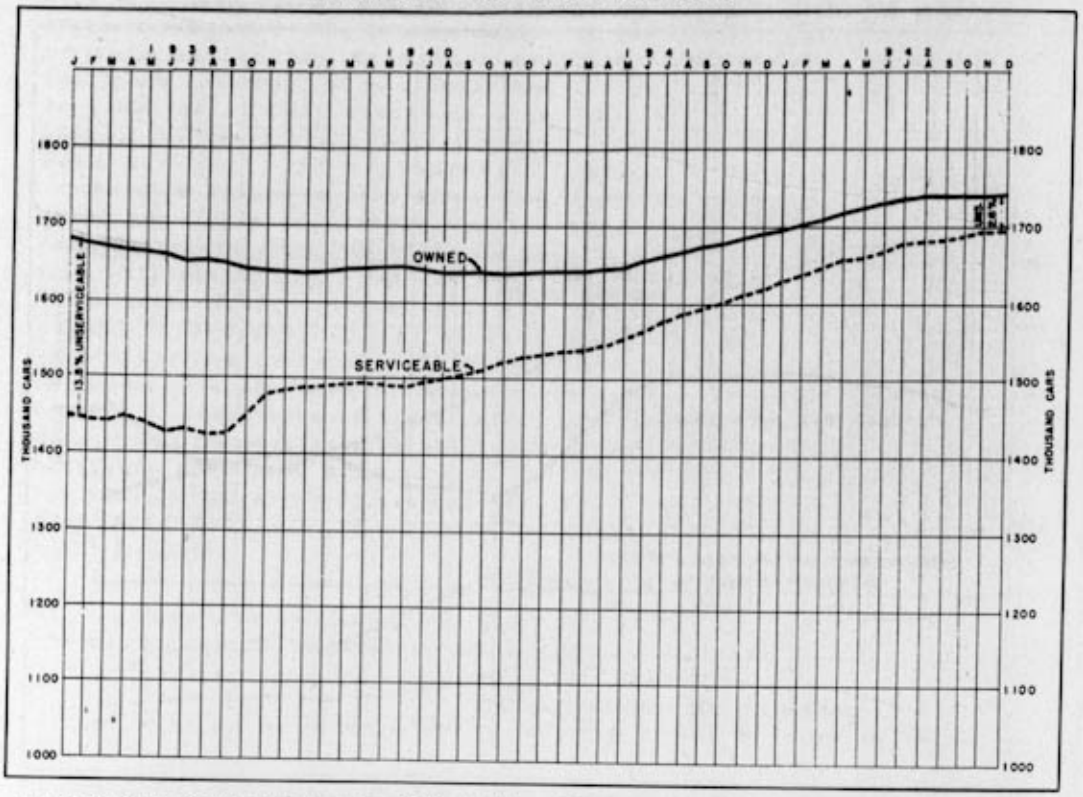
December 31, 1939, to December 31, 1942, the total tractive capacity of locomotives increased 2.0%; the total carrying capacity of freight cars increased 7.5%; and the total number of passenger cars decreased 0.5%.

In my letter of October 8, 1942, to Mr. Donald M. Nelson, with which our recommendations were presented, copy of which was attached to my Monthly Progress Report for September 1942, I called attention to the critical situation with respect to motive power in these words:

"On March 19, 1942, I submitted recommendations to you for locomotives and cars for the last nine months of 1942, confirming tentative recommendations which had been made by my staff on February 16. These recommendations took into account, as I made clear at the time, the fact that much of the equipment proposed could not at best be made available until 1943 and that by that time the railroads might well, because of the rubber shortage, have to carry a large part of the traffic presently handled by highway motor vehicles. "These recommendations were largely disregarded, and the railroads had the benefit of very small accretions in cars and locomotives. Their load, stated in ton-miles, has increased greatly, as shown in the attached exhibits, (not attached to this Annual Report) and troop movements in constantly increasing volume have vastly enhanced the transportation difficulties. Nevertheless the railroads have continued to function effectively and efficiently. They have been able to do this, because, in addition to drawing on the reserve of unserviceable locomotives, as described above, they have drawn on the reserve of unserviceable freight cars.

CHART VI

RAILROAD-OWNED FREIGHT CARS - CLASS I RAILWAYS



as described in the discussion of freight cars in Exhibit 4 (not attached to this Annual Report) and also have kept the cars rolling. Shippers, including Government agencies, have cooperated wonderfully in quick loading and unloading and the Interstate Commerce Commission has kept close watch on this matter. The shippers also have cooperated and reduced the fall peak of traffic by ordering their fall and winter requirements for fuel and other commodities earlier in the year. The use of the cars for storage purposes, so great an abuse at the beginning of World War I, has been kept under effective control.

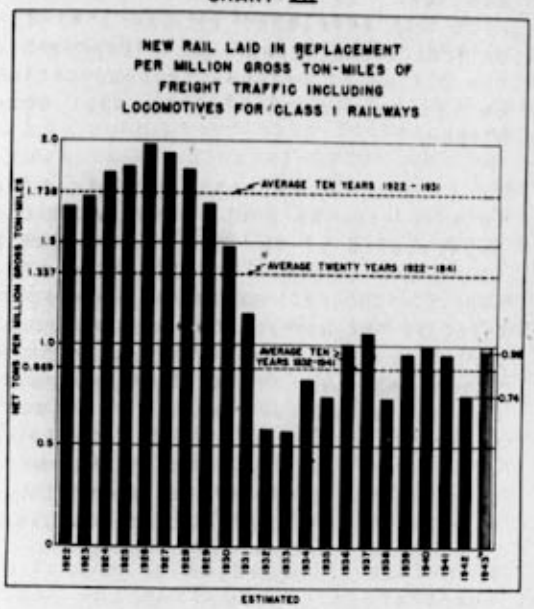
"The Car Service Division of the Association of American Railroads is an effective agency for the control of car supply and movement and virtually accomplishes car pooling, especially in times of heavy traffic. It was established by the United States Railroad Administration during World War I under the management of Mr. W. C. Kendall, its present Chairman. He, therefore, had a rich background of experience which he used to advantage."

* * *

"Whatever may be done eventually about the elimination of cross-hauling and non-essential traffic, the fact remains that the railroads are about to enter the winter without the reserves of motive power which wise precautions demand for winter conditions. The situation as to motive power is definitely and seriously precarious." (How precarious this situation was has been demonstrated by the delays and congestion arising during the severe winter just past and due largely to the shortage of reserve locomotives.)

"Adequate motive power is the prime railroad necessity. Given such a supply of efficient locomotives, the cars can be made to do more work. Contrariwise, once locomotives begin to limp and halt

CHART VII



or are unavailable when needed, car shortages rapidly develop. Railroad equipment is a circulating medium. The motive power provides the means of circulation, and once it slows down, the efficiency of all the equipment is greatly impaired."

Chart VII indicates an equally critical situation with respect to rail for replacements. Gross ton-miles are regarded as the best yardstick for measuring requirements for rail. In presenting Chart VII to the War Production Board, I made the following comments:

"This chart indicates that the average tons of rail laid in replacement per million gross ton-miles of traffic by ten-year periods was as follows:

Average 10 years-1922-1931 incl.		-1.74 tons
Average 10 years-1932-1941 incl.		-0.87 tons
Average 20 years-1922-1941 incl.		-1.34 tons
Estimated	1942	-0.74 tons
Estimated	1943	-0.96 tons

"The ten years, 1922 to 1931, were in the period immediately following World War I, when heavy power was coming into use, making it necessary to use increased weight sections of rail. As a result the tonnage laid in these ten years was the highest in the history of the railroads. The next ten years, 1932 to 1941, inclusive, covered ten years of depression, which followed the ten years of heavy rail renewal. During these years, it is self-evident that the railroads did not lay any more rail than was absolutely necessary to keep their property in necessary condition to handle the light traffic of those years and they also had the benefit of the extremely heavy rail replacements of the preceding ten years.

"Attention is called to the fact that in the years of least rail laying--1932 and 1933, which immediately followed the preceding ten years of heavy rail laying--the railroads still found it necessary, in spite of the depression, to lay .6 tons of rail per million gross ton-miles of traffic, and for the entire ten depression years found it necessary to lay .87 tons of rail per million gross ton-miles of traffic. In 1942 the amount laid is estimated to be only .74 tons per million gross ton-miles of traffic, which is less than the preceding ten-year average.

"Therefore, taking into consideration the small amount of rail laid in 1942, as compared with the depression ten-year average and the very heavy loads at high speeds which the railroads now are carrying and must carry to handle the traffic with the existing equipment, the recommendation of 1,800,000 tons of rail for 1943 is a rock-bottom minimum requirement. It represents only .96 tons of rail per million gross ton-miles, as compared with .74 in 1942 and .87 for the ten-year depression average.

"Furthermore, this recommendation of 1,800,000 tons represents a reduction of 279,593 tons, or 13%, in the recommendation of 2,079,593 tons submitted by the Association of American Railroads report herewith (not attached to this Annual Report). We do not feel it is safe to make any further reductions in the recommendations of the railroads."

DEVELOPMENT OF THE MAXIMUM USE OF TRANSPORTATION FACILITIES

Section 3 of Executive Order 8989 places responsibility on the Office of Defense Transportation to secure the maximum use of transportation facilities as follows:

It shall·

3(b) "develop measures designed to secure maximum use of existing domestic transportation facilities; and stimulate the provision of necessary additional transport facilities and equipment in order to achieve the level of domestic transportation services required.

3(c) "coordinate and direct domestic traffic movements with the objective of preventing possible points of traffic congestion and assuring the orderly and expeditious movement of men, materials and supplies to points of need.

3(d) "in cooperation with the United States Maritime Commission and other appropriate agencies, coordinate domestic traffic movements with ocean shipping in order to avoid terminal congestion at port areas and to maintain a maximum flow of traffic.

3(f) "survey and ascertain present and anticipated storage and warehousing requirements at points of transfer and in terminal areas; and encourage the provision of increased storage, loading, and unloading, and unloading facilities where necessary."

The principal methods by which this Office has met these duties of the Executive Order are as follows:

1. A Transportation Control Committee, representing the vitally concerned Government agencies, including the Office of Defense Transportation and the War Shipping Administration, has coordinated the movement of traffic to the ports with overseas transportation and has kept the ports, with few and temporary exceptions, free of congestion. This method of port control was developed by the Division of Traffic Movement, which represents the Office of Defense Transportation on the Transportation Control Committee.

2. This coordination of traffic to and from the ports required close supervision of the movements within the port areas. To provide this supervision, rail and port representatives of the Division of Railway Transport were installed at all major ports. These representatives handle transportation matters within the port areas and correlate their activities with the Transportation Control Committee to protect the proper functioning of the traffic control plan.

3. This planning with respect to the traffic to and from the ports has been supplemented by provision of new storage facilities and effective control of the storage situation by the Division of Storage in conjunction with other Government agencies directly concerned.

4. The Division of Traffic Movement has established a system which enables it to keep currently informed in regard to the state of traffic movement on all important routes and channels and at important terminals, and thus to be warned in advance of impending congestions.

5. Railroads with some locomotives to spare have loaned them to others which are short. The Division of Railway Transport keeps close watch on the opportunities and needs for such loans and promotes them. This is a highly technical problem in which each situation must be dealt with by competent experts familiar with the properties. Clearances, weight restrictions, gradients, capacity, yards and sidings, water facilities, fuel used, as well as labor, repair and service facilities must be evaluated. Over 700 locomotives have been transferred from one road to another

by this cooperative effort which has been fostered among the railroads by the Division of Railway Transport.

6. The available supply of box cars has been materially increased as a result of General Order ODT No. 1 with respect to the loading of less-than-carload freight. Its effect is now equivalent to the adding of as many as 80,000 cars to the supply. An earlier order of the Interstate Commerce Commission (Service Order No. 68), which suspended the use of multiple cars for single shipments, had a similar although lesser effect. General Order ODT No. 18, requiring maximum loading of carload freight by the shippers, which became effective November 1, 1942, also has had the effect of adding a large number of cars to the supply. It is estimated that Orders I and 18 have in this way augmented the supply by as much as 150,000 cars.

The fact that as much as a full year's crop of wheat was carried over in storage from 1941 prevented the movement of much of the 1942 bumper crop from the farms, and thus lessened the demand on the railroads for box cars for this purpose.

The Office of Defense Transportation and the railroads have had the heartiest cooperation from the shippers and the Interstate Commerce Commission in all these matters relating to the conservation of the freight car supply by heavier loading and prompt handling at terminals.

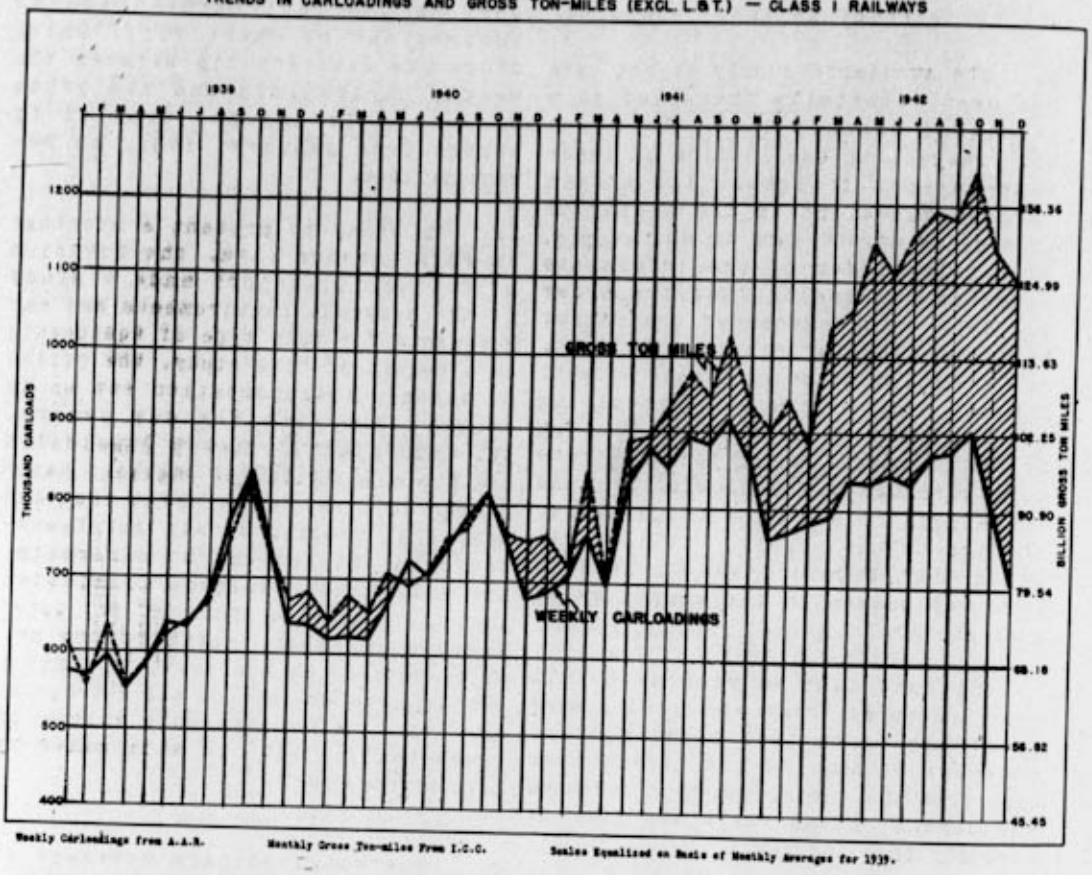
The heavier carloading under General Orders ODT Nos. 1 and 18 and the resultant saving in cars, combined with the longer haul arising from the increase in the transcontinental traffic, the movement of petroleum all-rail into eastern seaboard points and other new traffic movements arising from the war, have had the effect of greatly increasing the average haul and the gross ton-miles per car loaded. Therefore, the weekly carloading statistics no longer can be relied on to indicate the traffic load on the railroads. This is brought out by Chart VIII, which shows the relationship between the weekly carloadings and the gross ton-miles in freight traffic by months from January, 1939, to December, 1942.

7. In order to prevent a shortage in refrigerator cars, the Division of Railway Transport made a study of the seasonal requirements and car movements for this type of equipment. As a result of this study, the Office of Defense Transportation set up in cooperation with the car owners, the Interstate Commerce Commission and the Association of American Railroads, an arrangement which provides practical pooling of all refrigerator cars, regardless of ownership. The Interstate Commerce Commission issued its Service Order No. 95, dated November 9, 1942, establishing Mr. R. B. Hoffman as its Agent to control and conserve the use of all refrigerator cars. A considerable volume of cross-hauling will be eliminated by this arrangement.

8. The extraordinary movement of petroleum and its products in tank cars from the southwestern oil-producing districts to the Eastern Seaboard has been facilitated by close supervision of the car supply by the Office of Defense Transportation; by the substitution through its efforts of tank trucks for more than 8,000 tank cars on short hauls; and the scheduling of what are in effect trainload-movements, all with the cooperation of the railroads, the shippers, and the Office of Petroleum Coordinator (now the Petroleum Administrator for War). Since October 18, 1942, the number of tank cars released has increased to 14,000. This release of tank cars by the substitution of tank trucks in short hauls was developed by the Divisions of Petroleum and Other

CHART VIII

TRENDS IN CARLOADINGS AND GROSS TON-MILES (EXCL. L.&T.) — CLASS I RAILWAYS



Weekly Carloadings from A.A.R. Monthly Gross Ton-miles From I.C.C. Scales Equalized on Basis of Monthly Averages for 1939.

Liquid Transport and of Motor Transport.

9. Early in the year the Association of American Railroads, at the request of the Office of Defense Transportation, began a drive among its members to make all possible adjustments in passenger train schedules so that equipment would be available to meet the constantly growing traffic. This campaign has had the effect of releasing 122 locomotives, 36 motor coaches, 64 head-end cars and 621 passenger-carrying cars for essential service.

PASSENGER TRAFFIC PROBLEMS

Not only did the revenue ton-miles of railroad freight traffic in 1942 break all previous records by a wide margin; the railroad passenger traffic also established a new high. Passenger-miles in 1942 were 53.7 billion compared with the 46.8 billion previous peak in 1920, amounting to an increase of 15%. The increase over 1941, however, was 83%, and this tremendous increase in railroad travel in one year had to be handled with practically no increase in passenger train cars.

Organized troop movements accounted for 20% of the passenger-miles in 1942, and a heavy increase is expected in this movement in 1943. The use of about 55% of the Pullman cars and 20% of the coaches in these troop movements cut down substantially the equipment available for other passenger traffic. This presented a serious problem

as to how that traffic could be kept within the capacity of the available equipment.

To do this, it was necessary that non-essential travel be curtailed so far as possible. It was suggested that a system of control be instituted, but a systematic control of the over 800 million passengers who traveled on railroads and buses in 1942 would have created serious administrative problems, particularly with the increasing shortage of manpower. Under such a system, it also would be extremely difficult to prevent frequent cases of discrimination and even hardship. Therefore, this office followed the policy during the year of discouraging all unnecessary travel to the end that more rigid controls might not be necessary. Through the cooperation of the leading banking, insurance and industrial organizations, about two-thirds of the normal conventions and group meetings have been eliminated or skeletonized. Special passenger facilities for athletic and other recreational events are not permitted. Extensive campaigns were conducted to induce the general public to refrain from unnecessary travel. The government and industries were urged to spread vacations throughout the year and to schedule them to begin and end in the middle of the week instead of at the week-end. These campaigns will be intensified during 1943.

EXTRAORDINARY MOVEMENTS OF PETROLEUM BY RAIL

Item 8 on page 17 outlines one of the most difficult problems which the railroads have been called upon to face during 1942; namely, the all-rail movement of petroleum and its products from the southwestern oil-producing districts to the Eastern Seaboard. This emergency movement was brought about by the operations of enemy submarines and by overseas war needs which made it necessary to withdraw the ocean tankers from this traffic.

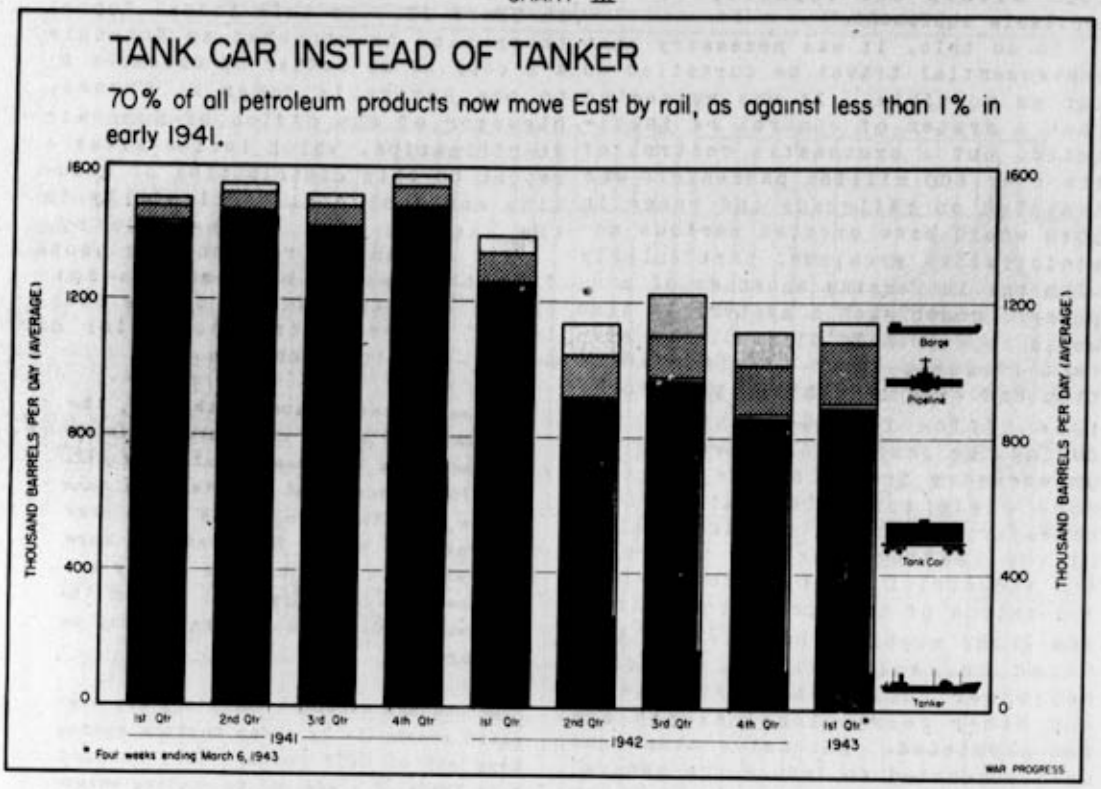
The transfer of this traffic from tankers to tank cars is brought out in Chart IX. To this Annual Report there also is attached as Schedule 4 a copy of my letter of December 21 to the Honorable James F. Byrnes, Director of the Office of Economic Stabilization, which letter gives a report on this distribution of gasoline and fuel oil, particularly in the eastern part of the country.

For convenient reference, I quote from the letter my comments outlining various elements of the problem of all-rail transportation of petroleum into the East:

> "For some years prior to the war, the railroads had been a constantly diminishing factor in the transportation of oil. Pipe lines, ocean and lake tankers, tank barges, and tank trucks had taken over most of this work. Railroad tank cars were still in use, but the supply had not been recently augmented; most of the cars were old; and many were rusting on sidings.
>
> "The eastern seaboard territory was supplied primarily by ocean tankers operating out of Gulf ports. They carried huge loads of crude oil to eastern waterfront refineries or of refined oil to waterfront storage points. The distribution to other points was largely by tank truck or barge. The movement into the eastern seaboard territory by rail tank car was a mere trickle - not more than 5,000 barrels per day.
>
> "When the operations of the submarines and overseas war needs made it necessary to withdraw the ocean tankers from this trade, the railroads, the pipe lines, and tank barges had to take their place as best they could."

As indicated by Chart IX, the preponderant burden of transporting this oil to the East Coast in 1942 fell upon the railroads. Of 105,000 tank cars used for movement of petroleum and its products, 70,000 were by the end of the year moving oil to the eastern seaboard ter-

CHART IX



ritory. A daily record of the use of these tank cars was established and representatives of the Office of Defense Transportation were placed at critical origin, destination, and gateway points to check these operations.

One of the most successful measures adopted to reduce the turn-around time of tank cars and obtain better utilization of the equipment was the operation of this oil traffic in trainload lots over selected, symboled routes on definite schedules. At the end of 1942, 85% to 90% of the tank cars of oil were moving in these symbol trains.

Steps also were taken to provide for the prompt return of empty tank cars and measures providing for the prompt repair of tank cars were undertaken. Cars of small capacity, which are not strong enough to stand the long-haul movement, were removed from the east coast service and larger cars substituted.

As a result of these measures, the rail movement into the eastern seaboard territory increased from 98,000 barrels per day in the last quarter of 1941 to 830,000 barrels per day in the first quarter of 1943. The 24-inch pipe line from Texas to Norris City, Illinois, was opened on February 19, 1943, and a further increase in the movement by the railroads into the eastern seaboard territory is expected from the reduction in the length of haul on the oil delivered to the railroads at Norris City.

INLAND WATERWAYS

The traffic on the Inland Waterway System is estimated as 4% higher in 1942 than in 1941. About 80% of this traffic was on the Great Lakes and 58% of the Great Lakes traffic was iron ore. Early in 1942 the War Production Board set 89,500,000 gross tons of ore as the minimum amount

that must be transported on the Great Lakes during the season in order to meet the requirements of the steel mills. By the efficient operation of the ore carriers under the close supervision of the Division of Great Lakes Transport, this goal was exceeded and 92,076,781 gross tons of ore were transported during the year. This was an increase of 15% over the 1941 record tonnage of ore. The total movement of all commodities on the Great Lakes was about 6% over 1941, as there were decreases in coal and grain tonnage, the movement of which was subordinated to ore.

In contrast to the 6% increase in Great Lakes traffic, total traffic on the rivers and canals in 1942 was slightly less than in 1941, due to the change from peacetime traffic to wartime traffic on the Mississippi System. The before-the-war southbound movement of steel, general merchandise, grain for export, and coastwise freight decreased greatly and movements of Army stores and material, jeeps, trucks, landing barges, Navy boats, submarines and soybeans commenced. The southbound tonnage, still considerably less than before the war, increased during the last months of the year, due mostly to Government shipments being routed over barge lines. The before-the-war northbound tonnage movement of sugar, coffee, burlap, sisal and jute decreased considerably during 1942, but in its place large movements of sulphur, scrap, fluorspar and petroleum have more than equaled the former northbound tonnage.

The movement of oil will be increased substantially in 1943 when the new towboats and barges under construction are completed.

Traffic on the New York Barge Canal also has changed greatly under war conditions. Before the war, the largest individual tonnage component moved was petroleum and the movement was from New York Harbor north and west to Buffalo and to intermediate points. The direction of this movement has been completely reversed so that the largest individual movement in 1942 was petroleum moving from Buffalo east to the Hudson River. The largest westbound movement today is bauxite ore, moving from New York to Buffalo and Oswego for trans-shipment to Port Alfred, Canada. Scrap iron and flax in considerable volume also move west.

Sulphur, molasses, and steel account for the largest dry cargo barge movements east on the New York Barge Canal. On this system the total tonnage moved in 1942 was considerably below the movement in 1941, due to the late start and the confusion in which all the operators found themselves during the spring when the submarine menace was so great around New York.

LOCAL PASSENGER TRANSPORT

One of the major problems which have occupied the attention of the Office of Defense Transportation is not mentioned specifically in Executive Order 8989; it is the problem of local passenger transport, which involves chiefly getting people to and from their work. There was no such problem in 1917 and it had not appeared to be serious in 1941 when Executive Order 8989 was drawn. However, when I was organizing my staff in January, 1942, it became apparent that serious problems, entirely apart from the intercity movement of passengers and freight, would result from the tremendous increase in the production of war materials and the location of many new plants and training centers for the armed forces at points where local transit facilities were not available or were inadequate.

The Division of Local Transport was organized to handle these problems. Specifically this Division has jurisdiction over all local commercial passenger transport facilities, which include rapid transit systems; street railways; interurban

railways; trolley buses; local, suburban and school buses; taxicabs; for-hire and limousine cars; hearses; ambulances; local water carriers; and other local passenger services, as well as intercity bus operations.

The critical nature of the local transit situation was evident early in the year. On February 9, I addressed a letter to the following agencies and departments requesting them to designate a representative to serve on an advisory committee to the Director of the Division of Local Transport:

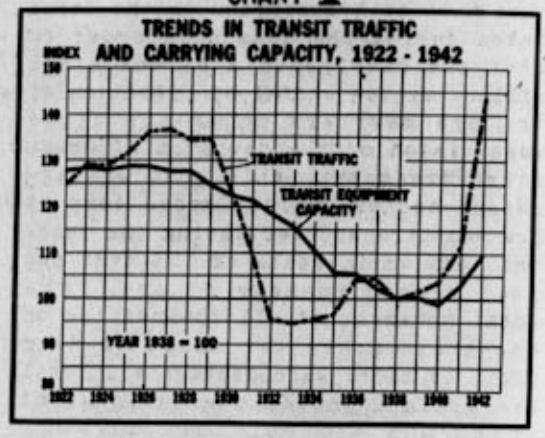
War Department
Navy Department
Army and Navy Munitions Board
Office of Price Administration
Division of Defense Housing Coordination
War Production Board
U.S. Maritime Commission

A representative of the War Manpower Commission was added at a later date.

This Advisory Committee has met regularly once a week and has provided the means for investigation and prompt corrective action within the limits of the equipment available on individual situations as they developed. Through this Committee, it has been possible to stop the competition among the Army, Navy and Maritime Commission in acquiring the available supply of new and second-hand transit equipment, so that this equipment has been operated to a large extent as a pool and sent to the points where the need was greatest.

The responsibilities of the Office of Defense Transportation over local transit were further enlarged by your Executive Order 9156 of May 2, 1942, extending its jurisdiction over all forms of rubber-borne transport and by Public Law 779 and Executive Order 9294 of January 4, 1943, which place on the Office of Defense Transportation the responsibility for determining the adequacy of existing private and other transportation facilities in instances where additional local passenger transportation services may be required by the War Department, the Navy Department, the U.S. Maritime Commission and other Government agencies or contractors with any of these agencies.

CHART X



The overall picture of the local transit situation from 1922 to 1942 is brought out in Chart X. This chart shows that the traffic in 1942 was 43% higher than in 1938, as compared with an increase of only 10% in transit capacity. Chart XI shows that the increases in transit traffic in cities under 250,000 have been at a very much higher rate than in cities with population over 250,000, particularly those over 1,000,000.

CONSERVATION OF TRANSIT EQUIPMENT

The serious situation with respect to the capacity of the transit lines to carry the greatly increased load of traffic became evident early in 1942. As the prospect for securing sufficient additional equipment was poor, the Division of Local Transport took prompt steps to have the transit companies conserve existing equipment, supplies and labor to the fullest extent possible.

On April 17, 1942, a Statement of Policy was issued to all operators of street cars and buses and all public authorities having regulating authority over such operators. This statement enlisted the aid of operators and regulatory bodies alike in the adoption of certain operating practices which would result in more efficient utilization of existing transit equipment.

CHART XI

TRANSIT TRAFFIC IN 1942
SHOWING PER CENT INCREASE OVER 1941 FOR EACH OF THE POPULATION GROUPS AND FOR THE UNITED STATES

POPULATION GROUP	CALENDAR YEAR 1942	CALENDAR YEAR 1941	PER CENT CHANGE
OVER 1,000,000 POP.	7,476,000,000	6,599,000,000	13.3
500,000 - 1,000,000	2,742,000,000	2,084,000,000	31.6
250,000 - 500,000	2,740,000,000	2,017,000,000	35.9
100,000 - 250,000	2,133,000,000	1,464,000,000	45.8
50,000 - 100,000	1,415,000,000	929,000,000	52.3
LESS THAN 50,000	593,000,000	381,000,000	56.2
SUBURBAN & UNCLASSIFIED	897,000,000	611,000,000	46.8
UNITED STATES	18,000,000,000	14,085,000,000	27.8

Another voluntary method of conservation was undertaken by the Division of Local Transport in the field of private passenger car operations.

A three-fold program was set up which had as its objectives:

1. Group riding to lengthen the life of private automobiles by changing from daily to more efficient, rotated, necessity use;

2. Traffic signal and other highway adjustments to facilitate the movement of traffic; and

3. Staggered hours to secure fuller service from existing transit vehicles.

Since a tremendous field organization would have been required for the development of such a program as this on a nation-wide basis, it was decided to enlist the voluntary assistance of local and State organizations in order to accomplish our objectives. Acting upon my request, Commissioner Thomas H. McDonald, Chairman of the Highway Traffic Advisory Committee to the War Department, accepted for his Committee and the various State Committees the responsibility of effectuating the plan. Subsequent organizational moves met with immediate success and at the present time there are active groups in all States and in well over 2,000 local communities. A large amount of most valuable and constructive work has resulted from the endeavors of these voluntary workers.

Specific conservation programs have been instituted by the Division of Local Transport in nearly all

fields of carrier operation. On November 16, a Statement of Policy on school bus transportation was issued, and subsequently a program was inaugurated for the complete reorganization of the nation's school transportation system. Regulations for the conservation of taxicabs and rental cars were incorporated in General Orders ODT Nos. 20, 22, and 26.

General Order ODT No. 2 was drafted to insure the continued operation of rail lines and to prohibit the substitution of bus services therefor. Also affecting the routine services offered by transit operators is General Order ODT No. 10, which prohibits sightseeing services by rubber-tired vehicles and restricts charter bus operations to certain essential services. Other special orders have been issued to specific properties, directing the institution of conservation measures. A recent survey indicates that as a result of these orders and the April 17 Policy Statement, 500 local transit companies, representing about one-half of such operators in the country, saved during 1942 approximately 173,000,000 rubber-tired vehicle miles. These same operators, through staggering of work hours and other means, saved the equivalent of 13,000 vehicles. These annual savings in vehicle miles represent nearly 7% of the annual mileage operated by these same companies, based on the miles actually operated in the month of December, 1942. The equivalent vehicle savings represent over 22% of the vehicles actually operated by these same companies during December, 1942. This means that additional vehicles and vehicle miles in the amounts indicated above would otherwise have been required to move the same volume of traffic.

In the field of intercity bus operations, General Order ODT No. 11 and subsequent special orders and conservation measures have effected a similar conservation of vehicles and miles operated. It has been estimated that the Class 1 intercity operators, with an increase of 22% in bus miles operated and 24% in vehicle capacity, handled 76% more passengers in 1942 than in 1941.

MOTOR TRANSPORT OF PROPERTY - LOCAL AND INTERCITY

The Division of Motor Transport was organized to handle the problems of motor transportation of freight - both local and intercity. At first the problems of intercity transport of passengers by bus were assigned to this Division, but it was later found advisable to transfer the Intercity Bus Section of the Division of Motor Transport to the Division of Local Transport in order that all problems relating to buses might be handled in one division.

The Division of Motor Transport was faced immediately with two major problems: first, the rationing of new commercial motor vehicles; and second, the conservation of all existing commercial vehicles.

RATIONING OF NEW COMMERCIAL VEHICLES

On January 1, 1942, Order L-1-c, freezing all new commercial motor vehicles in the United States, was issued by the War Production Board. This Order was effective 6:00 p.m., January 1, 1942. On February 28, 1942, General Conservation Order M-100 was issued jointly by the War Production Board and the Office of Defense Transportation with the effective date of March 9, 1942. General Conservation Order M-100 provided that the new commercial motor vehicles frozen should be released to civilian users only on presentation of Certificates of Transfer issued by the War Production Board as a result of approved applications provided by the Office of Defense Transportation.

Through Order L-1-c approximately 152,000 new commercial motor vehicles were frozen, to which were added approximately 53,000 units construc-

ted from the date of the "freeze" order until the assembly lines were completely shut down. Of this total figure, approximately 88,000 units were set aside for exempted agencies, and approximately 97,000 were earmarked for allocation to civilian uses as recommended by the Office of Defense Transportation.

Approximately 173,000 applications were received by Office of Defense Transportation Local Allocation Officers for these 97,000 vehicles, and only 43,000 were finally approved by this Office and forwarded to the War Production Board for issuance of Certificates of Transfer.

At the current rate of allocation, it is estimated that the remaining stock of new commercial motor vehicles, with the exception of trailers and heavy trucks, will last through the end of 1943. The War Production Board has been requested to authorize the manufacture of additional heavy duty trucks and trailers.

A noticeable and steady decline in the number of approved applications received in the Washington Office during the latter part of 1942 was attributed primarily to seasonal effects on applications. However, during the first quarter of 1943, approximately 7,000 more applications were approved and forwarded to Washington than in the last quarter of 1942.

CONSERVATION OF EXISTING VEHICLES

The program for the conservation of existing vehicles provided for: (a) the proper maintenance of the vehicles in service; and, (b) the reduction in their mileage by better loading and utilization.

VEHICLE MAINTENANCE

A joint Society of Automotive Engineers - ODT Maintenance Methods Coordinating Committee was established during the year with 30 subcommittees totaling some 250 members. The primary function of these committees is the submission of digests concerning maintenance of vehicles, availability of parts, proper operating and loading practices, training of mechanics and drivers and many similar items. These digests are subsequently published in pamphlet form and distributed to individuals and organizations directly interested or engaged in automotive maintenance. Three such pamphlets had been issued by the year's end, and it is expected that an average of one per month will be issued during 1943.

The booklet "America's Trucks ... Keep 'em Rolling," outlining proper vehicle maintenance and operating procedure, was issued in July. To date, it is estimated that substantially more than 3,000,000 copies have been distributed to truck operators, service stations and elsewhere.

The U. S. Truck Conservation Corps was established during the year. The basic objective of this plan was to obtain the pledge of every commercial vehicle operator in the Nation to adopt and follow a preventive maintenance program. It is believed that a program of this type will enable the existing supply of motor trucks to serve most efficiently for the duration of the war and with a minimum drain on the vital raw materials required for replacement parts.

The procedure followed in enlisting members of the Corps is to obtain pledges from service stations, dealers and other establishments servicing trucks and from operators, drivers and mechanics who exhibit their willingness to cooperate in the program. The service establishments accepted are designated as "Official Stations" and display a placard to that effect. These stations receive pledges from operators, drivers and mechanics who are subsequently issued insignia designating them as members. To date, 150,000 official stations have been established and almost 3,000,000 members enlisted.

REDUCTION IN TRUCK MILEAGE - LOCAL DELIVERY

During the early months of 1942, measures were taken to reduce the mileage of trucks in both local delivery and over-the-road service. In this period the development of transportation conservation among motor carriers in local delivery service was primarily on a voluntary basis. The establishment of joint delivery plans and pooled delivery services was determined to be the most effective type of voluntary conservation. The conditions under which such plans and services might be established were determined through negotiations with the Department of Justice. Pooling plans established for the sole purpose of conserving rubber and equipment, and not for the purpose of limiting competition, were declared by the Department of Justice not to be in conflict with the anti-trust laws. A procedure was established whereby local carriers might submit their suggested pooling plans for approval to the ODT and the Department of Justice if they so desired. In subsequent General Orders, where joint delivery plans were called for among for-hire over-the-road carriers, it has been required that such plans be approved by the ODT and the Department of Justice in advance of promulgation. Over-the-road private carriers may place such plans in operation without specific order of this Office.

In April, General Order ODT No. 6, curtailing operations of carriers in local delivery, was issued. This order required the elimination of special deliveries and call-backs and, as amended, restricted to one per day deliveries from any one point of origin to any one point of destination. It also called for a reduction of 25% in monthly mileage operated in 1942 as compared with corresponding 1941 monthly mileage, exclusive of mileage saved as a result of elimination of special deliveries and call-backs.

OVER-THE-ROAD PROPERTY CARRIERS

In April, three General Orders were issued covering operations of over-the-road property carriers. These orders were General Orders ODT Nos. 3, 4 and 5 relating to common carriers, contract carriers and private carriers, respectively. These orders provided for elimination of waste, full and efficient loading of vehicles and submission of joint action plans on the part of over-the-road carriers.

In subsequent months, as a result of various conferences with industrial and carrier groups, these orders were revised. In July, General Order ODT No. 3 was superseded by General Order ODT No. 3 (revised). The revised order relating to over-the-road common carriers redefined many of the concepts contained in the superseded order and is more practical from an operating standpoint.

Consultations with carrier and industrial groups with reference to further conservation finally resulted in the promulgation of General Order ODT No. 17 in July, 1942. This order covered both local and over-the-road operations of all private and contract carriers and superseded the provisions of General Orders ODT Nos. 4 and 5 and of General Order ODT No. 6 as applied to private and contract carriers. The provisions of General Order ODT No. 6 with reference to special deliveries and call-backs, number of deliveries and mileage reduction were included in General Order ODT No. 17. Certain additional provisions concerning elimination of waste, curtailment of speed, and loading and operating requirements were also contained therein.

JOINT INFORMATION OFFICES

General Order ODT No. 13, also issued in July, provided for the es-

tablishment of Joint Information Offices by carriers engaged in over-the-road operations. The function of these offices is to obtain and receive from carriers information relative to the availability of equipment and freight within the local areas served by the offices and thereby to assist over-the-road carriers in complying with the loading provisions of outstanding ODT orders. General Orders ODT Nos. 3 (revised) and 17 provide that over-the-road carriers, prior to starting over-the-road trips with empty or insufficiently loaded vehicles, must contact the local Joint Information Office, where such has been established, and attempt to lease empty vehicles to carriers requiring equipment or to secure additional freight to fully load partially laden equipment. In 1942, 114 applications for establishment of Joint Information Offices were received by the Office of Defense Transportation and 52 were approved by the Legal Division.

FARM TRANSPORTATION

One of the most perplexing problems with which the Division of Motor Transport has been faced is the transportation of agricultural products from the farms to processing and packing plants and civilian consumer markets. In recognition of the special aspects of this problem, vehicles engaged primarily in the hauling of farm products were exempted from the provisions of General Orders ODT Nos. 3 (revised), 6, and 17.

The transportation of farm products under present conditions requires special treatment for the following reasons:

1. The transportation of farm products is highly seasonal and in a direction generally opposite to the normal flow of truck traffic.

2. The movement of farm products involves transportation by truck from about 9,000,000 farms and uses about 1,500,000 vehicles. It is conducted largely by single-vehicle owners who have had practically no contact with any motor transportation regulating body.

3. The United States Department of Agriculture "Food for Victory" program culminated in an increase in farm production goals of about 25% over the previous year. The increase was not uniform. Production of certain foodstuffs increased only a small percentage, while production of other foods doubled. To add further to the problem, farm products not included in the planned production increases were favored by exceptional climatic conditions and provided a bumper production not anticipated.

As indicated above, it became evident early in the year that there would be a serious curtailment in the number of new commercial motor vehicles, tires and parts available for replacement purposes. Also it became evident that large numbers of operators of motor vehicles normally used to transport farm products and farm supplies were (1) joining the armed forces, (2) accepting jobs in war production plants and industries and (3) concentrating their services in transporting more profitable ladings. All in all, the problem resolved broadly to the movement of an increase of approximately 25% in farm products and farm supplies by a motor transport system that had been reduced by about 25%

As in the case of other commercial trucks, it was decided that the most feasible method of attacking the problem was to encourage more efficient utilization of equipment available. With this in mind, steps were taken to enlist the support of private and public agricultural groups. Contacts were made with farm organizations, agricultural colleges and extension services, individual farmers, for-hire

carriers of farm products, as well as the Department of Agriculture and its field organization.

As a result of these activities, the U.S. Department of Agriculture in April, 1942, set up a Committee on Conservation of Tires and Trucks in Agricultural Transportation, which, in cooperation with the Office of Defense Transportation, developed a comprehensive report on general motor transport conservation, general farm trucking and special commodity studies. Steps were taken to institute a voluntary conservation program under the control of the 3,022 U.S. Department of Agriculture County War Boards. These boards were instructed by the Secretary of Agriculture to contact individual farmers and haulers of farm products and enlist their support in this campaign. The program was activated through distribution of pamphlets and similar material, radio broadcasts and press releases.

CONTROL OF RUBBER-BORNE TRANSPORT THROUGH CERTIFICATES OF WAR NECESSITY

The critical situation with respect to the supply of rubber and the necessity for rigid control of the operation of all rubber-borne transport led to the issue of Executive Order 9156 on May 2, 1942.

As stated above, this Order provided that in addition to the functions, duties, and powers conferred by Executive Order 8989, the Office of Defense Transportation should include within the scope of its authority and responsibility all rubber-borne transport facilities, including passenger cars, buses, taxicabs and trucks. This authority, however, was qualified by the last paragraph of the Order, which preserved in the Office of Price Administration the administrative responsibility for rationing delegated to it by the War Production Board.

In compliance with this Order, I established a staff Division of Transport Conservation to concentrate on the rubber situation and assist the carrier divisions--Local Transport and Motor Transport--in working out procedures with the Office of Price Administration.

GENERAL ORDER ODT NO. 21

The Divisions of Transport Conservation, Motor Transport, and Local Transport, and the Office of Price Administration's Division of Fuel and Tire Rationing worked out a plan for the conservation of rubber-borne transport by commercial vehicles through the means of Certificates of War Necessity. This plan was put into effect by General Order ODT NO. 21, which was issued on September 8, 1942. This order, prepared by the Division of Transport Conservation, requires all operators of commercial motor vehicles to make application to the Office of Defense Transportation for Certificates of War Necessity covering the operations of such vehicles. General Order ODT NO. 21 covers all trucks including those carrying agricultural products and those used in certain other operations which had been exempted from certain provisions of General Orders ODT Nos. 3 (revised), 6, and 17. After the effective date of the Order (originally November 15, 1942, but later amended to December 1, 1942), no operator subject to the order would be authorized to obtain gasoline, tires, parts or other materials essential to the operation of the vehicle without such Certificate.

CONSERVATION OF RUBBER ON PRIVATE AUTOMOBILES

General Order ODT No. 21 did not apply to private automobiles. The Baruch Committee was appointed on August 6, 1942, and on August 12, 1942, I appeared before the Baruch Committee and submitted such information as was desired, particularly with respect to a program for the

issue of Certificates of War Necessity to control the mileage of private automobiles, a plan which had been prepared by Mr. John R. Turney, Director of the Division of Transport Conservation.

The Baruch Committee recommended the appointment of a Rubber Administrator in complete charge of the entire rubber program, and on September 15, 1942, Mr. William M. Jeffers was appointed the Rubber Director in the War Production Board, an office established by Executive Order 9246.

On September 25, 1942, Mr. Jeffers wrote to Mr. Leon Henderson and myself a joint letter in which he defined the relative responsibilities of the Office of Price Administration and the Office of Defense Transportation as follows:

"(1) The Office of Price Administration is hereby directed and authorized to institute nation-wide gasoline rationing on the same basis as the gasoline rationing program now existing in the Eastern states.

"(2) It will be understood that after the installation of a nation-wide gasoline rationing, the Office of Defense Transportation will review the program from the standpoint of its effect upon the transportation service of the nation.

"(3) The existing arrangements between the Office of Defense Transportation and the Office of Price Administration relative to rations for commercial vehicles in accordance with General Order ODT No. 21 will be continued and extended throughout the Nation."

CERTIFICATE OF WAR NECESSITY PROGRAM

The Division of Motor Transport was designated to handle the Certificate of War Necessity program covering all trucks and undertook that responsibility. In contrast to the previous method of effecting conservation through General and Special Orders, the new program provided for the limitation of operations on an individual basis rather than a general or occupational basis.

The basic principle of the Certificate program is the elimination of waste through full loading of the equipment and curtailment of unessential mileage. The Certificate method provides a basis for enforcement of the conservation program, which, under the earlier general order method, was based largely upon the voluntary cooperation of the carriers involved. On the basis of applications filed with the Office of Defense Transportation, operators are certified mileage, gasoline, and minimum loads for their vehicles. The certifications depend on the individual requirements of the applicants and the degree of efficiency of each operation. Applicants have the right to appeal their certifications to the Office of Defense Transportation District and Regional Offices.

Due to the great amount of detail involved in processing applications, and the failure of operators to return their applications promptly, the issuance of Certificates was not completed by the December 1st deadline. To enable operators who had not then received their certificates to obtain gasoline, arrangements were made with the Office of Price Administration whereby such applicants might apply for temporary transport rations from OPA local War Price and Rationing Boards pending receipt of their Certificates. This procedure was later extended to include operators pleading inability to perform their essential operations within the limitations prescribed on their Certificates. Such operators were permitted to apply for temporary transport rations to cover operations through January 31, 1943, pending the disposition of their appeals.

There are approximately 5,140,000 commercial vehicles affected by General Order ODT No. 21, of which 4,600,000 are trucks. Only 150,000

of these are under the regulatory jurisdiction of the Interstate Commerce Commission and only 450,000 more are for-hire carriers. Another 1,000,000 trucks are used by farmers and 3,000,000 by other private operators. By the end of the year about 3,560,000 applications for certificates had been received from operators, 3,320,000 from operators of one or two vehicles, and 240,000 from fleet operators (operators of three or more vehicles). Approximately 3,170,000 certificates have been issued, 2,935,000 to operators of one or two vehicles and 235,000 to fleet operators. The original program, as such, is substantially complete. A large volume of appeals is expected, however, and approximately 450 temporary ODT District Branch Offices were established in addition to the 142 District Offices in order to handle these appeals. This accounts largely for the sudden growth in the field force of the Division of Motor Transport after September 30, 1942.

COOPERATION OF DEPARTMENT OF AGRICULTURE COUNTY WAR BOARDS

A substantially larger force would have been required had it not been for the cooperation of the Department of Agriculture and its 3,022 County War Boards.

To assure interested farm transport operators of representation and participation in the conservation program, the USDA County War Boards were instructed in October to organize County Farm Transportation Committees composed of farmers, other carriers of farm products and dealers in farm supplies, and presided over by the Chairmen of the USDA County War Boards.

These Transportation Committees undertook the tasks of assisting farmers in executing applications for Certificates of War Necessity, of developing transportation programs within local areas, and reviewing and making recommendations concerning applications for new farm vehicles prior to submission to the Office of Defense Transportation Local Allocation Offices. Under the appeals procedure, these committees also have the function of recommending to Office of Defense Transportation District Offices adjustments in Certificates of War Necessity issued to farm vehicle operators. Office of Defense Transportation District Offices have been instructed to honor these recommendations unless obviously in error.

Each of these 3,022 County Farm Transportation Committees has at least two subcommittees with membership outside the main transportation committee; it is estimated that there are in all approximately 9,000 of these committees with a membership of 75,000 persons.

In addition to these voluntary committees under the jurisdiction of the U. S. Department of Agriculture, the Office of Defense Transportation is organizing Agricultural Industry Transportation Committees to assist in the conservation of transportation of agricultural commodities and products thereof. When completely organized, there will be over 2,500 of these committees with a membership of about 30,000 persons. Altogether, there are more than 11,500 voluntary committees, with an aggregate membership in excess of 100,000 persons, assisting the field forces of the Office of Defense Transportation in working out the transportation problems of the farmer.

OTHER ADVISORY COMMITTEES

In addition to the committees working on the problems of farm transportation, there are 150 committees with a total membership in excess of 1,000 persons working on other problems of the Division of Motor Transport.

There are about 75 voluntary committees with upwards of 500 members assisting other Divisions of the Office of Defense Transportation.

RATES

Section 3(g) of Executive Order 8989 puts the following responsibility on the Office of Defense Transportation with respect to rates:

> "Represent the defense interest of the Government in negotiating rates with domestic transportation carriers and in advising the appropriate governmental agencies with respect to the necessity for rate adjustments caused by the effect of the defense program."

The Division of Rates performs these functions for the Office of Defense Transportation. In order to avoid duplication of personnel and facilities, this Office has established with the Office of Price Administration a joint force of rate clerks who are located in the Interstate Commerce Commission Building with convenient access to the tariff files.

In the performance of the prescribed functions, by agreement with the War Production Board, the Division of Rates is the sole negotiating body for handling rate matters with the carriers for the account of the War Production Board. To expedite the handling of emergency rate applications for the Government, the railroads at our request, with the approval of the Department of Justice, have set up a four-man committee called the Traffic Executive Chairmen's Committee, which meets periodically, usually in Washington. The Committee consists of the Chairmen of the three chief traffic associations, with the Vice-President (Traffic Department) of the Association of American Railroads as Chairman. This Committee has power to act on all emergency applications of inter-territorial nature. Its establishment and functioning have greatly expedited the handling of applications of an emergency nature.

The Division of Rates acts in an advisory capacity to other divisions of the Office of Defense Transportation with respect to the rate phases of ODT General Orders and the rate problems of the carriers.

STORAGE AGREEMENTS AND ARRANGEMENTS

In accordance with Section 3(f) of Executive Order 8989, which provides that the Office of Defense Transportation shall". . . encourage the provision of increased storage, loading and unloading facilities, where necessary," the Office of Defense Transportation has organized among warehousemen Federal Emergency Warehouse Associations under the supervision of our Division of Storage.

Twenty-two agreements under which these Associations were organized and 22 master storage contracts between such associations and the Federal Government were prepared, with the approval of the Office of Lend-Lease Administration, and were cleared with the Department of Justice. Seven leases, 4 warehouse management contracts, and 3 miscellaneous contracts were prepared and approval of the Lend-Lease Administration and the Director of Procurement secured. From the Attorney General and Comptroller General opinions on legal questions pertaining to the Warehouse Association Program were obtained. Negotiations were conducted over a long period with the Office of Price Administration with respect to the rate schedules established under the Warehouse Association Program.

EXTENSION OF FUNCTIONS OF THE DIVISION OF STORAGE

Section 3 (f) of Executive Order 8989 contemplated that the Office of Defense Transportation would act mainly as a planning agency for storage and warehousing to anticipate the needs for storage facilities and encourage the provision of increased storage, loading and unloading facilities where necessary.

In addition to the performance of these functions, the Division of Storage, through its exhaustive survey of available storage facilities, has become the storage procurement agency

for many of the Federal departments and agencies.

The Lend-Lease Administration has directed that all storage arrangements for lend-lease supplies must be approved by the Division of Storage.

The War and Navy Departments consult with the Division of Storage on all proposed procurements of storage facilities.

The Defense Supplies Corporation has assigned to the Division of Storage the task of procuring all necessary tank storage facilities for the stockpiling of ethyl alcohol.

The Brazilian Purchasing Commission, the British Ministry of Supply Mission and other Allied Nations engaged in procurement in the United States with other than lend-lease funds look to the Division of Storage to make arrangements for the storage of their property awaiting trans-shipment.

HANDLING THE 1942 GRAIN CROP

Due to the large carry-over of small grains from 1941, there was inadequate storage space for the 1942 grain crop, with great danger of possible loss or damage to the new crop. It became necessary under these circumstances to immediately establish a permit system for the movement of the new crop to avoid terminal congestion or undue car detention at the grain terminals. Arrangements were therefore worked out among the Office of Defense Transportation, the Interstate Commerce Commission and the Department of Agriculture whereby agents of the Interstate Commerce Commission were designated to issue permits at each market for the movement of grain into the market for storage or other purposes, giving first consideration to that grain which was in gravest danger of damage or loss. In this manner the grain crop of 1942 was handled in an orderly and protective manner.

ORDERS ISSUED BY THE OFFICE OF DEFENSE TRANSPORTATION

During the year there were issued 32 General Orders and 125 amendatory, supplemental and auxiliary orders and general and special permits designed to carry out certain of our responsibilities in the field of domestic and territorial transportation. Others are in process. Among the latter types of orders were 34 directing specific joint action by named carriers pursuant to detailed plans of operation, and 9 orders to named carriers directing reductions in mileage of transportation vehicles. Thirty formal interpretations of provisions of the orders and permits were prepared and issued to the public. Copies of these orders were attached to the Monthly Progress Reports to the President.

One of our chief problems has been to explain to the carriers and the shipping public the reasons for the various restrictive orders which it has been necessary to issue to conserve transportation. This was done principally through the means of press releases issued at the time the orders were promulgated. In addition, it seemed advisable for me to present the situation personally in formal and informal addresses to Traffic Clubs, Chambers of Commerce, and other national organizations in all parts of the country, and by radio addresses and by articles in trade publications. Copies of the formal speeches also have been sent to Congressional Committees and individual members of Congress to keep them informed in regard to the Office of Defense Transportation program.

Over 50 of these addresses were made during the year in 13 different states and the District of Columbia.

COORDINATION OF TRANSPORTATION ACTIVITIES OF FEDERAL AGENCIES

Section 3 (a) of Executive Order 8989 reads as follows:

"Coordinate the transportation policies and activities of the several Federal agencies and private transportation groups in effecting such adjustments in the domestic transportation systems of the Nation as the successful prosecution of the war may require."

In accordance with this directive, the Bureau of the Budget, at the request of this Office, made a survey to determine the existence and functions of transportation departments of the various agencies. The results of that survey were reported in June. The information submitted by the Bureau of the Budget was referred to the Board of Investigation and Research, created by the Transportation Act of 1940, for further study and advice. Its partial report was submitted to the Office of Defense Transportation in November, 1942.

RELATIONS WITH STATE GOVERNMENTS

STATE BARRIERS

Both directly and through the Council of State Governments, this office took up with the Governments of the 48 states and the District of Columbia the matter of their cooperation with the Office of Defense Transportation, either through the adoption by the States, as their own, of various ODT General Orders, especially those dealing with transportation by motor vehicle, or through assisting in the enforcement of or securing compliance with such General Orders. A notable example is the wholehearted cooperation extended by the officials of all the States in adopting or giving effect to General Order ODT No. 23, fixing the maximum speed limit of motor vehicle at 35 miles per hour.

Directly and through the Council of State Governments, this Office also took up with the States the elimination, insofar as possible, of the numerous barriers resulting from State legislation and action which either hampered or prevented efficient and economical transportation, especially by motor vehicle. Our efforts toward this end have been continuous and varied in character. They have met with much success, but there is room for further action in this direction.

UNIFORM STATE EMERGENCY TRANSPORTATION ACT

In dealing with the State Governments, as above related, it became evident that some form of uniform emergency State legislation was necessary. In conjunction with the Council of State Governments and after conferences with the Department of Justice and other interested Federal departments and agencies, the Division of Law drafted a proposed Emergency Transportation Act for adoption by the States. Under such Act, if adopted, the States, through their Governors, could effectively aid in the prompt and continuous movement of traffic within, into, and through the States and could cooperate effectively with the Officers and agencies of the Federal Government in facilitating transportation and conserving and efficiently utilizing transportation facilities. The Council of State Governments is presenting the proposed Act to the legislatures of the various States.

LITIGATION

In a case before the New Hampshire Supreme Court involving the validity of regulations of the State Milk Control Board, adopted at the suggestion of the Office of Defense Transportation and drastically limiting the frequency of retail deliveries of milk, this office secured leave of Court for the Director to appear as amicus curiae and, in his behalf, a brief was prepared and filed in support of the Board's regulations, which were sustained by that Court as to deliveries by rubber-tired vehicles.

TOLEDO, PEORIA & WESTERN RAILROAD

Pursuant to the authority and in accordance with the direction contained in Executive Order No. 9108 dated March 21, 1942, I assumed possession and control of all the properties of the Toledo, Peoria & Western Railroad at 6:00 p. m. on Sunday, March 22, 1942,

acting through Mr. John W. Barriger, whom I appointed Federal Manager of the properties. The strike of engineers, firemen, hostlers, hostler helpers conductors, trainmen, yard foremen, and switch tenders, which had been in effect since December 29, 1941, was terminated on March 25, 1942, by the voluntary action of such employees. The employees, with the exception of 5 who were charged with offenses grounded on acts of violence committed during the pendency of the strike, were returned to the service of the railroad under the rates of pay, methods of wage payments, rules and working conditions which were in effect prior to September 29, 1941.

Properties of the railroad corporation which have been considered unnecessary to carry on the operation of the railroad have been returned to the railroad corporation from time to time.

Since the date of the assumption of Federal management, the railroad has been in continuous and normal operation and the traffic handled over this railroad has shown a substantial and consistent increase in volume.

TRANSPORTATION PROBLEMS IN PUERTO RICO

Executive Order 9214, dated August 5, 1942, extended the jurisdiction of the Office of Defense Transportation to Puerto Rico and other territorial possessions of the United States. Shortly thereafter, this Office sent a group of transportation experts to Puerto Rico to investigate and report on the situation. This investigation was under the direction of M. Garcia de Quevedo, a native of Puerto Rico, who is fully conversant with conditions on the Island and has important contacts among the leading citizens and officials. Mr. de Quevedo is a resident of Washington and has been associated with the U.S. Shipping Board, U.S. Railroad Administration, and the Interstate Commerce Commission.

This Committee made its report early in September and recommended the establishment of a Regional Office in Puerto Rico with a staff capable of handling on the ground, with general supervision from Washington as to policy matters, the problems in all branches of transportation.

The Regional Office of the Office of Defense Transportation in Puerto Rico was opened October 30, 1942 and is located at San Juan. The organization is headed by a regional director with three assistant regional directors and an administrative officer, the total force on March 31, 1943, being 28.

With the exception of the Director, the Assistant Regional Directors, and a stenographer or two, all the employees are natives of Puerto Rico. Mr. de Quevedo, as Director of our Division of Puerto Rican Transport, exercises general supervision from Washington.

The Office of Defense Transportation has received excellent cooperation from the armed forces, the Insular Government and the people at large in working out the critical transportation situation arising from scarcity of railway equipment, rubber tires, and other critical automotive parts, shipping difficulties and the lack of proper regulation governing transportation. A detailed report from Mr. de Quevedo covering these transportation problems on the Island and the steps taken to meet them is on file in my office.

MANPOWER PROBLEMS

At the beginning of 1942, the for-hire transportation agencies of the country employed approximately 2,500,000 employees. Accurate counts are not available of the number of workers engaged in private transportation but it is probable that the total employed is greater in private than in for-hire transportation. The large increase in traffic in 1942, combined with the diversion of transportation employees to the armed forces and to war industries, has created a manpower shortage that promises to be even more serious than the shortage of critical materials which I have discussed in some detail. I therefore established the Di-

vision of Transport Personnel, with the primary purpose of promoting and encouraging in the transportation industry the adoption of manpower programs which will insure the maintenance of a staff of employees adequate to handle the burden placed on the industry by the war. It is recognized that with the conflicting and growing demands that are being made for the limited manpower of the nation, individual companies cannot be expected to solve their personnel problems without assistance. The Division conceives its function as that of a coordinating and consulting agency through which the efforts of the industry can be planned and made effective.

PERSONNEL SHORTAGE SURVEYS

As a basis for intelligent planning, the Division required information about current employment and personnel needs and shortages in each branch of transportation. Such information was not available in the early part of the year, except for the reports of current employment filed by Class I railroads with the Interstate Commerce Commission. The Division therefore set out to survey the employment and the needs of each major branch of transportation, working through mailed questionnaires distributed by trade associations where possible and by the Division where necessary.

The surveys disclosed that in the early part of 1942 there were some shortages, particularly of machinists, auto mechanics, and other skilled shop workers. Other occupations in which shortages were noted were train dispatchers and telegraphers, brakemen and firemen, truck and bus drivers, truck dispatchers, rate clerks and some other clerical workers. Some trucking companies reported a shortage of freight handlers, but reports of shortages of common labor were not characteristic of this series of surveys, with the later exception of a railway survey of September 15, 1942.

Class I railroads reported 60,000 unfilled positions on September 15, 1942, as compared with 11,000 on February 15, 1942. Of the 60,000 vacancies, 36,000 were jobs for unskilled laborers. Two thousand vacancies for machinists were reported, small numbers for other skilled shop workers, skilled bridge and building workers, telegraphers and junior train and engine employees. The proportion of unfilled jobs was largest in the western district.

Employers in most branches of transportation except local transit and inland waterways tended to place emphasis on occupational deferment under the Selective Service Act as a means of maintaining adequate personnel. There was considerable reluctance toward using women except in jobs traditionally held by them and toward making full use of older men, Negroes, and other minority groups. The surveys disclosed a need of transportation training programs on a wider scale than anything then contemplated.

A few Great Lakes companies reported a shortage of certificated seamen, and some of the inland water carriers reported shortages of licensed officers. Companies in all branches of transportation surveyed expected more serious shortages to develop.

SURVEYS OF CURRENT AND ANTICIPATED EMPLOYMENT

During March, arrangements were made with the U.S. Employment Service to include all branches of transportation, except railroads, in the regular bimonthly surveys of current and anticipated employment made by that Service. Reports, which were the subject of detailed analysis, were received in July, September and November.

An increasing number of companies have been reporting "critical shortages" of labor, that is, shortages which actually impede operations. The surveys showed that increasing difficulty was being experienced in filling jobs for truck, bus, and street-car mechanics, heavy and trailer truck and bus drivers, motormen, rate clerks, etc. In the later surveys more wide-

spread difficulty in finding common labor was reported, a difficulty frequently ascribed to the higher wages paid by other industries competing for the same labor. The shortages anticipated by Great Lakes and inland water carriers did not develop during 1942.

EMPLOYMENT OF WOMEN

The percentage of women employed by transportation companies increased somewhat during the year. Except in air line transportation, an overwhelming majority of the women were still employed in clerical and similar jobs traditionally regarded as suitable for women. A few companies, however, were experimenting with the employment of women as bus drivers and street car conductors and were demonstrating that women could handle those jobs. One or two companies reported women as light truck drivers, and the airlines, as well as some other companies, were introducing women into a wide variety of shop-craft occupations, both skilled and unskilled.

A preliminary list of suitable occupations for women in the transportation industry was prepared. This list was divided into three categories: (1) occupations generally recognized as suitable for women; (2) occupations in which women may be employed after a short period of specialized training; (3) occupations which require a longer training period or a breakdown of jobs. This original list was exploratory and has since been revised to include many additional occupations suitable for women in transportation.

A summary of state laws affecting women employed in transportation was prepared in cooperation with the Division of Labor Standards of the United States Department of Labor and was distributed to various companies. A summary of State laws relative to transportation occupations considered hazardous for minors was also prepared with the cooperation of the Industrial Division of the Children's Bureau of the U.S. Department of Labor.

SELECTIVE SERVICE

Throughout the year the Division of Transport Personnel gave considerable time to the problems confronting transportation companies as a result of withdrawals of men under the Selective Service Act. A list of essential occupations in railroad transport was drawn up and submitted to Selective Service authorities, who issued Occupational Bulletin No. 5 during March, 1942, for the guidance of local boards in passing on requests for deferment of railway employees.

Similar lists were prepared for other branches of transportation after consultation among representatives of this Division and officials of the Selective Service System and, more recently, the War Manpower Commission. On September 17, Selective Service issued Occupational Bulletin No. 21 which covered all branches of for-hire transportation and listed the "critical occupations" in each branch which were to receive special consideration for occupational deferment. On December 22, 1942, Occupational Bulletin No. 42 was issued covering repair services and including automotive maintenance.

RECRUITING AND PLACEMENT

The Division has worked with the War Manpower Commission and the Railroad Retirement Board and representatives of transportation companies, particularly trade associations, in developing a more cooperative relationship between transportation companies and Federal placement agencies. This has taken the form of advising the War Manpower Commission on recruiting and placement policies applicable to transportation and publicizing through trade association channels the work of these Federal placement agencies and the advantages of utilizing them. This campaign has been particularly effective in the automotive maintenance field.

LABOR-MANAGEMENT COMMITTEES

In advancing its program the Division of Transport Personnel has cooperated with trade associations and labor unions in the various branches of the industry and with the Government agencies concerned. To insure the closest possible cooperation between the Division and established agencies in the industry, two series of committees have been formed, one composed of representatives of management and one of labor, in each major branch of transportation. In addition, joint labor-management conferences have been formed in the railroad and trucking industries to consider manpower problems and problems of conservation and maximum utilization of materials and equipment. Additional labor-management conferences are contemplated for other branches of transportation.

A major accomplishment of the railroad labor-management conference was the agreement at its December meeting on a thirteen-point manpower program designed to insure the most effective utilization of the railroad labor force and to provide for the recruiting and training of necessary replacements.

TRAINING

Toward the end of the year, considerable progress had been made in the development of "master training plans" for the various branches of transportation. The objective of this program is to develop, for those occupations in which there is a widespread need for organized training, basic training patterns making it possible for all companies to benefit from expertly drafted training courses and materials and insuring maximum utilization of Federal training agencies.

The first such program was organized by the National Bus Traffic Association with the assistance of the Apprentice-Training Service of the War Manpower Commission. Training outlines and manuals for ticket agents, baggage agents and information clerks were developed, and the first instructor-training class for bus traffic officials was held during December. The plan calls for the officials then to organize company or inter-company courses for new employees.

UTILIZATION OF RAILROAD SHOPS FOR WAR WORK

At the request of the Office of Defense Transportation, a conference was held in May with representatives of the railroads, their employees, the War Production Board, the Department of Labor and other interested parties on the question of utilizing railroad shops for war work. The principal obstacle to the accomplishment of this objective arose out of differences in working practices in effect on railroads and in war industries and out of requirements of the Walsh-Healey Act and the Fair Labor Standards Act. As a result of the conference, representatives of the railroad shop crafts agreed to perform war work in railroad shops in accordance with the working practices and the agreements prevailing in the railroad industry. It was also agreed that steps would be taken to secure exemption of the railroad industry from the provisions of the Walsh-Healey Act and the hours provisions of the Fair Labor Standards Act; the exemptions were later obtained. The agreement between employees and management included the setting up of a general supervisory committee consisting of Government, labor and management representatives. Subsequent to this agreement several railroads entered into contracts for war work in their shops.

TRACK LABOR SHORTAGES ON WESTERN RAILROADS

A serious shortage of track labor developed during the summer on certain western railroads. The problem was considered at several meetings attended by representatives of the Office of Defense Transportation, other Government agencies, the carriers and railway labor organizations, and on

December 4 the War Manpower Commission approved a corrective program proposed by its Labor-Management Policy Committee. The program called for stepping up domestic recruiting, remedying deficiencies in housing and commissary arrangements, spreading track work more evenly through developing standards and procedures, and providing for the importation of not more than 10,000 Mexican nationals for track work.

RECOMMENDED AMENDMENT TO THE EXECUTIVE ORDER ESTABLISHING THE OFFICE OF DEFENSE TRANSPORTATION

It would prevent misunderstanding if the Executive Order were amended to specifically authorize the Office of Defense Transportation to request the War Manpower Commission to take appropriate action to meet the manpower problems of the industries under the jurisdiction of the Office of Defense Transportation when the performance of essential transportation service is endangered by actual or threatened shortages of manpower.

Respectfully submitted,

Joseph B. Eastman

Joseph B. Eastman
Director

SCHEDULES

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SCHEDULE I

CLASS I RAILROADS

FREIGHT AND PASSENGER TRAFFIC 1911 TO 1943, INCLUSIVE

Year	Freight revenue ton-miles (million)	Index Numbers 1911--100	Passenger-miles (million)	Index Numbers 1911--100
1911	249,843	100	32,371	100
1912	259,982	104	32,316	100
1913	297,723	119	33,875	105
1914	284,925	114	34,567	107
1915	273,913	110	31,790	98
1916	362,444	145	34,586	107
1917	394,465	158	39,477	122
1918	405,379	162	42,677	132
1919	364,293	146	46,356	143
1920	410,306	164	46,849	145
1921	306,840	123	37,313	115
1922	339,285	136	35,470	110
1923	412,727	165	37,957	117
1924	388,415	155	36,091	111
1925	413,814	166	35,950	111
1926	443,746	178	35,478	110
1927	428,737	172	33,650	104
1928	432,915	173	31,601	98
1929	447,322	179	31,074	96
1930	383,450	153	26,815	83
1931	309,225	124	21,894	68
1932	233,977	94	16,971	52
1933	249,223	100	16,341	50
1934	268,711	108	18,033	56
1935	282,030	113	18,476	57
1936	339,246	136	22,421	69
1937	360,620	144	24,655	76
1938	290,064	116	21,629	67
1939	333,436	133	22,651	70
1940	373,225	149	23,770	73
1941	475,058	190	29,360	91
1942	638,069	255	53,676	166

SCHEDULE 2

EXECUTIVE ORDER
No. 8989

ESTABLISHING THE OFFICE OF DEFENSE TRANSPORTATION IN THE EXECUTIVE OFFICE OF THE PRESIDENT AND DEFINING ITS FUNCTIONS AND DUTIES

By virtue of the authority vested in me by the Constitution and statutes of the United States, as President of the United States and Commander in Chief of the Army and Navy, and in order to define further the functions and duties of the Office for Emergency Management with respect to the state of war and to assure maximum utilization of the domestic transportation facilities of the Nation for the successful prosecution of the war, it is hereby ordered:

1) The term "domestic transportation" whenever used in this Order shall include railroad, motor, inland waterway, pipe line, air transport, and coastwise and intercoastal shipping.

2) There shall be in the Office for Emergency Management of the Executive Office of the President an Office of Defense Transportation, at the head of which shall be a Director appointed by the President. The Director shall discharge and perform his responsibilities and authorities under the direction and supervision of the President. The Director shall receive compensation at such rate as the President may determine and, in addition, shall be entitled to actual and necessary transportation, subsistence, and other expenses incidental to the performance of his duties.

3) Subject to such policies, regulations, and directions as the President may from time to time prescribe, the Office of Defense Transportation shall:

a) Coordinate the transportation policies and activities of the several Federal agencies and private transportation groups in effecting such adjustments in the domestic transportation systems of the Nation as the successful prosecution of the war may require.

b) Compile and analyze estimates of the requirements to be imposed upon existing domestic transport facilities by the needs of the war effort; determine the adequacy of such facilities to accomodate the increased traffic volume occasioned by the war effort; develop measures designed to secure maximum use of existing domestic transportation facilities; and stimulate the provision of necessary additional transport facilities and equipment in order to achieve the level of domestic transportation services required; and in this connection advise the Supply Priorities and Allocation Board as to the estimated requirements and recommended allocations of materials and equipment necessary for the provision of adequate domestic transportation service.

c) Coordinate and direct domestic traffic movements with the objective of preventing possible points of traffic congestion and assuring the orderly and expeditious movement of men, materials, and supplies to points of need.

d) In connection with the United States Maritime Commission and other appropriate agencies, coordinate domestic traffic movements with ocean shipping in order to avoid terminal congestion

at port areas and to maintain a maximum flow of traffic.

e) Perform the functions and exercise the authority vested in the President by the following, subject to the conditions set forth in paragraph 3 of this Order:

(1) Sec. 1(15) of Interstate Commerce Act as amended, USC title 49, sec. 1(15)

(2) Sec. 6(8) of Interstate Commerce Act as amended, USC title 49, sec. 6(8)

f) Survey and ascertain present and anticipated storage and warehousing requirements at points of transfer and in terminal areas; and encourage the provision of increased storage, loading, and unloading, and unloading facilities where necessary.

g) Represent the defense interest of the Government in negotiating rates with domestic transportation carriers and in advising the appropriate governmental agencies with respect to the necessity for rate adjustments caused by the effect of the defense program.

h) Advise upon proposed or existing emergency legislation affecting domestic transportation, and recommend such additional emergency legislation as may be necessary or desirable.

i) Keep the President informed with respect to progress made in carrying out this Order; and perform such related duties as the President may from time to time assign or delegate to it.

4) In the exercise of its functions and authority with respect to transportation priorities and preferences, the Office of Defense Transportation shall be governed as to the relative importance of deliveries required for defense by such instructions, certifications, and directives as may be issued by the Office of Production Management pursuant to the provisions of the Executive Order of August 28, 1941, entitled "Delegation and Coordination of Priority Authority;" and the Office of Defense Transportation shall take all lawful steps within the scope of its authority to effect such deliveries through appropriate public or private agencies.

5) In the study of problems and in the discharge of its responsibilities, it shall be the policy of the Office of Defense Transportation to collaborate with existing departments and agencies which perform functions and activities pertaining to transportation and to utilize their facilities and services to the maximum. Particularly, the Office of Defense Transportation shall maintain close liaison with the United States Maritime Commission in the consideration of problems involving the relationship of ocean shipping with coastwise and intercoastal shipping and inland transport; with the Interstate Commerce Commission on problems of rates, routing, and car service; and with the War and Navy Departments with respect to the strategic movement of troops and supplies by domestic transportation carriers. The Office of Defense Transportation may arrange for the establishment of committees or groups of advisers representing two or more departments and agencies or private transportation groups, as the case may require, to study and develop plans for the coordination and most effective use of existing domestic transportation facilities.

6) To facilitate unity of policy and action and the use of existing governmental services, the heads of each of the following departments and agencies shall designate a responsible representative or representatives to maintain formal liaison with the Office of Defense Transportation: The Department of War, The Department of the Navy, the Department of the Treasury, the Department of

the Interior, the Department of Agriculture, the Department of Commerce, the Department of Labor, the Interstate Commerce Commission, the United States Maritime Commission, the Civil Aeronautics Board, the Federal Works Agency, the Federal Loan Agency, the Board of Investigation and Research appointed under the Transportation Act of 1940, the Office of Production Management, the Office of Price Administration, the Economic Defense Board, and such additional departments and agencies as the President may subsequently designate.

7) There shall be within the Office of Defense Transportation a Division of Railway Transport, a Division of Motor Transport, a Division of Inland Waterway Transport, a Division of Coastwise and Intercoastal transport, and such other operating and staff divisions as the Director may determine. The Director may provide for the internal management of the Office of Defense Transportation and shall obtain the President's approval for the appointment of the heads of the above divisions and such other divisions as may be established.

8) Within the limits of such funds as may be appropriated or allocated to the Office of Defense Transportation, the Director may employ necessary personnel and make provision for the necessary supplies, facilities, and services. However, the Office of Defense Transportation shall use such statistical, informational, fiscal, personnel, and other general business services and facilities as may be made available through the Office for Emergency Management.

FRANKLIN D. ROOSEVELT

THE WHITE HOUSE

December 18, 1941

EXECUTIVE ORDER
NO. 9108

DIRECTING THE DIRECTOR OF THE OFFICE OF DEFENSE TRANSPORTATION TO TAKE CONTROL OF THE TOLEDO, PEORIA, AND WESTERN RAILROAD COMPANY

WHEREAS, the national interest and security demands that there be no interruption in the flow of goods essential to effective prosecution of the war, and

WHEREAS, representatives of labor and industry, meeting at the call of the President, have agreed that there shall be no strikes or lockouts during the period of the war and that all labor disputes shall be settled by peaceful means, and, to further that agreement, the National War Labor Board has been established by Executive Order No. 9017 to bring about the peaceful settlement of all such labor disputes, and

WHEREAS, a labor dispute has existed between the employees and the management of the Toledo, Peoria and Western Railroad Company since December 29, 1941 and has interrupted the transportation of goods essential for the prosecution of the war, and

WHEREAS, the National War Labor Board, by order dated February 27, 1942, directed that the dispute be submitted to arbitration under the terms of Section 8 of the Railway Labor Act, and the representatives of the employees have agreed thereto, but the Company has refused and continues to refuse to submit the dispute to arbitration, despite urgent requests by the National War Labor Board and by the President that it do so; and

WHEREAS, for the time being and under the circumstances set forth, it is essential that the Toledo, Peoria and Western Railroad Company be operated by or for the United States in order to assure successful prosecution of the war;

NOW, THEREFORE, by virtue of the authority vested in me by the Constitution and laws of the United States, and as President of the United States and as Commander in Chief of the Army and Navy, it is hereby ordered:

1. The Director of the Office of Defense Transportation is directed to take immediate possession of all real and personal property, franchises, rights and other assets, tangible and intangible, of the Toledo, Peoria and Western Railroad Company, and to operate or arrange for the operation of such railroad in such manner as he deems necessary for the successful prosecution of the war, through or with the aid of such public or private agencies, persons or corporations, including the armed forces of the United States, as he may designate.

2. Such real and personal property, franchises, rights and other assets, tangible and intangible, of the Toledo, Peoria and Western Railroad Company as the Director of the Office of Defense Transportation deems unnecessary to carry on the operation of such railroad may, from time to time, in his discretion, be returned to the Toledo, Peoria and Western Railroad Company.

3. The Director of the Office of the Office of Defense Transportation shall manage or arrange for the management of said railroad under such terms

and conditions of employment as he deems advisable and proper, pending such termination of the existing labor dispute as may be approved by the National War Labor Board. Nothing herein shall be deemed to render inapplicable existing state or Federal laws concerning the health, safety, security and employment standards of the employees of said railroad.

4. Except with the prior written consent of the Director of the Office of Defense Transportation, no attachment by mesne or garnishee process or on execution shall be levied on or against any of the real and personal property, franchises, rights and other assets, tangible and intangible, of the Toledo, Peoria and Western Railroad Company in the possession of the Director.

5. Possession and operation hereunder shall be continued only until the President determines that such temporary possession and operation are no longer required for successful prosecution of the war.

FRANKLIN D. ROOSEVELT

THE WHITE HOUSE,
March 21, 1942

EXECUTIVE ORDER

No. 9156

FURTHER DEFINING THE FUNCTIONS AND DUTIES OF THE OFFICE OF DEFENSE TRANSPORTATION

By virtue of the authority conferred upon me by the Constitution and statutes of the United States, as President of the United States and Commander in Chief of the Army and Navy, it is hereby ordered:

1. In addition to the functions, duties and powers conferred upon it by Executive Order No. 8989, approved December 18, 1941, the Office of Defense Transportation shall:

a. Include within the scope of its authority and responsibility, as defined in said order, all rubber-borne transportation facilities, including passenger cars, buses, taxicabs, and trucks.

b. Develop programs to facilitate the continuous adjustment of the Nation and its transport requirements to the available supply of transportation services relying upon rubber.

c. Formulate measures to conserve and assure maximum utilization of the existing supply of civilian transport services dependent upon rubber, including the limitation of the use of rubber-borne transportation facilities in non-essential civilian activities, and regulation of the use or distribution of such transportation facilities among essential activities.

2. The several Federal departments and agencies which perform functions relating to the conservation or use of rubber-borne transportation facilities shall, in discharging such functions, conform to such policies, programs, and measures as the Director of the Office of Defense Transportation may prescribe in the execution of the powers vested in him by this order and by executive Order No. 8989.

3. Nothing herein shall be deemed in any way to limit the functions and authority of the Chairman of the War Production Board under paragraph 4 of Executive Order No. 8989 of December 18, 1941 and paragraph 1a of Executive Order No. 9040 of January 24, 1942, nor the rationing authority delegated to the Office of Price Administration by War Production Board directives No. 1 of January 24, 1942 , No. 1A of February 2, 1942, No. 1B of February 9. 1942, No. 1C of Febru - ary 28, 1942, or any other Directive of the War Production Board supplementary thereto.

FRANKLIN D. ROOSEVELT

THE WHITE HOUSE,
May 2, 1942.

EXECUTIVE ORDER 9214

EXTENDING THE AUTHORITY OF THE OFFICE OF DEFENSE TRANSPORTATION TO DOMESTIC TRANSPORTATION WITHIN THE TERRITORIES AND POSSESSIONS OF THE UNITED STATES

By virtue of the authority conferred upon me by the Constitution and statutes of the United States, and as President of the United States and Commander in Chief of the Army and Navy, it is hereby ordered as follows:

In addition to the powers conferred upon it by Executive Order 8989 of December 18, 1941, and Executive Order No. 9156 of May 2, 1942, the Office of Defense Transportation shall include within the scope of its authority, as defined in the said orders, all domestic transportation within the territories and possessions of the United States.

FRANKLIN D. ROOSEVELT

THE WHITE HOUSE,
August 5, 1942

(F. R. Doc. 42-7618, Filed, August 6, 1942; 10:20 a.m.)

EXECUTIVE ORDER

NO. 9294

FURTHER DEFINING OF THE FUNCTIONS AND DUTIES OF THE OFFICE OF DEFENSE TRANSPORTATION

By virtue of the authority vested in me by the Constitution and Statutes of the United States, as President of the United States and Commander in Chief of the Army and Navy, it is hereby ordered:

I

1. The term "local passenger transportation equipment" whenever used in this Order shall include buses, street railway cars, trolley coaches, trucks converted for passenger transportation, ferryboats, and other vehicles and vessels used or capable of being used to carry nine or more passengers (including the operator) in public or private carrier service.

2. In addition to the functions, duties, and powers conferred upon it by Executive Order No. 8989, approved December 18, 1941, Executive Order No. 9156, approved May 2, 1942, and Executive Order No. 9214, approved August 5, 1942, the Office of Defense Transportation shall:

a. Advise and assist Federal departments and agencies, State and local governments, and private organizations in surveying the need for and planning the provision of transportation service for the movement of personnel to and from war plants and establishments, and where necessary, initiate and develop such surveys and plans to all transportation needs of each area, including those related to production in the war effort, agricultural as well as industrial, to military and naval establishments, and to essential civilian services.

Review and approve such contracts, agreements, or arrangements hereafter made by Federal departments and agencies, or by private firms (except common carriers) holding contracts from such departments and agencies, for the purchase, lease, requisition, or use of new or used local passenger transportation equipment, as the Director considers necessary to ensure the proper provision of passenger transportation services to war plants and establishments; in the discretion of the Director, review, approve, or direct the renegotiation of such contracts, agreements, or arrangements now in effect, except those on which final payment has been made prior to the date of this Order.

c. Advise the War Production Board on the allocation of new local passenger transportation equipment; and, as necessity arises, recommend to the War Production Board programs and procedures for controlling the transfer and placement of used local passenger transportation equipment.

3. No Federal department or agency or private firm (except common carriers) holding a contract from such department or agency shall hereafter complete arrangements for the purchase, lease, requisition, or use of local passenger transportation equipment without giving prior notice thereof to the Office of Defense Transportation, and, if the Director considers it necessary, without submitting the contract, agreement, or arrangement to the Office of Defense Transportation for review and approval. The Office of Defense Transportation shall establish appropriate procedures for carrying out the purpose of this Order and each affected department or agency shall designate an official representative to advise with the Office of Defense Transportation on such matters.

4. Nothing herein shall be deemed in any way to limit the functions and authority of the Chairman of the War Production Board under paragraph 4 of Executive Order No. 8989 of Decem-

ber 18, 1941, and paragraph 1 (a) of Executive Order No. 9040 of January 24, 1942, of the War Shipping Administration, or of the Interstate Commerce Commission.

5. The provisions of this Order respecting the use of local passenger transportation equipment shall not apply to movements of military and naval personnel when on maneuvers, on trips made under orders, or on other special operations necessary for the prosecution of the war.

II

1. The Office of Defense Transportation shall include within the scope of its authority as defined in this and all other Orders defining its functions all domestic transportation within the territories and possessions of the United States.

2. The Director of the Office of Defense Transportation is hereby designated as the head of any agency which may initiate action for the requisitioning of property under the terms of and in accordance with the procedures established by Executive Order No. 8942, approved November 19, 1941.

FRANKLIN D. ROOSEVELT

THE WHITE HOUSE,
January 4, 1943

(PUBLIC LAW 779--77th CONGRESS)
(CHAPTER 651--2d SESSION)
(S. 2740)

AN ACT

To provide for furnishing transportation for certain Government and other personnel necessary for the effective prosecution of the war, and for other purposes.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That whenever during the continuance of the present war the Secretary of War, the Secretary of the Navy, or the Chairman of the Maritime Commission shall determine that the effective conduct of the affairs of his department or agency in connection with the prosecution of war requires assured and adequate transportation facilities to and from their places of employment for personnel attached to or employed by such department or agency, including personnel attached to or employed by private plants engaged in the manufacture of war material, he is hereby authorized in the absence of adequate private or other facilities to provide such transportation, by motor vehicle or water carrier, subject, however, to the following provisions and conditions:

1. The equipment required to provide such transportation facilities may be either purchased, leased, or chartered for operation by the War Department, the Navy Department, or the Maritime Commission, and when so obtained may be maintained and operated either by enlisted personnel, civil employees of the War Department, the Navy Department, or the Maritime Commission, or by private personnel under contract with such departments or agency. Equipment so obtained may also be leased or chartered to private or public carriers for operation under such terms and conditions as the Secretary of War, the Secretary of the Navy, or the Chairman of the Maritime Commission, or such official within their respective departments or agency as they may designate, shall determine necessary and advisable under the existing circumstances: Provided, That any equipment purchased, leased or operated by authority of this Act shall have a seating capacity of twelve or more passengers.

2. That in each case where transportation facilities are provided hereunder, reasonable rates of fare for the service furnished shall be established and charged under such regulations as the Secretary of War, the Secretary of the Navy, or the Chairman of the Maritime Commission shall prescribe; the receipts from such fares, and the proceeds from the leasing or chartering of any equipment as provided in the foregoing paragraph, shall be accounted for in accordance with such accounting procedure as the Secretary of War, the Secretary of the Navy, or the Chairman of the Maritime Commission, respectively, may prescribe, and shall be deposited in the Treasury of the United States to the credit of Miscellaneous Receipts, except that in the case of the Maritime Commission such receipts and proceeds shall be deposited in its construction funds in accord with the Merchant Marine Act of 1936, as amended, and other applicable provisions of law: Provided, That appropriations for the Military Establishment and the Maritime Commission may be used to carry into effect the provisions of this Act.

3. The facilities and service authorized hereunder shall be utilized only for the transportation of personnel heretofore enumerated and for the purpose heretofore stated, under such rules and regulations as may be prescribed by authority of the Secretary of War, the Secretary of the Navy, or

the Chairman of the Maritime Commission: Provided, however, That where the equipment and facilities herein provided for are pooled under lease or charter agreements, the reciprocal use of Government-owned and private-owned equipment shall be deemed to be within the intent of this paragraph.

4. The authority herein granted the Secretary of War, the Secretary of the Navy, and the Chairman of the Maritime Commission shall be exercised in each case only after a determination by the Office of Defense Transportation that existing private and other facilities are not and cannot be rendered adequate by other means, and that its exercise will result in the most efficient method of supplying transportation to the personnel concerned and a utilization of transportation facilities consistent with the plans, policies, and programs of the Office of Defense Transportation.

5. Nothing in this Act shall be construed to modify or limit in any manner the authority vested in the Chairman of the War Production Board by any Executive order or Act of Congress. All vessels purchased, leased or chartered under this Act shall be procured by or through the War Shipping Administration to the full extent of the authority and jurisdiction of the War Shipping Administration.

SEC. 2. It shall be the duty of the Secretary of War, the Secretary of the Navy, and the Chairman of the Maritime Commission, respectively, to file with the Congress, within sixty days after the end of the fiscal year, a summarized report of the exercise of the authority herein granted, which report shall include (1) location, nature, and size of the plant for which transportation facilities were provided; (2) type, amount and original cost of equipment furnished; (3) outline of lease or charter for rented or reciprocally used equipment with total costs for period of use or operation; and (4) citation of authority of the Office of Defense Transportation under which exercised.

Approved, December 1, 1942.

SCHEDULE 3
(Sheet 1)

OFFICE OF DEFENSE TRANSPORTATION

Washington, D. C.

Director - JOSEPH B. EASTMAN.

Deputy Director-GENERAL CHARLES D. YOUNG.
Executive Assistant-JOSEPH L. WHITE.
Administrative Officer-SIMON C. SKEELS.
Information Officer-BRYANT PUTNEY.

Special Advisor on Railroad Abandonments-
RALPH H. JEWELL.
Principal Statistician-JAMES M. CURTIN.
Assistant to Deputy Director-SIDNEY L. MILLER.

STAFF DIVISIONS

GENERAL COUNSEL-JACK G. SCOTT.
Assistant General Counsel,
HALLAM HUFFMAN.
Assistant General Counsel,
FRANCIS A. SILVER.
Assistant General Counsel,
WALTER BAUMGARTNER.

DIVISION OF REVIEW AND SPECIAL STUDIES
Director, CHARLES L. DEARING.
Associate Director,
HAROLD J. DRESCHER.

DIVISION OF TRAFFIC MOVEMENT
Director, HENRY F. McCARTHY.
Assistant Directors:
ARTHUR E. BAYLIS.
WALTER BOCKSTAHLER.
ARTHUR R. MAHANEY.
J.W. STEVENSON.

DIVISION OF TRANSPORT PERSONNEL
Director, OTTO S. BEYER
Assistant Director,
EDWIN M. FITCH.

DIVISION OF STORAGE
Director, LEO M. NICOLSON.

Associate Directors:
Refrigerated Warehousing Section,
J.R. SHOEMAKER.
Merchandise and Raw Materials Storage,
S.G. SPEAR.
Storage Control Section
ROBERT C. KING, Chief
Raw Materials Section,
JAMES R. SLOANE, Chief.

DIVISION OF RATES
Director, G. LLOYD WILSON
Assistant Director,
JOHN C. HOWARD.
Assistant to Director,
HARRY WILSON

DIVISION OF MATERIALS AND EQUIPMENT
Director, H. E. KELLY.

Associate Director,
A.L. SORENSON.
Assistant Director,
CARROL W. BROWN.
Material Analyst, J.A. DILLON
Mechanical Analyst, A.B. COLE.
Head Program Specialist,
H.K. SNELL.

CARRIER DIVISIONS

DIVISION OF RAILWAY TRANSPORT
Director, VICTOR V. BOATNER.
Executive Assistant,
H.H. KIERNAN.

CENTRAL ORGANIZATION

Associate Directors:
Field Operations: O.N. HARSTAD.
Freight and Passenger Service,
O.C. CASTLE.
Motor-Rail Service, East-South,
CHARLES B. COLPITTS.
Motor-Rail Service, West,
H.A. HOBSON (Chicago, Ill.).
Mechanical Section, C.J. WOLFE.

Assistant Directors:
Passenger Service, W.M. HAYES.
Coal Operations, S.S. BRUCE.
Ore and Grain Operations,
FRED S. KEISER (Chicago, Ill.).

Special Representative-
General Manager, T.P. & W. Railroad Company, HOLLY STOVER.

REGIONAL ORGANIZATION

Associate Director, Eastern Region,
W.G. CURREN, New York, N.Y.
Associate Director, Southern Region,
J.M. HOOD, Washington, D.C.
Associate Director, Western Region
W.F. KIRK, Chicago, Ill.
Deputy Associate Director, Western Region,
J.M. BATHS, San Francisco, Cal.
Deputy Associate Director, Ports,
NEILS LAIDLAW, San Francisco, Cal.

DIVISION OF LOCAL TRANSPORT
Director, GUY A. RICHARDSON

CENTRAL ORGANIZATION

Associate Directors:
T.H. NICHOLL.
EDWARD A. ROBERTS.
EDGAR F. ZELLE.
Special Assistant,
FRANK H. SHEPARD.
Assistant Director,
Equipment and Research,
W.S. RAINVILLE, Jr.
Section Chiefs:
Contract Clearance,
ERNST JACOBSEN.
Inter-City Bus Section,
B.A. WAHLE.
School Bus Section,
C.D. HUTCHINS.
Taxicab Section, CLEWELL SYKES.

REGIONAL ORGANIZATION

Assistant Directors:
Northeastern Region,
P.N. SIMMONS, Washington, D.C.
Southeastern Region,
GUY KELCEY, Atlanta, Ga.
Southwestern Region,
E.P. McCALLUM, Jr., Dallas, Tex.
Middlewestern Region,
H.B. POTTER, Chicago, Ill.
Western Region,
R.O. CROWE, San Francisco, Cal.

DIVISION OF MOTOR TRANSPORT
Director, JOHN L. ROGERS.
Executive Assistant,
H. RICHARD STICKEL.

CENTRAL ORGANIZATION

Assistant Directors:
Operations-Property Section,
ELLIS T. LONGENECKER.
Vehicle Maintenance Section,
W.J. CUMMING.
City Delivery Section,
E.M. BRADY.
Farm Vehicle Section,
R.A. NICKS.
Petroleum Carriers Section,
S.F. NINESS.
Inventory Section,
JAMES O. RILEY.
Allocations Section,
MATTHEW E. KANE.

REGIONAL ORGANIZATION

Associate Director,
A.S. McEVOY, Washington, D.C.

Regional Managers

New York, N.Y. WILLIAM J. CLARK.
Philadelphia, Pa., MELVIN R. GREENE.
Atlanta, Ga., JOHN G. CALEY.
Cleveland, O. ROBERT D. THOMAS.
Chicago, Ill. HARRY L. GORMLEY.
Kansas City, Mo. R.C. COLEMAN.
Dallas, Tex., JOHN C. MASSENBURG.
Denver, Col., ASA J. MERRILL.
San Francisco, Cal.,
HAROLD C. ARNOT.

SCHEDULE 3 (Sheet 1)
Continued.

DIVISION OF PETROLEUM & OTHER LIQUID PRODUCTS

Director, FAYETTE B. DOW.
Associate Director, Executive, P.L.HOWARD.
Associate Director, Pipelines, R.W.SHIELDS
Associate Director, Tank Car Service, A.V.BOURQUE
Associate Director, H.R.LEWIS.
Assistant to Director, R.H. LAMBERTON.
Consultant on State Barriers, JOSEPH E. KELLER, MAJOR Transportation Corps, USA.

REGIONAL ORGANIZATION

Regional Manager, Eastern Region, RAYMOND GREENE, New York, N.Y.
Regional Manager, Southern Region, J.W. PAINER, Houston, Texas
Regional Manager, Western Region, EUGENE JACKSON, San Francisco, Cal.

ASSISTANT DIRECTOR IN CHARGE OF WATERWAYS TRANSPORT- ERNST R. HOLZBORN.

Division of Coastwise and Intercoastal Transport
Director, CHARLES F. KELLERS.
Division of Inland Waterways
Director, GLENN E. TAYLOR.
Division of Great Lakes Carriers
Director, A.T.WOOD.
Research and Permit Section, Chief, L.C.TURNER.

PUERTO RICAN TRANSPORT
Director, M.G. de QUEVEDO, Washington, D.C.

SAN JUAN
Regional Director, CHARLES G. ANTHONY.
Assistant Regional Directors,
Railroads-PAUL H. QUINN.
Trucks, J.R. HERRIN.

SCHEDULE 3

(Sheet 2)

OFFICE OF DEFENSE TRANSPORTATION

Directive to Directors of All Divisions

December 31, 1942

SUBJECT: Establishing the Division of Review and Special Studies.

1. Effective this date the Division of Transport Conservation is discontinued.

2. There is hereby established in the Office of Defense Transportation as a staff division, the Division of Review and Special Studies. Mr. Charles L. Dearing is appointed Director and Mr. Harold J. Drescher, Associate Director of the division.

3. The Division of Review and Special Studies will:--

   A. Have administrative charge of the analysis, requested by the Rubber Director, of the effect of gasoline rationing upon public transportation service;

   B. Advise the Director of the Office of Defense Transportation of changes in the supply situation with respect to motor fuel, rubber, and private automobiles, and keep him informed of the general condition of highways as it may affect domestic transportation;

   C. Determine the requirements of private automobiles (passenger cars) for rubber and repair parts;

   D. Undertake such other special studies and reviews as are assigned to it by the Director.

4. All rubber requirements for domestic transportation will be referred to this Division by the Division of Materials and Equipment Requirements for information and review.

JOSEPH B. EASTMAN

Director

SCHEDULE 4

December 21, 1942.

Honorable James F. Byrnes, Director,
Office of Economic Stabilization,
Washington, D. C.

Dear Mr. Byrnes:

This is in response to yout letter of December 19 asking for a report on the distribution of gasoline and fuel oil, particularly in the eastern part of the country.

Scope of Jurisdiction.

The jurisdiction of the Office of Defense Transportation is confined to domestic transportation. We have not, therefore, undertaken to deal with the production of petroleum and its products, nor to govern the distribution from points of origin to points of destination. We have undertaken to promote maximum utilization of the available transportation facilities in the process of distribution.

The Major Problem.

For some years prior to the war, the railroads had been a constantly diminishing factor in the transportation of oil. Pipe lines, ocean and lake tankers, tank barges, and tank trucks had taken over most of this work. Railroad tank cars were still in use, but the supply had not been recently augmented; most of the cars were old; and many were rusting on sidings.

The eastern seaboard territory was supplied primarily by ocean tankers operating out of Gulf ports. They carried huge loads of crude oil to eastern waterfront refineries or of refined oil to waterfront storage points. The distribution to other points was largely by tank truck or barge. The movement into the eastern seaboard territory by rail tank car was a mere trickle-not more than 5000 barrels per day.

When the operation of the submarines and overseas war needs made it necessary to withdraw the ocean tankers from this trade, the railroads, pipe lines, and tank barges had to take their place as best they could.

The Railroad Movement

Out of about 105,000 tank cars which are used for civilian movement of petroleum and its products, nearly 70,000 are now moving oil to the eastern seaboard territory, and the volume of movement is now between 750,000 and 800,000 barrels per day, as compared with the prewar trickle of 5,000 barrels. O.D.T.'s efforts with respect to this movement have been as follows:

(1) In February, we recommended to the W.P.B. that materials be allotted for the construction of 20,000 new tank cars and adequate locomotive power. This recommendation was not approved, although a comparatively few new cars were authorized for the movement of chemicals.

(2) We obtained a daily record of the use of the tank cars with a

view to seeing to it that all available were put to constant use, that none were unduly detained by shippers, and that no more than the necessary minimum number were used for other than the petroleum trade.

(3) We undertook to prevent the use of the cars for short hauls where tank trucks could do a more efficient job, and to inventory and mobilize for use the available tank trucks. Nearly 10,000 tank cars have in this way been released for long-haul service to the East.

(4) We placed men at critical origin, destination and gateway points to keep watch over the operation.

(5) We have tried to reduce the round-trip time of movement, so that the cars could do a maximum amount of hauling. Our first attempt to accomplish this was through joint effort of the railroads and the shippers, who agreed to organize operation in the trainload lots over selected routes on definite schedules. The movement was improved, but not at all to our satisfaction. Far too many routes were used, so that only a small percentage of the cars actually moved in trainload lots. Thereupon we proceeded to pick the routes ourselves, cutting the number down by more than half. Again there was an improvement in the movement of the loaded cars, but the result in total volume of movement remained unsatisfactory.

(6) A thorough study of all of the conditions showed where the trouble lay.

(a) There had been some diversion of cars for necessary military purposes, for movements to certain other sections where acute needs had developed, and for necessary movements of vegetable oils.

(b) The tank cars, many of which were old, had begun to break down under the strain of hard usage, interrupting the movement of trains, and there was much delay in repair, because these cars are all privately owned.

(c) The trains, when they reached New England or other parts of the seaboard territory, were often broken up, the cars fanning out in local trains and in small lots to a great number of destinations. This was a slow process, and so was the reassembly of these cars for return empty movement.

(d) Where the deliveries were in volume to large plants or storage points, the latter were usually not organized or equipped for rail deliveries, having been geared up for ocean tanker service. Nor were the railroads well organized for the delivery of tank cars in large numbers. Consequently there was much delay in terminal switching and unloading.

(e) Because of the condition summarized in (c) and (d) above, the return movement of the empties was much slower than the inbound movement of loaded cars.

(7) We undertook, in conjunction with the tank-car companies and the railroads, to improve the situation with respect to car repairs. The railroad on which a car breaks down now makes all repairs for which it is equipped. Where repair in the shops of the tank-car companies is necessary, it is done at the nearest such shop regardless of the ownership of the car. We also undertook to weed out of the long-haul movement to the East cars of small capacity which were not strong enough to stand the strain well, and to trade them off for larger cars used elsewhere in local movements.

(8) We strongly urge, beginning as early as last May, that arrangements be made for the delivery and pooling of the oil at large central destination points in the seaboard territory, whence the oil could be distributed by tank truck and barge. This required an order of the Office of Petroleum Coordinator and approval of the Department of Justice. It was at length covered in OPC General Order No. 59, and such centralized deliveries are in process of gradual establishment.

(9) After numerous conferences with the railroads, the shippers, and the Office of Petroleum Coordinator, we revised our General Order No. 7 to cover, so far as possible, all the weak points in the movement which our investigation had developed. This order now provides for a definite assignment of cars to the eastern service, makes definite requirements with respect to the repair of the cars, provides for concentration of the cars at both origin and destination ends into trainload movements over routes which we select and upon schedules which we approve, sets limits upon terminal switching and unloading, and provides for daily reports upon all critical phases of the movement. The royalties have been revised again, in the light of experience, and the new schedules will go into effect on December 28.

Summary. It is to be borne in mind, in considering this rail movement to the eastern seaboard territory, that both the transportation and the oil industries were geared and equipped for the movement by ocean tanker and not for rail movement. It was hard for the railroads to get the necessary cars for line movement involume, but even more important is the fact that the industries and the railroads were not equipped, so far as terminal facilities were concerned, for rail movement in volume. The line-haul train operation has been cut by at least a day's time. The greatest obstacle now to the most efficient operation lies in the terminal delays and the consequent slow return of the empties. We are working hard on these obstacles, but it is becoming ever more evident that more extensive facilities for unloading at the concentration points of destination in the East are necessary.

The Water Movement.

The water movements now possible are three: (1) Up the Mississippi and Ohio river systems to destinations like Pittsburgh, and movement thence by rail; (2) from Lake points like Chicago and Toledo, thence by tank vessel to Buffalo or Oswego, and thence through the New York State Barge Canal; and (3) movement by barge on the Gulf and Atlantic intracoastal waterways. With respect to these movements, O.D.T. has -

(1) Asked the War Production Board in February for the allotment of materials for the construction of additional steel tank barges and towboats, a request which was denied.

(2) Participated in the work of a Committee appointed by the President to consider the construction of wooden barges and towboats, this Committee being headed by Secretary Ickes. It recommended the conversion of 259 steel dry cargo barges on the Mississippi River into tank barges. The motive power for about half this number is available, and the process of conversion is under way. It also recommended the construction of some 500 wooden tank barges and the necessary motive power. This recommendation has been consistently urged by O.D.T. and the Defense Plant Corporation before the War Production Board. Difficulty in obtaining the motive power held up favorable action by the War Production Board for several months, but by resort to steam engines and small diesel engines it has now finally

been approved. Some of the new barges will be used on the Mississippi River system and some on the intracoastal waterways.

(3) Taken control over all Lake tankers and tank barges, so as to divert the largest possible movement to the East.

(4) Before the New York State Barge Canal was closed by ice, moved all possible tank vessels and barges down the Hudson, so that they would be available throughout the winter for movements up the Sound and along the New England coast particularly.

Summary. The movement of oil up the Mississippi and Ohio rivers has been maintained up to available capacity, the movement by lake and State barge canal was increased very materially, and the same is true of the eastbound movement on the Gulf intracoastal waterway. The first and last of these movements will be considerably increased, and also a movement instituted up the Atlantic intracoastal waterway, after the conversion and new construction programs have been completed.

Pipe-Line Movement.

At the instigation of the Office of Petroleum Coordinator, a new 24-inch gasoline pipe line is under construction from the Southwest fields to a point in Illinois. When completed, it will materially shorten the rail haul to the East of considerable oil. This line is now to be extended to the seaboard. In addition, a new pipe line across the Florida peninsula, recommended by the President's Committee, is nearing completion. Projects involving a reversal of flow of certain pipe lines which have been carrying gasoline from the seaboard to the interior and the construction of various connecting links are also nearing completion. The O.D.T. has aided and abetted all of these projects.

Tank-truck Movement

As aforesaid O.D.T. has inventoried and mobilized the over-the-road tank trucks of the country for the purpose of substituting them for tank cars on short hauls, and it has been aided in this by the Interstate Commerce Commission, which has granted on short notice a great many new operating rights. We are also prepared to see to it that both tank trucks and barges are ready for use in distributing oil from the eastern concentration points under O.P.C. Order No. 59.

So far as the tank trucks used un local distribution services are concerned, there has been great waste, owing to the multiplicity of competing dealers. To save rubber, O.D.T. has been promoting the joint use of tank truck facilities, and a considerable number of such plans have been voluntarily put into effect. There have been no restrictions, as in the case of other local distribution services. on call-backs and special deliveries so far as our orders are concerned. We have requested such restrictions to be included in voluntary plans where necessary service would not be interfered with. When it came to the Certificates of War Necessity under our General Order No. 21, we have not undertaken to curtail the mileage or gasoline allowances of the over-the-road tank trucks. In the case of the local distribution tank trucks, we undertook to impose a cut of 25 percent under the 1941 mileage, which the industry agreed could be effected without limiting necessary service. The fuel-oil rationing program, however, imposes restrictions upon the amounts of oil which can be delivered to consumers in specified periods. The result has been that the number of deliveries which the trucks are called upon to make has been increased materially, and often they are deliveries of small lots. Thus the efforts which we have been making, with the support of the

operators, to reduce mileage are to this extent being thwarted by the rationing regulations. We have made it clear, however, that any operator who believes that the terms of his Certificate should be revised on this account may request a revision at once, and it will be given early attention. In the meantime the tank truck operators, who are authorized to use 50% of their gasoline coupons in any quarter, will have plenty of coupons enabling them to make all needed deliveries, for a deficiency in these coupons cannot materialize until near the end of the first quarter.

Cooperation.

O.D.T. has at all times undertaken to cooperate with the Office of Petroleum Coordinator (now the Petroleum Administrator for War), and the Office of Price Administration in connection with petroleum matters. We have conferred with their representatives frequently and continually.

Recommendations

I believe that we should act on the assumption that tankers for coastwise service will not be available during 1943, or perhaps for the duration. On that assumption the maximum use of existing transportation facilities is necessary and new facilities must be built.

1. Railroads

The delivery ability of rail service can be stated in terms of turn-around time of the cars. Seventy thousand tank cars with a 20-day turn-around to the Atlantic Seaboard will deliver 750,000 barrels per day; with a 15-day turn-around, 1,000,000 barrels per day. Turn-around time is a function of (a) shuttle-service, that is, deliveries to a single destination from which empty cars can be returned in train-load lots, and (b) rapidity of rail movement, which is a function of railroad operation. The deliveries to a single destination depend upon determination of destinations by the Petroleum Administrator which, I assume, will be completed under his Directive 59 as rapidly as possible and for which he should be assisted by priorities for unloading facilities, where needed, from the War Production Board. There is, in some cases, considerable delay in unloading tank cars due to lack of sufficient unloading facilities when entire trainloads are delivered to a single destination. These deliveries are sometimes unavoidably bunched, which makes ample unloading facilities very important. As to the railroad movement of the symbol trains, organized by the Office of Defense Transportation, further improvement can be expected from additional locomotive power, if the steel can be made available, as previously recommended by the Office of Defense Transportation. Additional tank cars have been ordered into eastern service, from other areas, under O.D.T. Order No. 7, Revised, but there is a limit to which additional cars can be helpful without better destination and unloading facilities and without more locomotive power than the railroads now have.

2. Pipe Lines

There is no sound substitute for pipe lines for the overland movement of petroleum. They are efficient as to cost and continuity of service, and they relieve other carriers which may be under stress of traffic burdens. In a war period they are much safer than railroads or ships from service interruptions, and their requirements for manpower are very low. As rapidly as the steel can be provided, the 24-inch pipe line already partially completed should be supplemented by such other pipe lines from the oil fields to the Atlantic Seaboard as may be recommended by the Petroleum Administrator.

3. Tank Trucks

Office of Defense Transportation regional and State committees are substituting tank trucks for tank cars wherever possible for hauls within 200 miles. We believe there are sufficient tank trucks to distribute oil from the consolidated rail terminals which the Petroleum Administrator is setting up for the Atlantic Seaboard area under his Directive No. 59. However, there is a shortage of tank trucks country-wide, and our figures show that 778 additional tank trucks, having an average of 4,000 gallons capacity, could release 8,854 tank cars now used in hauls within 100 miles. These tank cars could then be released for the long-haul service to the Atlantic Seaboard. The War Production Board has granted the Office of Defense Transportation requests to the extent of 392 additional tank trucks, which will be completed by January 31, 1943. An additional 500 tank trucks have been requested for the first quarter of 1943, and we have practical assurance that this request will be granted. If the fuel-oil rationing regulations could be adjusted so as to permit more concentrated deliveries, it would also be helpful.

Very sincerely yours,

JOSEPH B. EASTMAN
Director.

SCHEDULE 5

REPLY TO QUESTION 3 OF BUREAU OF THE BUDGET CIRCULAR 408

Question 3: "What activities or work which is carried on in other agencies do you believe duplicates work of your agency in whole or in part? What methods would you recommend to eliminate such duplications?"

On May 18, 1942, the Bureau of the Budget submitted to us a study of transportation activities carried on by Government agencies othern than ODT. This study indicated that there are twenty-six sections in twelve Government departments carrying on activities relating to transportation. While many of these activities are essential to the proper functioning of those agencies, as set forth in the laws or orders establishing them, our experience has been that there is a tendency for these agencies to extend their activities beyond those essential to the proper carrying out of their functions and in this way duplicate or parallel the work being performed by the Office of Defense Transportation in compliance with the Executive orders establishing it.

The more important instances of this duplication of our work among the war agencies, whether due to conflicting directions or extension of activities beyond the proper scope of their functions, are given below:

War Production Board

- Office of Civilian Supply
- Stockpiling and Transportation Division
- Transportation Equipment Division
- Transportation Requirements Committee in the Office of the Program Vice Chairman.

Department of Interior

- Office of Petroleum Coordinator for War
- Transportation Division
- Materials Division
- Office of Solid Fuels Coordinator for War

Office for Emergency Management

- Central Administrative Services

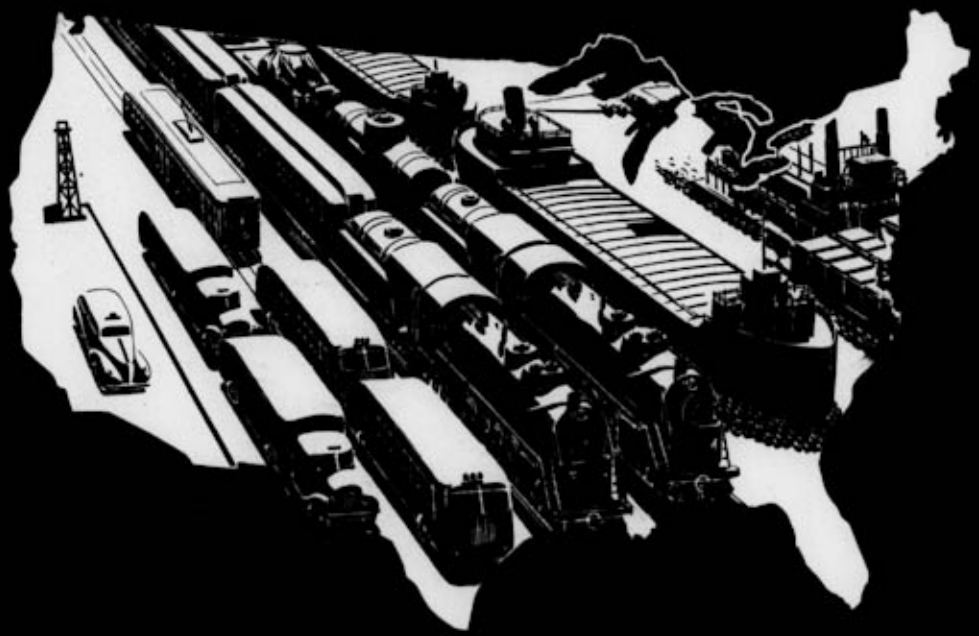
We are not suggesting that there is no need for these organizations. We do believe, however, that there is a decided tendency to expand their work considerably beyond what would be required, if they were willing to rely on ODT for information and advice on transportation. The fact that they are not willing indicates that there is something wrong somewhere, either with us or with them.

We shall be glad to furnish you with specific instances of this duplication of effort, if you so desire, and to have this matter thoroughly explored. In this connection, it would seem appropriate in the interests of economy of manpower and effort to suggest a review by the Bureau of the Budget of the activities of the Interdepartmental Committee and Sub-Committees of the War Production Board, particularly those organized by the Division of Stockpiling and Transportation relating to equipment requirement matters and traffic forecasting. The meetings of these Committees are time consuming and to our mind serve no useful purpose.

PROGRESS REPORT

PRESIDENT

MARCH 31, 1943



The Office of

DEFENSE TRANSPORTATION

OFFICE OF DEFENSE TRANSPORTATION

PROGRESS REPORT TO THE PRESIDENT FOR THE FIRST QUARTER 1943

SUMMARY

Railway Transport (Page 1)

The railroads handled about 29% more revenue ton-miles in the first quarter of 1943 than in the first quarter of 1942 and 98% more passenger-miles.

Passenger Traffic (Page 2)

The need for conservation of passenger travel throughout 1943 was pointed out to all government agencies and a campaign was programed to obtain cancellation of conventions, etc.

Troop movements required the regular assignment of 55% of all Pullman cars in the country and 20 - 25% of the coaches.

Spot congestions were noted in large cities, predominately along the East Coast.

Freight Traffic (Page 3)

The average increase in the loading per car for all freight, including company freight, in the first quarter of 1943 as compared with the first quarter of 1942 was 15%, which mainly accounts for the decrease of 4.9% in the cars of revenue freight loaded for the same period in spite of the increase of about 19% in revenue tons loaded. The revenue ton-miles were about 29% greater in the first three months of 1943 than for the corresponding period in 1942, indicating an increase of 8% in the average haul.

Forecast of Traffic for the Year 1943 (Page 6)

On the basis of current information, an increase of about 15% in revenue ton-miles and 25 to 30% in passenger miles is indicated for the year 1943.

Cooperation between ODT, ICC and AAR in Diversion of Traffic (Page 7)

To provide the machinery to effect prompt diversion of traffic from congested lines serving the West Coast, Mr. W. F. Kirk, Associate Director of Division of Railway Transport in the Western Region, was made the joint representative of O.D.T., I.C.C. and A.A.R.

Port Conditions (Page 8)

The operation of the O.D.T. block and unit permit system controlling the release of traffic for export, operated without interruption during the quarter.

Port activity has steadily increased, there being 60,703 carloads arriving for export in January, 70,970 in February and 83,432 cars in March.

Coal to New England (Page 11)

Bituminous coal shipped all-rail to New England during the first three months of 1943 increased 729,410 net tons or 31.7% over 1942. The net increase by all routes was 678,761 tons, there being an increase of 1,436,660 tons by North Atlantic Ports and a decrease of 1,485,309 via Hampton Roads.

Anthracite coal shipped to New England during the first quarter of 1943 showed a decrease of 82,039 net tons or 4.9% from the first quarter of 1942.

Ore Movement (Page 11)

Arrangements have been set up for a complete daily check on the iron ore situation during the coming season including boat delays, car delays of every character and all machinery for the necessary supervision of the ore movement.

Petroleum Transport (Page 11)

Average daily movement by tank car into District No. 1 for the first quarter of 1943 was 816,856 barrels.

Forecast is given of the details of petroleum movement into District No. 1 by all methods of transportation by quarters, from the second quarter of 1943 through the second quarter of 1944, (attached to this report as Schedule 4). Estimated increase of 421,000 barrels per day is shown for the second quarter of 1944 as compared with the second quarter of 1943.

Motor Transport of Property Except by Tank Truck (Page 14)

A definite tightening in the motor transport industry during the first quarter of 1943 was evident. The principal problems are those dealing with manpower, replacement parts and need for additional equipment.

An estimated need for 17,700 additional trucks is indicated for the second and third quarters of 1943.

Program for Supplying Needs for Additional Truck Equipment (Page 15)

There are three sources from which additional truck equipment can be obtained:

1. Pool of new truck equipment for civilian uses.

2. Construction of new truck equipment during 1943.
3. Transfer of idle second-hand equipment to sections where there is a shortage.

Maximum Price Regulations for Used Commercial Vehicles (Page 16)

Maximum Price Regulation 341 of Office of Price Administration became effective April 26, 1943. The new Order sets up two ceiling price schedules--one on "as is" basis and the other on "reconditioned" basis.

Conservation of Equipment (Page 17)

In an effort to conserve vehicles in every possible way, a program of conservation has been designed by the Division of Motor Transport to meet the situation.

Joint Action Programs (Page 18)

In January, a model joint action plan for common and contract carriers was made available to ODT Advisory Committee members.

In an effort to increase the movement of agricultural products an Industry Transportation Program has been devised which contemplates coordinated action between farmers, haulers, processors and dealers in farm commodities.

Reductions in Retail Delivery Mileage (Page 19)

A survey, conducted for the ODT in 47 cities by the Office of War Information field staff, reveals that there have been large reductions in retail delivery mileage and substantial savings in gasoline, tires and equipment as a result of a government campaign asking consumers to carry small packages.

Joint Information Offices (Page 20)

The attempt to eliminate empty mileage through the establishment of Joint Information Offices has resulted in a considerable amount of reporting to and assignment of freight by these offices. During the first quarter 27.1% of the total tons reported was assigned.

Certificate of War Necessity Program (Page 21)

This Program has gone through a period of readjustment during which the policies necessary to eliminate inconsistencies were placed in effect. To date, appeals have been handled quite expeditiously in the field, and, in general, inequities and hardship cases have been adjusted to a substantial extent.

State Barriers (Page 23)

War-time trends in the passage of state laws include the granting of extraordinary war-time powers to Governors, which powers include the regulation of highway transportation.

Waterway Transport (Page 25)

The inland waterways are showing a decided improvement in activities as compared with a year ago. Other Government agencies have responded noticeably to the request to route certain of their freight via water.

During the first quarter of 1943, the Division of Coastwise and Intercoastal Transport approved the requisitioning of 107 vessels for the armed forces. The continual requisitioning of vessels from domestic transportation is creating a serious situation.

Local Transport (Page 29)

General Order ODT 35, issued March 17, requires the approval of ODT for the use of local passenger transportation equipment by Federal departments and contractors with Federal departments. It also prohibits the transfer of such vehicles from one service to another except under certain specified conditions.

Bus and taxicab operators have been requested to submit plans for the curtailment of mileage in the event of emergency resulting from shortage of fuel and heavy-duty tires.

General Order ODT No. 10-A (Page 31)

This Order was issued March 1 and has the effect of limiting all types of exclusive occupancy in bus equipment to the same provisions irrespective of whether a charge or compensation is involved for a particular movement.

Conservation Programs for Local Administrators (Page 32)

The proposed change in status for Local Administrators was formally effected on March 2.

Change in Mileage Limitation for City and Intercity Buses (Page 32)

Effective February 1, buses formerly limited to 2,000 miles per month may be operated 3,000 and those limited to 4,000 may now be operated 6,000 miles.

Allocation of Buses (Page 33)

During the first quarter the total of 321 integral buses were allocated, bringing the total number of such vehicles placed since the freeze order of last July to 2745.

Local Transportation Problems in East Coast Area (Page 33)

With the Order issued on January 7, by Office of Price Administration, prohibiting pleasure driving in East Coast area, a tremendous load was placed upon already over-crowded local transportation systems. In order to meet this situation, transit companies were requested on January 16

not to augment their regular services, especially on Sundays and in the evenings, to such places as parks, concert halls, dance halls, night clubs, and bingo games.

Intercity Bus Service (Page 34)

As a result of joint intercity bus operating arrangements and other conservation measures, a quarterly saving of 3,600,000 tire miles has been effected over those operated during the same period a year ago.

Materials and Equipment (Page 36)

During the first quarter of 1943 the ODT assumed its full responsibilities as a Claimant Agency under the Controlled Materials Plan of the War Production Board. In order to perform more effectively this new function, the Division of Materials and Equipment was reorganized, effective February 1.

Developments in the CMP Program (Page 38)

A Controlled Materials Plan was hardly more than in its first operation during the first quarter; the second quarter is regarded as a time of experiment and further change; in the third quarter proponents of the plan expect to see it in full operation.

Transportation Manpower Situation (Page 38)

There was far less than the usual seasonal decline in midmonth employment of Class I railroads during the winter months. February employment was only 0.7% lower than the 1942 peak of 1,322,461 which was reached in August. A survey of labor needs showed that as of Jan. 31, the 163 railroads covered, reported current vacancies of 45,688 workers.

Track Labor Shortages (Page 40)

Negotiations are being carried out for the recruitment of Mexican labor to relieve the track labor shortages on the Pacific Coast.

National Railroad Adjustment Board (Page 41)

Plans are progressing for relieving the congestions of cases pending on the docket of the first division of the National Railroad Adjustment Board.

Housing Shortages on Western Railroads (Page 42)

The Division of Transport Personnel has cooperated with the National Housing Agency and the War Production Board in developing housing programs in areas where needed.

Full Crew Laws and Scheduled Rules Affecting Railroad Manpower Utilization (Page 42)

At a meeting held in Chicago on March 26, consideration was given to the subject of full crew laws and scheduled rules and their effect on railroad manpower shortages. As a result of this meeting, studies were made on the Southern Pacific and New York Central and reports with recommendations for corrective action are now under consideration.

Employment of Women (Page 43)

Employment of women in the railroad, intercity bus and trucking industries and in the local transit companies, is increasing.

Selective Service (Page 45)

In connection with the Selective Service regulations in relation to the manpower problems, which exist in the various branches of the transportation industry, definite steps have been taken to work out satisfactory adjustments.

Rates (Page 47)

Rate adjustments and other matters pertaining thereto, requiring attention during the 1st quarter, included: (a) Land Grant Rates via Freight Forwarders (b) Petroleum Fuel Oil from Panama City, Florida to Seaboard Points (c) Iron Ore from North Creek, N. Y., to Alsen, N. Y. for reshipment to Sparrow's Point, Maryland.

Storage (Page 50)

The storage situation in the Puget Sound area is becoming serious. The Division of Storage has felt for some time that it would be necessary to erect additional storage facilities in that area and arrangements are being made with the Lend Lease Administrator for the construction of the necessary storage facilities.

Federal Emergency Warehouse Association (Page 51)

Up to April 1 there had been organized 30 Federal Warehouse Associations. The Warehouse members of these Associations are now handling a large volume of government freight.

Dry Merchandise Storage (Page 52)

In certain cities such as Philadelphia, Baltimore, Chicago and San Francisco, it may become necessary to requisition buildings which are now occupied by non-essential industries in order that the warehouse system may take care of the government freight which must be stored in those communities.

Refrigerated Warehousing (Page 53)

The cold storage warehouse situation is fairly satisfactory although there is a lack of storage facilities in certain of the communities which have greatly expanded in population during the past year.

Tank Storage (Page 53)

Negotiations are now under way for the leasing of approximately three million gallons of tank storage at San Francisco or Los Angeles for the handling of alcohol in bulk under the Russian lend-lease program.

Public Warehouses in San Francisco (Page 53)

It appears necessary to seriously consider the construction of warehouse buildings containing approximately 300,000 square feet of floor space in the San Francisco area. ODT is requesting the Office of Lend-Lease Administration to provide the funds for such construction.

Administrative (Page 54)

The chief administrative problem during the quarter was the submission to Congress of the Budget for the fiscal year of 1944. The amount which the ODT requested and the budget submitted to Congress by the Bureau of Budget are given herewith:

Amount Requested	Budget Submitted to Congress	Amount Decrease
$18,502,990	$14,900,000	$3,602,990

* * *

OFFICE OF DEFENSE TRANSPORTATION

Progress Report to the President for the First Quarter of 1943

Beginning with January 1943 the monthly Progress Reports to the President have been discontinued and in place thereof quarterly reports will be made. In these quarterly reports we shall cover only the major problems that have arisen during the period. The Director of each division submits a quarterly Progress Report covering in detail the operations of his division. These reports are on file for reference, if desired.

Railway Transport

The railways had a difficult task to perform during the first quarter of 1943. It was a long and severe winter, and unusually low temperatures, particularly in the North and East sections of the country, reduced the effective tractive effort of available locomotives, thus aggravating an already tight situation with respect to the supply of motive power. In the South and West, heavy precipitation caused a number of serious washouts on the Santa Fe, Southern Pacific and Western Pacific main lines, which necessitated detouring a considerable volume of traffic with consequent delay to the movement. To the obstructions caused by the weather was added an increasingly heavy military movement.

In spite of these difficulties, the railroads handled about 29 percent more revenue ton-miles than in the first quarter of 1942 and 98 percent more passenger-miles. (The figures for March 1943 are estimated.)

Passenger Traffic

Early in January, the need for conservation in passenger travel throughout the year was pointed out to all government agencies in a letter urging that government travel, both on business and on leave, be curtailed as much as possible. Also, the continuing campaign to obtain cancellation of conventions, group meetings, trade shows and other travel-stimulating events was progressed. It is estimated that during the first quarter of the year out of the many hundreds of groups that approached O.D.T. concerning meeting plans, well over half voluntarily agreed to cancel their 1943 meetings and many others curtailed attendance to a nominal gathering of delegates to transact essential business. As the months have progressed, this campaign toward cancellation of gatherings has gained momentum and the leadership established by many large groups early in the year is being followed by others as the year progresses. Troop movements during the first quarter of the year required the regular assignment of about 55% of all the Pullman Cars in the country. An increasing number of coaches, reaching from 20-25% of the total in March, were likewise assigned. Organized military troop movements dropped somewhat below the November all-time peak in January and February but were accelerating in March. The average number of troops, excluding furlough travel, handled during the first quarter of the year was in the neighborhood of one and three-quarter million men per month. Heavy inductions, however, with resultant increases in the number of furlough travelers accentuated the burden on the carriers. As of the end of March, there was every indication that the rate of movement of

organized military troops and furloughees would soon surpass all previous peaks and plans are being perfected to accommodate throughout each of the summer months travel volumes never before equaled.

Spot congestions were noted in large cities, predominantly along the East Coast. Due to the concentration of military establishments, all of the carriers in the southeast section of the country are operating their passenger services at or near capacity. Similar conditions obtained in the southwest section of the country and in the Pacific Coast territory, due to traffic concentration occasioned by military activities. Generally speaking, the northern transcontinental carriers and the large eastern lines were operating with some passenger-carrying capacity to spare. However, many of these lines were being called on regularly to aid more congested roads through assignment of equipment.

As the quarter closed, all indications pointed to the acute need for conservation in the use of passenger-carrying facilities, both rail and bus, throughout the remainder of the year and steps are being taken with the carriers to provide sufficient relief so that war-impelled traffic will not be delayed.

Freight Traffic

The cars of revenue freight loaded during the first quarter of 1943 and the first quarter of 1942 were as follows:

Cars of Revenue Freight Loaded	1st Quarter 1943	1st Quarter 1942	Percent of Increase or Decrease	
Carload Freight	8,480,275	8,264,415	Inc.	2.6%
Less Carload Freight	1,179,640	1,891,787	Dec.	37.6
Total	9,659,915	10,156,202	Dec.	4.9

The decrease in the cars of LCL freight loaded was due chiefly to the heavier loading per car, resulting from General Order ODT No. 1. There also was an increase in the loading of carload freight resulting from General Order ODT No. 18. The average increase in the loading per car for all freight, including company freight, in the first quarter of 1943 as compared with the first quarter of 1942 was 15 percent. The figures of tons of revenue freight loaded as compared with the cars loaded, shown above, for the first quarter of 1943 are not available, but it is estimated that they increased over the corresponding quarter of 1942 by approximately 19 percent.

The revenue tons originated, however, do not present the true picture of the transportation service rendered by the railroads in these two periods. This is measured by the revenue ton-miles, which are obtained by multiplying the revenue tons originated by the haul. In the first quarter of 1943 the revenue ton-miles (partly estimated) were about 29 percent greater than in the first quarter of 1942, indicating an increase in the average haul of about 8 percent.

The transportation load on the railroads, which is required to produce the revenue ton-miles, usually is measured by the gross ton-miles. This unit includes the contents of the car (revenue and non-revenue freight) and also the deadweight which it is necessary to haul; namely, the tare weight of cars loaded and empty. The higher the ratio of the revenue load to total weight hauled, namely ratio of revenue ton-miles to gross ton-miles, the more economical

the operation. There are three factors affecting this ratio: 1) the non-revenue or company freight handled, 2) the loading per car, and 3) the empty car mileage.

Although the revenue ton-miles in the first quarter of 1943 were 29 percent greater than in the first quarter of 1942, the gross ton-miles only increased 18 percent, indicating an increase in the ratio of revenue ton-miles to gross ton-miles from 40.6 to 44.2. This more favorable showing was due chiefly to the increase in the average loading per car of 15 percent, because the other two factors showed little change. The ratio of revenue ton-miles (estimated) to net ton-miles, all freight, increased slightly from 92.6 to 93.7, and the ratio loaded to total car miles decreased slightly from 64.3 to 63.5. The net result was the increase in the ratio of revenue ton miles to gross ton miles from 40.6 to 44.2.

The statistics of train loading also showed better performance during the quarter in spite of the severe weather conditions. The gross train load increased 5.9 percent. Due to the increase in the ratio of revenue to gross ton-miles, referred to above, the revenue train load increased 15 percent.

The average speed of freight trains during the first quarter of 1943 was 15.1 miles per hour as compared with 16.1 miles per hour in the first quarter of 1942. The slower speed of freight trains was due in part to the lengthening of schedules and in part to weather conditions.

The table giving these freight traffic statistics for the first quarters of 1942 and 1943 is attached as Schedule 1.

There also is attached as Schedule 2 a chart giving a comparison of carloadings, revenue ton-miles and gross ton-miles for the first quarters of the years 1929 and 1939 to 1943, inclusive. This chart indicates the changing ratios between carloadings and revenue ton-miles and between revenue ton-miles and gross ton-miles above described.

Forecast of Traffic for the Year 1943

The increases of 29 percent in revenue ton-miles and 98 percent in passenger-miles in the first quarter of 1943 as compared with the first quarter of 1942 indicate a much heavier traffic load for the year 1943 than the railroads handled in 1942. The increases for succeeding quarters, however, will not be as great as those shown above for the first quarter. Both freight and passenger traffic increased rapidly during the first three quarters of 1942 but began to flatten out during the fourth quarter. In 1943 the trend of increase will be much slower than during 1942.

In the case of freight traffic, this slowing up in the upward trend will be due largely to the completion of much of the heavy war plant construction program by the middle of the year, so that in the last half of the year the movement of construction material is expected to show a substantial decrease over 1942. Another important factor which will tend to reduce the percent of increase in revenue ton miles for the last three quarters of the year as compared with that shown above for the first quarter is the fact that the great oil movement to the Eastern Seaboard did not develop until after the first quarter of 1942. Consequently it is estimated that the percentage of increase in the movement of

petroleum and its products by rail into District No. 1 for the last 6 months of 1943 compared with the last 6 months of 1942 will only be about 10% as compared with the increase of 82% in this movement during the 1st quarter.

In the case of passenger traffic, there is an unparalleled demand for transportation both from military travel (organized troop movements and furloughees) and from civilian travel. The actual traffic handled, however, will be limited to the number of passengers that can be handled in existing equipment, as little new equipment has been constructed. The saturation point in respect to capacity should be reached during the summer and fall, and the percent of increases over the heavy traffic of last year will be very much less than during the first quarter.

Based on data available after the end of the first quarter, our estimates indicated an increase of about 15 percent in revenue ton-miles and 25 to 30 percent in passenger-miles, but this estimate is subject to revision and will be reviewed in the Progress Report for the second quarter.

Cooperation Between O.D.T., I.C.C., and A.A.R in Diversion of Traffic

On account of the operating difficulties and traffic delays on the lines serving the West Coast as noted above, it became necessary to provide the machinery for prompt diversion of traffic from congested lines to those less congested. For this purpose Mr. W. F. Kirk, Associate Director of our Division of Railway Transport -- in charge of the Western Region who under our authority can make diversions, was appointed Agent of the Interstate Commerce Commission

and vested with its authority to control rates on traffic so diverted. He also was authorized to set up an Advisory Committee, on which should be at least one representative of the Office of Defense Transportation and one representative of the Association of American Railroads, and to avail himself of all the facilities of the Association of American Railroads. Mr. Kirk thus became the joint representative of the Office of Defense Transportation, the Interstate Commerce Commission, and the Association of American Railroads. Under this arrangement it was possible to relieve some of these western lines of a portion of their former burden as conditions required, with gratifying results. (Copy of I.C.C. Service Order No. 99 attached as Schedule 3).

PORT CONDITIONS

Export Freight Traffic

The operation of the O.D.T. block and unit permit system controlling the release of traffic for export operated without interruption during the period. Statistication of the port control system was perfected, with greater accuracy being introduced into the daily records of cars on hand at each port. These data now are distributed widely through interested government and carrier agencies. Representation has continued on the Transportation Control Committee and on the Soviet Shipping Protocol, to the end that the permit and port control system might be more effectively used in correlating inland traffic movements with ocean shipping schedules.

Port activity has steadily increased, there being 60,703 carloads arriving for export reported in January, 70,970 in February and 82,432 in March. Progress has been made in keeping the ports fluid, as shown by the fact that at the end of January the carloads of export freight held at ports thirty days or longer totalled 14,244. This figure was reduced to 12,146 at the end of February and was 12,587 at March 31st. Over 90% of these carloads had been unloaded on the ground in order to release the cars.

Situation at North Atlantic Ports

Activity at North Atlantic ports showed some increase in January compared with December, but was considerably below the level of 1942. Activity increased, however, during the quarter, and for the quarter as a whole the activity was considerably ahead of last year.

Port operations were hampered during the early part of the quarter by the cold weather. Some delay was experienced in delivering steel to ship side from ground storage because of the freezing weather. Manpower shortage has been a factor also.

Situation at Southern and Gulf Ports

Considerable activity has been maintained at the Gulf ports during the first quarter, with occasional tendencies for freight to accumulate at New Orleans and Mobile. These situations were promptly relieved by the arrival of vessels, and measures taken to control receipts pending vessel arrivals. There were 131 cars held in outlying yards at New Orleans at the end of

March. The ports of Savannah and Jacksonville were active earlier in the quarter, but their activity has subsided since.

Situation at Pacific Ports

The port situation on the Pacific coast has remained essentially fluid during the three months past. Large receipts of export freight have been, for the most part, promptly handled by continuous shipping operations. There has been some accumulation of freight for Russia in the Portland area due to irregular ship arrivals. This situation has continued throughout the quarter. There have been signs recently, however, of some improvement. San Francisco continues to be very active, but a regular supply of vessels has enabled effective handling of a large volume of traffic through the port.

We have made joint recommendations with the Army Service Forces involving plans for the construction of additional trackage in the Portland, San Francisco and Los Angeles areas to provide against any emergency that may arise with a sudden increase in traffic for movement beyond the ports. The Pacific ports and terminals were open and fluid at the end of the quarter.

COAL MOVEMENT

Coal to New England

The total coal movement to New England via all routes is shown in the tabulation below:

Bituminous Coal Shipped to New England -(Net Tons)
(Jan. 1 to March 27, incl.)

	1943	1942	Change
All Rail	3,029,400	2,299,990	729,410
Via Hampton Roads	1,453,617	2,938,926	- 1,485,309
Via North Atlantic ports	1,590,312	155,652	1,434,660
TOTAL	6,073,329	5,394,568	678,761

Anthracite Coal Shipped to New England -(Net Tons)
(Jan. 1 to March 27, incl.)

All Rail	1,525,535	1,543,542	- 18,007
Tidewater	53,609	117,641	- 64,032
TOTAL	1,579,144	1,661,183	- 82,039

ORE

A careful investigation was made of the question of diverting approximately 300,000 tons of ore moving to Granite City, Illinois, from rail to water routes, with the result that it was found that the transportation burden would not be reduced nor rail equipment released. Arrangements have been set up for a complete daily check on the iron ore situation during the coming season including boat delays, car delays of every character, and all machinery for the necessary supervision of the ore movement. The severe winter has materially delayed the opening of the Lake ore season this year.

PETROLEUM TRANSPORT

The severe winter accentuated the already serious problem of moving petroleum and its products all rail from Texas to the Eastern Seaboard in order to relieve the serious gasoline and fuel

oil situation described in previous Progress Reports. This traffic was largely handled in symboled trainload lots. Despite the severe winter weather, the average daily movement by tank car into District No. 1 for the quarter was 816,856 barrels per day. This has been greatly increased with the coming of milder weather and the opening of the 24" pipe line to Norris City, which decreased the average haul. During the week ending April 3, 912,919 barrels per day were handled. The average number of barrels per day handled in tank cars by weeks during the first quarter is given below, and it is expected that these deliveries will average 885,000 barrels per day in the second quarter.

Week Ending (1943)	Average Number of Barrels Per Day
January 2	775,409
9	822,837
16	818,331
23	798,552
30	796,485
February 6	832,896
13	806,976
20	820,553
27	798,274
March 6	797,102
13	814,320
20	807,871
27	833,466
April 3	912,919
Average for quarter -	816,856

Statement is attached (Schedule 4) which gives a forecast of the deliveries of petroleum and its products into District 1 by all methods of transportation by quarters from the second quarter of 1943 through the second quarter of 1944. A comparison of the

estimated activities for the first and last quarters of this period is given below.

Estimated Deliveries of Petroleum and Its Products

Into District No. 1 by All Forms of Transportation

	2nd Quarter 1943 Barrels per day	2nd Quarter 1944 Barrels per day	Increase Barrels per day
Pipe Lines	212,000	621,000	409,000
Barges	144,000	211,000	67,000
Tankers	30,000	50,000	20,000
Tank Cars	885,000	810,000	- 75,000
Total	1,271,000	1,692,000	421,000

The estimated decrease in the tank car activities in the 2nd quarter of 1944 as compared with the 2nd quarter of 1943 is due to the anticipated completion of the 24" pipe line from Norris City to the seaboard in August 1943 and the completion of a 20" pipe line from the oil fields in Texas to the seaboard in January 1944. Consequently, in the second quarter of 1944 substantially all of the movement by tank car into District I will have the long haul from the Texas points to the seaboard instead of about one-quarter of the cars having the much shorter haul from the end of the 24" line at Norris City, Illinois, to the seaboard, which was the case in the second quarter of 1943.

The Chart Schedule 5 shows the increase in transportation of petroleum and its products into District No. 1 by tank car, pipe line and barge from January 1941, when this transportation was handled practically entirely by tanker, to March 1944 when it is estimated that the tankers will deliver only 50,000 barrels per day as compared with 1,642,000 barrels per day by the other forms of transportation.

MOTOR TRANSPORT OF PROPERTY EXCEPT BY TANK TRUCK

A careful study of all available evidence reveals a definite tightening in the motor transport industry during the first quarter of the year. Conditions generally were more serious than at the close of 1942. The principal problems were those dealing with manpower, replacement parts and need for additional equipment.

The manpower problem has become more serious with the induction of a large number of employees into the military service or their diversion into war industries. Other labor problems relate to difficulties with labor unions, particularly in New England and in the southeastern territory. These problems are discussed in more detail in the section relating to manpower problems.

Need for Additional Truck Equipment

The additional truck equipment, including tank trucks, for the second and third quarters of 1943 necessary to meet all transportation requirements, has been estimated as of April 1 by the members of the Bureau of Motor Carriers Field Force. These estimates, which are preliminary, indicate that 17,700 additional trucks will be required, divided between services as follows:

Service	Additional trucks required for 2nd and 3rd Quarter of 1943 Number	% of Total
Over-the-road-for-hire carriers	5,400	30.5%
Farming and Dairy	5,300	29.9
Logging	2,300	13.0
Construction	800	4.5
Local Delivery	2,400	13.6
All Other Services	1,500	8.5
Total (Excluding tank trucks)	17,700	100.0%

The over-the-road for-hire carriers and the farming, dairy and logging industries account for 13,000, or 73 percent of the estimated requirements. It is interesting to note that the construction industry, which was allocated 21 percent, or 11,173 of the 53,207 commercial vehicles released during the first year of the new vehicle rationing program, appears to have attained a point where only about 800 additional trucks will be necessary to maintain vital construction. The greatest need for additional and replacement equipment for construction is in the Southwest and Southeast, where many construction projects are still under way. In other areas no serious scarcity is reported.

Program for Supplying Needs for Additional Truck Equipment

There are three sources from which additional truck equipment can be obtained.

1. The pool of new truck equipment for civilian uses.
2. Construction of new truck equipment during 1943.
3. Transfer of idle second-hand truck equipment from sections where there is a surplus to sections where there is a shortage.

All three of these measures were pursued during the first quarter. Allocations of 9,778 trucks were made from the civilian pool to applicants who demonstrated the essential nature of their requirements and who were unable to obtain suitable second-hand equipment. The allocation of light, medium and heavy trucks during the quarter and the number of each kind in the pool at March 27th was as follows:

	Trucks Allocated During 1st Quarter	Trucks in Civilian Pool at end of Quarter
Light	1,204	12,735
Medium	6,052	34,538
Heavy	2,522	2,491
Total	9,778	49,764

The following program of trucks and trailers for delivery in 1943 has been approved by the War Production Board at our request:

7,500 heavy trucks
9,200 trailers

Surveys have been made of the location of idle second-hand trucks for the purpose of arranging for the transfer to points of need to augment the pool of new civilian trucks, which is not large enough to satisfy the requirements. This procedure has been complicated by the high prices asked for these second-hand trucks.

Maximum Price Regulation for Used Commercial Vehicles

This problem of prices of used commercial vehicles, which had been growing more acute for some months, finally resulted in Maximum Price Regulation 341 of the Office of Price Administration, which becomes effective on April 26, 1943.

Because of the demand for used commercial vehicles and the limited supply of new and used vehicles, the prices charged for some used trucks had been exorbitant, in some cases higher than the prices when new. The new order, which sets up two ceiling price schedules - one on an "as is" basis and the other on a "reconditioned" and guaranteed basis - is expected to relieve to some extent the situation that exists in the used truck market at the present time.

Conservation of Equipment

It is apparent that insufficient new truck equipment will be added to the present supply during 1943 to meet the demands and that effort must be made to conserve vehicles in every possible way. The program of conservation which has been designated by the Division of Motor Transport to meet the situation includes the following broad aspects:

1. A positive program of preventive maintenance to eliminate excessive deterioration of equipment.
2. Various joint action programs designed to eliminate waste through the coordination of carriers operations.
3. A mileage rationing program designed to restrict operations to a minimum mileage with greater utilization of cargo capacity.
4. Other more specilized programs designed to accomplish the conservation desired.

The program for preventive maintenance was described in our Annual Report for 1942, and substantial progress has been made on this program during the quarter.

Joint Action Programs

In January, a model joint action plan for common and contract carriers, designed for effecting conservation in the for-hire carrier industry, was prepared and made available to our advisory committee members. Subsequently a number of meetings have been held in the more important cities to concentrate on ways and means of conserving equipment, rubber, manpower, and facilities. Subsequent to these meetings, the elected advisory committee members, representing common carriers, contract carriers and local cartage companies, appointed subcommittees to carry out this program. These subcommittees have been holding numerous meetings throughout the country for the purpose of working out ways and means for greater conservation.

Joint action plans of for-hire carriers have been submitted by 30 groups of carriers during the first quarter, and two have been approved by letter and nine supplementary orders have been issued.

In an effort to increase the movement of agricultural products, an Industry Transportation Program has been devised which contemplates coordinated action between farmers, haulers, processors and dealers of farm commodities. Industry transportation committees (referred to in my Progress Report for December), representatives of the above groups, will be formed

for selected areas and commodities. They will formulate conservation plans according to the procedure included in a "Recommendation for Industry Transportation Plan in the Transportation of Agricultural Commodities and Products thereof" which received the approval of the War Production Board and the Department of Justice. As of April 1, 1943, 25 Dairy Industry Transportation Committees were approved by ODT; five dairy industry transportation plans were approved and, in effect, one dairy industry transportation plan was tentatively approved, and three additional plans were under consideration. A farm vehicle transportation specialist has been assigned to each Regional ODT office to coordinate the work of the large number of voluntary workers. The County Farm Transportation Committees, Industry Transportation Committees, and technical assistants from 55 colleges of agriculture comprise a voluntary group of about 85,000 persons, one person for every 20 trucks carrying farm products or supplies.

Reductions in Retail Delivery Mileage

A survey, conducted for the ODT in 47 cities by the Office of War Information field staff, reveals that there have been large reductions in retail delivery mileage and substantial savings in gasoline, tires and equipment as a result of the government campaign asking consumers to carry small packages. A fashion store, a department store and a specialty shop were canvassed in each city, but the differences in reporting preclude an overall summary with any one measure as a base.

However, despite greatly increased volume of sales, mileage reductions from 25 to 75 percent were reported. The numbers of packages delivered decreased substantially for many stores. Some stores were able to decrease the number of trucks in service. Substantial savings in gasoline and tires have resulted from fewer stops and decreased mileage. It is not known, however, the extent to which this survey is representative of all retail operations, since it appears that principally the larger stores were contacted.

Joint Information Offices

The attempt to eliminate empty mileage through the establishment of Joint Information Offices has resulted in a considerable amount of reporting to and assignment of freight by these offices. One hundred and nineteen applications for the establishment of Joint Information Offices have been filed of which seventy-five have been approved. The traffic reported to the Joint Information Offices and the traffic assigned for movement during the first quarter are as follows:

Month	Tons Reported	Tons Assigned	Percent Assigned of Total Reported
January	50,986	9,191	18.0
February	83,567	23,714	28.3
March	115,724	34,896	30.2
Total	250,277	67,801	27.1

It is to be noted that both the volume of freight reported and the tons assigned are increasing substantially each month.

However, the relative increase in tons assigned to tons reported is particularly important, since it indicates an increase in the efficiency of Joint Information Offices. These increases are due in part to an enforcement program put into effect in January. Road checks are instituted and conducted in any given locality where there is evidence of lack of compliance on the part of the industry as regards the loading provisions of Orders 3 and 17.

Certificate of War Necessity Program

The Certificate of War Necessity Program as authorized in ODT General Order No. 21 has gone through a period of readjustment during which the policies necessary to eliminate inconsistencies or to handle special cases were formulated and placed in effect. Appeals have been handled in the field to adjust the Certificates of those who considered their original Certificates unsatisfactory and positive action has been taken to secure compliance with the Certificate program and other ODT Orders.

As of the end of the first quarter, 822,000 requests for changes had been received from holders of Certificates of War Necessity. Many of these requests for changes do not involve mileage and motor fuel certified, but changes in equipment, address, etc.

Forty-seven percent of the requests for changes were from farm operators and fifty-three percent from other operators. Since a large proportion of the applications

were incomplete, the original allotments of gasoline were, of necessity, somewhat arbitrary and the number of requests for changes is not surprising.

To date, appeals have been handled quite expeditiously in the field and, in general, it may be stated that inequities and hardship cases have been adjusted to a substantial extent. The distribution of examiners to various localities to handle appeals locally has helped bring about cooperation with the industry and the aid given by the County War Boards in recommending action on appeals has been exceedingly helpful.

STATE BARRIERS

With literally thousands of bills still under consideration by many of the 1943 state legislative sessions, sufficient laws have been enacted to indicate certain war-time trends. Prominent among these is the passage of measures to extend to governors extraordinary war-time powers including regulation of highway transportation.

Other war-time trends include a reflection of manpower shortages in new laws to reduce the legal age for driving permits and others to meet the metal scarcity by substituting other metals for steel in license plates and the use of stickers or tabs in connection with continued use of present plates.

At least two states have enacted laws to relieve members of the armed forces of normal requirements of driver's license provisions. Broader motor vehicle reciprocity and liberalization of size and weight regulations also are among new laws designed to expedite war-time highway traffic movements. Bills of primary interest which have become law this year include:

Highway Speed Limit

In order to speed up emergency deliveries of war supplies, and because the War Department and various other agencies had petitioned the ODT to amend ODT Order 23, which set a speed limit of 35 miles per hour for all highway traffic, steps were taken to institute a procedure whereby certain exemptions might be provided to expedite transportation service for the armed forces and certain Government agencies. Since four months of operating experience

under ODT 23 had brought out no conclusive evidence regarding the effect of a uniform 35-mile speed limit on the conservation of rubber, it seemed advisable to amend the order. Rubber Director Jeffers agreed to a sixty-day trial and on March 5, 1943, the exemption order was issued. When a carrier is required to transport the shipment the expedited movement of which is necessary in the interest of the military, or naval forces, the Maritime Commission or the War Shipping Administration, the limitations prescribed by ODT 23 are exempt and Exemption Order ODT 23-2A applies. However, a truck so exempt must carry a "V Emergency Penant" to indicate that excess speed is authorized by the ODT.

WATERWAY TRANSPORT

Great Lakes

The shipping season on the Great Lakes closed early in December, and, of course, remained closed during the entire first quarter of 1942. In fact, the opening of the lakes for shipping was several weeks' later than usual this spring on account of the unfavorable weather conditions. Navigation did not open until April 24th this year as compared with March 23rd last year.

Inland Waterways

The barge conversion program, discussed in previous Progress Reports, is making more satisfactory progress. The conversion of thirty-nine of the 116 barges has been completed. As quickly as these barges were completed, they were chartered out to oil companies and barge lines, and they are now spread over the entire inland waterway system, some being used from Texas to Florida, others from Texas to the Upper Ohio River terminals, and still others from the Gulf Coast refineries to Minneapolis and St. Paul. Some of them have also been sent to the East Coast of Florida, where they will be used in distributing the through-put of the Trans-Florida pipe line as soon as the pipeline is opened.

Our towboat and barge construction program also is progressing. Contracts for all of the 21 towboats and 100 tugboats have been let to various yards in the country. Contracts have been let for the building of 305 wooden tank barges, but the engineers are running into extreme difficulty in building these

barges, due to the shortage of lumber. This has required the change of some of these barges from all wood to a composite steel-and-wood barge where the frames will be of steel and the planking of wood.

At the request of the Petroleum Administration for War, O.D.T. has stopped building the 240 wooden barges for the Mississippi River, and has asked the War Production Board for permission to replace these with all-steel barges.

The terminals at Jacksonville and Panama City are well under way and should be ready for operation in July. Some of the wooden barges and tugboats will be completed by July.

The ice-breaking boats and plows kept the Illinois River open all winter and have now completed opening the channel in the Upper Mississippi to Minneapolis, Minnesota, allowing navigation to start on the Upper Mississippi River about 30 days ahead of the regular starting time. Navigation opened on the New York Barge Canal about the middle of April. The prospects for tonnage on this waterway are much better than a year ago. Heavy movements of petroleum, bauxite, sulphur, paper and grain have already been arranged. It is expected that considerably more tonnage will be moved this year than in 1942.

There was a decided improvement in the activities on the Inland Waterways, particularly on the Mississippi River System and its tributaries, at the end of the first quarter of 1943 as compared with a year ago. Then there were many idle boats and barges. Today this is not the case, and while there is

still considerable room for increased southbound tonnage, the northbound tonnage is much nearer capacity than ever before. This situation has been brought about in part by the action of other Government agencies, which at my request have routed a part of their freight by water.

During the first quarter, the Army has routed via the waterways over 50,000 tons of Army supplies, consisting of steel, food, trucks, jeeps, blankets and canned goods. The Navy has shipped over 12,500 tons of steel. The Maritime Commission has shipped over 28,000 tons of ship steel. The Defense Supplies has shipped over 18,000 tons of sisal, and the Commodity Credit Corporation has shipped over 6,000 tons of cotton linters and 9,000 tons of sugar. It is assumed that there are many other shipments moving of which we have no record.

Coastwise and Intercoastal Transport

During the first quarter of the year the Division of Coastwise and Intercoastal Transport investigated the use of 121 vessels for which clearance had been requested by War Shipping Administration, and approved the requisitioning of 107 vessels for the armed forces.

The continual requisitioning of vessels from domestic transportation is creating a serious situation. We have endeavored wherever possible to cooperate with the armed services to release the vessels which are needed, but in many cases a serious added strain is being put on the remaining domestic transportation facilities. The principal coastwise movement under the jurisdiction

of the Office of Defense Transportation is the movement of coal to New England. During the first quarter of 1943 this amounted to 3,097,538 tons as compared with 3,212,219 tons in the first quarter of 1942, a decrease of 3.6%.

LOCAL TRANSPORT

Review of Federal Contracts for Local Transportation Facilities

Executive Order 9294, issued on January 4, giving the Office of Defense Transportation authority to review and approve contracts for local transportation facilities made by any federal agency, was discussed in my December Progress Report.

In order to present in a thoroughly usable form the provisions of this Executive Order 9294 and Public Law 779, General Order ODT 35 was issued on March 17. This order, in addition to requiring the prior approval of this Office for the use of local passenger transportation equipment by Federal departments and contractors with Federal departments, also prohibits the transfer of such vehicles from one service to another except under certain specified conditions. The order further requires a determination by this Office with respect to the use of local transportation facilities by the War Department, Navy Department and Maritime Commission and formalizes the procedure for the allocation of new passenger transportation equipment. Federal departments and contractors with Federal departments are required under the order to submit an inventory of local passenger transportation equipment in their possession. A copy of General Order ODT 35 is attached as Schedule 6.

Plan for the Emergency Curtailment of Transportation Operations

Because of the rapidly changing relation of requirements to supply of fuel and heavy-duty tires, a Plan for the Emergency Curtailment of Transportation Operations has been advanced. Bus

and taxicab operators throughout the nation have been requested to prepare and submit plans for the curtailment of mileage in the event of an emergency resulting from a shortage of the supplies mentioned above. Three programs were requested for curtailed operations to eliminate respectively 10%, 20% and 30%.

These plans have been requested in order that prior thought might be given to the emergency curtailment of rubber-borne miles on short notice. It is felt that curtailment according to plan will prevent transportation confusion or collapse in case of such an emergency. A copy of the statement issued to operators on January 25 is attached as Schedule 7. Reports which have been submitted to the various field offices of the Division are now being analyzed.

Street Traffic Control

As a result of indications in this Office to the effect that little has been done in response to the April 1942 Policy Statement to eliminate waste of time and vehicle wear by needless stopping for traffic lights, a conference of street traffic experts was held here in Washington on January 14. A number of eminent traffic engineers were in attendance and means were discussed whereby traffic lights might be adjusted for wartime conditions in order to eliminate waste of rubber, fuel, and man-hours. Plans were formulated to this end, with the result that a statement of policy on street traffic control was issued by the Division of Local Transport on February 9. Subsequently, a pamphlet "Fitting Traffic Control to Wartime" was prepared in cooperation

with other interested groups to amplify the original statement and instruct in its application. These booklets have been given wide distribution. A copy is attached hereto as Schedule 8.

General Order ODT No. 10A

On March 1, 1943, a revised order affecting charter, sightseeing and special bus services was issued. This order, designated as General Order ODT 10A, is a revision of the original General Order 10 but includes restrictions on special or exclusive bus services as well as the former prohibitions against the use of sightseeing and charter vehicles. This order will have the effect of limiting all types of exclusive occupancy in bus equipment to the same provisions irrespective of whether a charge or compensation is involved for the particular movement. This was deemed necessary so that the order would not discriminate between persons owning equipment and those leasing equipment. A copy of General Order ODT 10A is attached as Schedule 9.

School Bus Transportation

The program for the rehabilitation of school bus transportation is proceeding according to schedule. In the month of January, forms were circulated to the Chief State School Officers in the various states, who in turn are collecting certain information pertaining to school bus operations within their states. Sample copies of these materials are attached as Schedule 10. The results obtained from this survey are being made the basis for the tailoring of mileage allotments under the Certificates of War Necessity issued to school bus operators. Plans for the tailoring

of these Certificates have been completed and these operations are now under way in the various field offices.

Conservation Programs for Local Administrators

The proposed change in status for the Local Administrators was formally effected on March 2 by a letter addressed to all such individuals in cities and towns of 10,000 or more population (Schedule 11). In this communication a rather complete background of the entire conservation program up to the present time was presented. It was further explained that this Office desires to deal directly with these individuals, through the liaison officers in the various field and regional offices, on staggered-hour problems and other matters relating to local mass transportation. A number of programs are now being developed for these men to carry out which will result in further savings of bus and tire miles. To date local administrators and interested agencies have all expressed interest and a willingness to cooperate in this new phase of the conservation program.

Change in Mileage Limitation for City and Intercity Buses

The mileage limitation formerly placed on city and intercity type integral buses, which have been allocated through the ODT, has been relaxed. Effective February 1 and until further notice, buses formerly limited to 2,000 miles per month may now be operated 3,000 miles and those formerly limited to 4,000 miles per month may now be operated 6,000 miles. This action has been prompted by the steady increase in bus traffic due to gasoline restrictions and the demand of war industries for additional

service. Also, it might be pointed out that some savings in fuel will result from the lifting of this requirement, since new buses operating on Diesel fuel will require a lesser amount on a gallonage basis than older and more inefficient gasoline-burning units.

Allocation of Buses

During the three-month period a total of 321 integral buses of both the city and intercity type were allocated, bringing the total number of such vehicles placed since the freeze order of last July to 2745. A total of 1637 adult bus bodies were also released. As of March 31, 1943, a total of 3172 such units had been allocated. In the field of school bus transportation, 55 bus bodies for such operations were allocated, making a total of 164 bus bodies allocated to this type of work.

Local Transportation Problems in East Coast Area

In a letter to all bus operators in the Commonwealth of Massachusetts, dated January 14, an announcement was made of a working arrangement with the Department of Public Utilities in this state for the elimination of unnecessary and duplicating bus services. Reference was made to the April 1942 Policy Statement and a request was lodged that operators again survey their properties from the standpoint of curtailing unnecessary services and that they arrange an early date with the Department of Public Utilities for a discussion of their thoughts on this subject. A copy of the communication transmitted to such operators is attached to this report as Schedule 12.

With the order issued on January 7 by the Office of Price Administration to the effect that pleasure driving in the East Coast

area was no longer permissible in private automobiles, a tremendous load was saddled upon already overcrowded local transportation systems. This additional traffic in a measure served to indicate what the transportation industry could absorb in a case of dire necessity. The OPA ban was subsequently supported by a request from our own Taxicab Section that taxicabs not be operated for pleasure purposes. This further complicated the problems encountered by the various local mass carriers. In order to meet this situation and to insure a conservation of local transportation equipment for essential purposes, transit companies were requested on January 16 not to augment their regularly scheduled services, especially on Sundays and in the evenings, to such places as parks, concert halls, dance halls, night clubs, and bingo games. It was pointed out in particular that bus services should not be supplemented to provide transportation for amusement and entertainment purposes beyond the normal schedule in operation prior to the ban on pleasure driving in private automobiles. This request was well received and little or no complaint was received in this Office relative to the inadequacy of off-peak services.

Intercity Bus Service

The Intercity Bus Section continues in its work of analyzing bus services with a view towards possible coordinated operation which would result in a net reduction in bus miles operated and a saving of heavy duty rubber. Joint operating arrangements affecting eleven intercity bus lines were approved

during the period. These operations embrace services in eight states; namely, Massachusetts, Connecticut, New York, Ohio, Montana, Utah, Wyoming and New Mexico. As a result of this and other conservation measures, a quarterly saving of 3,600,000 tire miles has been effected over those operated during the same period a year ago. Latest statistics indicate that the percentage increase in intercity bus passengers is three times the percentage increase in bus miles operated. Estimates and justifications for future petroleum and equipment requirements have been prepared.

MATERIALS AND EQUIPMENT

New Responsibilities of ODT as a Claimant Agency

During the first quarter of 1943, the Office of Defense Transportation assumed its full responsibilities as a Claimant Agency under the Controlled Materials Plan of the War Production Board. As a Claimant Agency, ODT submits requirements for materials for Railway Transport, Motor Transport (excluding buses), Local Transport (buses and transit), and Waterways to the War Production Board, receives allotments of controlled materials (steel, copper and aluminum) from that Board, and distributes them to producers or users through the intermediary of Industry Divisions of the Board.

In order to perform most effectively this new and important function, the Division of Materials and Equipment was reorganized, effective February 1. Responsibility for preparing basic requirements for their respective transport industries was vested in the four Operating Divisions mentioned above, and a Materials Officer or Officers were appointed in each by the Division Director. These Officers were assembled to form an ODT Materials Committee, under the chairmanship of the Director of the Division of Materials and Equipment. By this means, coordination was effectuated among the various Divisions as regards uniform method of presentation of requirements, instruction in CMP procedure, preparation of statistical data and explanatory text, and the like. Each Materials Officer reports to his Division Director.

In view of the fact that PAW is the Claimant Agency for all new construction for pipe lines, authority for handling

requirements for controlled materials in maintenance, repair and operating supplies for the pipe lines program was delegated to the Petroleum Administration for War. Similar authority had previously been delegated to the Department of Agriculture for warehouse requirements, to the Aircraft Production Division of the War Production Board for commercial aircraft requirements, and to the U. S. Maritime Commission and the Coordinator of Ship Repairs, W.P.B., for maintenance requirements for waterway equipment. ODT, however, acts as Claimant Agency for new production of all waterway equipment in domestic transportation.

A Petroleum Subcommittee of the ODT Requirements Committee was formed to represent ODT on the Petroleum Requirements Committee of the Petroleum Administration for War. This Subcommittee handles requirements for petroleum and petroleum products with PAW in somewhat similar manner to the handling of requirements for steel, copper and aluminum with the War Production Board.

Approval was given by the War Production Board Requirements Committee to production of heavy trucks to replace those borrowed from the civilian rationing pool during 1942 by the Army, Navy and Maritime Commission. The Army had previously objected to such production because of interference with its own truck production program, but this was withdrawn after numerous conferences, and upon the assurance of the Automotive Division, WPB, that scheduling of the civilian trucks could proceed without interfering with the military program.

Developments in the CMP Program

Changes in procedure and policy under the Controlled Materials Plan were numerous during the quarter, and added to the difficulties of the Division of Materials and Equipment in its reorganization period. All Claimant Agencies, it may be said, were subject to the same disadvantages. The Controlled Materials Plan was hardly more than in its first operational stages during the first quarter; the second quarter is regarded as a time of experiment and further change; and the third quarter, beginning July 1, is expected by the proponents of the plan to see it in full operation. Many complications have arisen in its operation, perhaps the most difficult of which is the coordination of the so-called "A" products and "B" products so that the completed end-products will be assembled promptly and on schedule. At the end of the first quarter, basic changes were still under consideration, with much resultant uncertainty and confusion as to the final working out of the plan.

TRANSPORTATION MANPOWER SITUATION

Midmonth Employment on Class I Railroads, December 1942, January and February 1943.

There was far less than the usual seasonal decline in midmonth employment of Class I railroads during the winter months. For the first time in the 22 years during which the I.C.C. has collected monthly employment statistics, December employment showed an increase over the preceding month, rising by 0.2 percent to 1,320,918. Employment dropped in January by 0.1 percent to 1,319,114 and again

in February by 0.5 percent to 1,313,145. However, February employment was only 0.7 percent lower than the 1942 peak of 1,322,461, which was reached in August.

The principal reason for the relative stability of employment was the far less than usual seasonal decline in maintenance of way employment. Although employment in this group decreased in each of the six months ended in February, the drop from the 1942 peak was only 42,000, or 14 percent, as compared with a decline of 71,000, or 25.5 percent, during the same period in the preceeding year. The absence of a sharp seasonal decrease in maintenance of way employment was especially notable in the Southern and Southwestern Regions, where weather conditions permit the continuation of maintenance activity through the winter months to a greater extent than elsewhere in the country.

There were slight variations in employment in the other groups during the months under consideration, but no very sharp changes. Maintenance of equipment employment dropped 0.4 percent in February, the first decrease reported in this group since November 1941.

Labor Requirements of Class I Railroads

The Railroad Retirement Board has instituted a monthly survey of labor needs in the railroad industry. As of January 31, the 163 railroads covered reported current vacancies for 45,688 workers and were anticipating layoffs of only 425 workers during the next 30 days. About 41 percent of the needs were in the maintenance of way and structures department, 40 percent in maintenance of equipment and stores, and 17 percent in transportation. About half the vacancies were for common laborers.

Hours of work of Railroad Employees

A computation was made of the average hours of work of Class 1 railroad employees, based on reports to the I.C.C. The computation was based on actual hours worked, excluding "construction allowances" and time equivalents of train and engine service employees, and "time paid for but not worked" for other employees. The computation showed the following average hours per week:

	Hours per Week
Professional, clerical and general	49.1
Maintenance of way and structures	50.7
Maintenance of equipment and stores	51.0
Transportation, other than train, engine and yard	54.0
Transportation, train and engine service	49.3
Yardmasters, switchtenders and hostlers	56.5

Track Labor Shortages

During the first quarter of 1943, this Office continued its efforts to complete arrangements for bringing Mexican nationals into this country for employment as railroad maintenance of way laborers. As a result of opposition to this program by the Brotherhood of Maintenance of Way Employees and a report of the Railroad Retirement Board, the plan was reviewed by the Labor Management Committee of the War Manpower Commission on February 5, 1943. At this meeting, I emphasized the importance of railroad operations to the successful prosecution of the war and discussed the situation on the Pacific Coast where track labor shortages are most critical. I pointed out that the railroads in that section of the country needed additional track laborers to properly maintain their properties and prevent delays to war traffic. I urged that a practicable solution to the problem would be to bring in Mexicans, as contemplated by the program

originally adopted by the War Manpower Commission. As a result of this reconsideration the Labor-Management Committee sustained its original approval of the program, and negotiations with the Mexican government were undertaken to work out the necessary arrangements. Although the negotiations were still pending at the end of the quarter, considerable progress had been made, and it appeared that arrangements would be completed so that recruitment of Mexicans could begin by the early part of May.

National Railroad Adjustment Board

As a result of a request by the President during the latter part of 1942, our Division of Transport Personnel, in cooperation with the Department of Justice, developed plans for relieving the congestion of cases pending on the docket of the First Division of the National Railroad Adjustment Board. Following a preliminary conference with representatives of the railroads and the labor organizations on January 5, 1943, negotiations were begun on this matter on January 15, 1943. These negotiations continued intermittently in Chicago and Washington until February 6, when a suspension was called pending settlement of the national wage question for railroad employees. During the negotiations considerable progress was made on a program designed not only to relieve present congestion on the docket of the First Division but to prevent a large number of cases from accumulating in the future. The program included revised procedural rules for the Division, time limit on filing claims, revised procedure for securing referees, and the use of precedent awards of the Division

in the settlement of disputes. Considerable progress was made on this program during the negotiations and the main issue remaining in dispute when negotiations were suspended involved the precedent rule question. As the first quarter ended, the negotiations had not been resumed.

Housing Shortages on Western Railroads

From time to time we have received complaints from the railroads and the railway brotherhoods as to shortages of railroad housing facilities. Most of these complaints involve carriers operating in the Southwest and Pacific Coast sections. Under rules of the National Housing Agency, railroad workers qualify as essential war workers and are therefore eligible to occupy temporary war housing which is constructed under the auspices of that agency. Our Division of Transport Personnel has cooperated with the National Housing Agency as well as the War Production Board in developing housing programs in areas where need for additional housing facilities has been shown.

Full Crew Laws and Schedule Rules Affecting Railroad Manpower Utilization

For a considerable time complaints have been received as to the heavy demands upon train and engine service personnel resulting from state full-crew laws and certain schedule rules. The most burdensome of the full-crew laws, in so far as manpower utilization is concerned, are in the far Western states. There, the effect of these laws is particularly critical, because it is in these states that general manpower shortages are most acute. Reports have also been received from the carriers that a large

number of employees could be saved if certain schedule rules were suspended for the duration of the war emergency. Rules which have been cited as most expensive in manpower utilization are crew consist rules, terminal switching rules and yard service starting time rules.

In order that general consideration could be given to the subject of full crew laws and schedule rules and their effect on railroad manpower shortages a conference was called by the Office of Defense Transportation to be held in Chicago on March 26, 1943. As a result of this meeting, studies were made on the Southern Pacific and the New York Central by committees representing both the carriers and labor organizations. The reports with recommendations for corrective action are now under consideration.

Employment of Women

Reports to the I.C.C. in January 1943 showed that there were 63,187 women employed in 74 occupations by Class 1 railroads. The proportion of female employees rose from the 3 percent indicated in an Association of American Railroads survey in September 1942 to 4.8 percent in January. The largest increases occurred in clerical occupations, but by January there were substantial numbers of women employed as extra gang and section laborers, skilled trades helpers, and laborers in the maintenance of equipment department. For the first time, women were reported working as road passenger brakemen, and as dispatchers, chief telegraphers and telephoners.

In the other transportation industries, the proportion of women employed increased except on the waterways, where there

appears to be little opportunity to increase the number of women employed. The largest gain was reported by the intercity bus industry, which already had the highest percentage of women, 11.5 in November, and increased that percentage to 14.2 in January. On the West Coast 220 women are employed as intercity bus drivers. The percentage of women employed by trucking companies rose from 9.0 in November to 9.6 in January. A few are employed as drivers, mostly on light trucks, but nearly all women in this industry are still employed in clerical jobs. Local transit companies reported that 718 women were employed as streetcar and bus operators. Although the percentage of women employed by transit companies rose from 4.4 in November to 4.8 in January, this industry continues to have as low a proportion of female employees as any covered by the surveys.

Employment of non-whites

Small increases in the percentage of non-whites employed were reported in several branches of transportation, the most substantial being an increase from 3.9 percent to 4.2 percent in the trucking industry. An increased number of non-whites are working as truck drivers, but in trucking as in other branches of transportation, most non-whites are in unskilled jobs.

Master Training Plans

Encouraging progress was made during the quarter in the development of training programs for the motor transport industry for drivers and mechanics and for the Inland Waterways.

Selective Service

In addition to the usual work of referring specific cases to the Bureau of Selective Service for investigation and answering a considerable number of letters concerning Selective Service regulations from transportation employers, the following work has been accomplished:

(a) In order to prevent men engaged as truck drivers and automotive mechanics from leaving their jobs for what they thought was more essential work, a statement, regarding the essential nature of transportation and of the specific transportation jobs named in Occupational Bulletins Nos. 21 and 42, was prepared. This statement has been printed in poster form by the Automotive Council for War Production, for distribution.

(b) A letter addressed to all members of committees consulting with the Office of Defense Transportation on manpower problems concerning recent amendment to the Selective Service appeals procedure was issued as of March 20, 1943 over the signature of the Director of the Division of Transport Personnel.

(c) A statement regarding the essential nature of storage and warehousing of essential and perishable commodities was issued on March 29, 1943, for suitable distribution.

(d) A statement explaining recent changes in procedure regarding release of men over 38 years of age dated February 22, 1943, was sent to all members of committees consulting with the Division of Transport Personnel on manpower problems.

(e) Replacement Schedules for the following air lines were reviewed:

American Air Lines, Inc.
Chicago and Southern Air Lines
Continental Air Lines, Inc.
Delta Air Lines
Transcontinental and Western Air, Inc.
National Airlines, Inc.
Mid-Continent Airlines
Eastern Air Lines
United Air Lines

Labor Management Committees

During the quarter, Labor-Management Committees of the railroad, motor transport and local transit industries held meetings and discussed the various phases of the manpower problems affecting these industries.

RATES

On March 20, 1943, the Chairman of the War Production Board, acting pursuant to the provisions of the Small Business Concerns Act (Section 12, Public Law No. 603, 77th Congress -56 Stat. 357), and upon the joint application of the War Department, Navy Department, and this Office, issued Certificate No. 44, relieving rate bureaus, rate conferences, and other similar carrier or forwarder organizations from the penalties of the antitrust laws, if and to the extent that they comply with rules and regulations formulated by the Interstate Commerce Commission attached to the certificate and issued as a part thereof. These regulations were devised by the Interstate Commerce Commission after conference with the War Production Board and the Office of Defense Transportation. They will insure compliance with reasonable regulations and make possible essential negotiation of rates made necessary by the defense program. Without such procedure, such rate negotiations would be practically impossible.

This matter arose out of an announced general investigation by the Department of Justice of transportation agencies particularly aimed at the joint method of rate initiation which has been in effect unchallenged for many years. The action of the governmental agencies in seeking the certificate was based upon the essential need for joint consultation and action in negotiating and obtaining rate adjustments required by the abnormalities of war-time traffic. There has now been introduced in both houses of Congress legislation designed to provide permanent regulation of such bureaus and conferences, granting to the Interstate Commerce Commission certain regulatory authority in the premises.

Land Grant Rates Via Freight Forwarders

O.D.T. has been advised that the carriers tender for application of

land-grant deductions on U. S. Marine Corps traffic moving via freight forwarders has been accepted by the Marine Corps.

This completes our negotiations with the carriers begun at the request of the Under Secretary of War permitting mixing of Army, Navy, and Marine Corps freight subject to the land-grant deductions with commercial freight to be forwarded as mixed carload and making it possible to apply land-grant deductions to shipments in such cars that are eligible for land-grant deductions.

Petroleum Fuel Oil from Panama City, Florida to Seaboard Points

The construction of the new fuel oil terminal at Lynn Haven, Panama City, Florida is progressing rapidly and is expected to be in operation by June 1. There is to be a movement of petroleum residual fuel oil and fuel oil distillate not suitable for illuminating purposes from the Texas Fields by barge on the Intra-Coastal Canal and the Gulf to Lynn Haven, Panama City, Florida for railway movement beyond Lynn Haven to Jacksonville and Norfolk. Rates are already in effect to Norfolk and this office has requested the rail carriers to proceed with publication of rates on these petroleum products from Panama City to Jacksonville, Florida, so they will be made effective in sufficient time to be applied in connection with the movement of this traffic.

Cross Hauls of Coal to Pacific Coast

In connection with a proposal for an adjustment in rates on coal from the East to California, this Office contacted the carriers, pointing out that this would result in unnecessary cross hauling and wasteful transportation. As a result, arrangements were concluded, through the assistance of the Office of Solid Fuels Coordination, whereby this coal to be used for bunkering purposes will be obtained from Colorado.

Petroleum Routes to District No. 1

Incident to the movement of petroleum and petroleum products from the Southwest and terminals in Southern Illinois to District No. 1, at the request of the Division of Traffic Movement, we have negotiated with the carriers for the opening of additional routes from specified origins to named destinations which were established via the Kansas City gateway on one day's notice to expedite movement of vitally needed petroleum and its products to the Eastern Seaboard.

Clinkering of Iron Ore at Alson, New York

At the request of the War Production Board, O.D.T. negotiated with the carriers and arranged for prompt publication of rates to be applied against a movement, for experimental purposes, of iron ore originating at North Creek, New York and forwarded to Alson, New York for clinkering and subsequent reshipment to the blast furnaces at Sparrow's Point, Md.

The urgency of this movement followed an allocation of funds by the War Production Board to the National Academy of Metallurgists to conduct experiments to prepare very fine ore for the blast furnaces through a clinkering process. The only available kiln for this purpose in this vicinity is located at Alson, New York, and, as it was available for this experiment only for a period of about twenty days, emergency action was essential. The interested railroads established these rates on short notice authority granted by the Interstate Commerce Commission, effective March 19, 1943.

Movement of Coal to New England via Columbus, Ohio

Recognizing the urgent necessity of relieving the burden on eastern routes so as to permit a free movement of all rail coal to New England, the Norfolk and Western Railway, at the request of this Office, published rates and routes from mines on their lines to New England through the Columbus, Ohio

Gateway. This followed similar action by the Chesapeake and Ohio Railway in the month of September 1942.

STORAGE

Storage Situation in Puget Sound Area

The storage situation in the Puget Sound area is becoming quite serious and our Division of Storage has felt for some time that it would be necessary to erect additional storage facilities in this area in order to meet the expanded Russian lend-lease program as well as the increased Army activities through the Port of Seattle. A survey of this general territory indicated that Auburn, Washington, which is the junction of the Great Northern, Northern Pacific, Union Pacific and the Chicago, Milwaukee, St. Paul & Pacific railways, is the logical spot for additional warehouse facilities. Auburn is 17 miles northeast of Tacoma and approximately 20 miles south of Seattle.

This matter was discussed with the Lend-Lease Administration, Treasury Procurement, Federal Surplus Commodities Corporation and the War Department, including the Army Air Forces, and it was the consensus of opinion of all of the departments and agencies that construction of a fairly large holding and reconsigning depot at Auburn was most desirable. Arrangements are being made with the Lend-Lease Administrator for the construction of the necessary storage facilities.

The use of the new Navy supply depot at Spokane is being intensified, and due to the present general shortage of storage space in the Northwest area, the Division of Storage has requested and obtained the consent of the Navy Department to the allocation of 240,000 sq. ft. of space in this depot for the storage of Federal Surplus Commodities Corporation food-stuffs for the Russian lend-lease program which will eventually be exported through the Northwest Pacific. The Navy will handle the property in and out of storage, but all

accounting will be performed by the Federal Surplus Commodities Corporation representatives. This arrangement is tentative pending the completion of the new Auburn depot previously referred to, but the arrangement will be of great help to the Federal Surplus Commodities Corporation during the interim and should greatly relieve car detention in the Northwest area. The splendid cooperation received from the Navy Department in this instance is gratifying.

Federal Emergency Warehouse Association

As of April 1st there have been organized a total of 30 Federal Emergency Warehouse Associations. The warehouse members of these associations are handling a large volume of Government freight. The War Department alone is now using approximately 5,000,000 square feet of floor space in the members' warehouses and is contemplating the consignment of approximately 10,000 cars of canned goods for storage in the public warehouse system. This is being done to relieve the storage facilities of the canners, who must prepare for the coming season's pack. New Associations are being formed as rapidly as possible and it is hoped that within the next two months such Associations will be functioning in at least 60 cities throughout the United States. To date, the Division of Storage has leased a total of over one million square feet of floor space, which space has been added to the available public warehouse facilities through operation of the leased space by the Associations. The Army Air Forces have made an arrangement with the Federal Emergency Warehouse Association of Chicago for the storage of 8,000 airplane motors. This is the first occasion for the Air Forces to use the public warehouse system and, after some three months' experience, the Air Service Command has advised ODT that it is greatly pleased over the manner in which the motors have been handled and stored by the public warehousemen.

Exemption of General Price Regulation to Storage of War Department Property

The Office of Price Administration issued, as of April 10th, an order exempting the application of the General Maximum Price Regulation to the storage of War Department property in the public warehouse system throughout the country. This exemption order runs until June 15th, during which time the Office of Price Administration will attempt to determine whether or not the group warehouse rates established by this office under the Federal Emergency Warehouse Association plan are on the average as low as the March, 1942, price ceilings applicable to the storage of this class of freight. It will now be in order for the Treasury Procurement, Defense Supplies Corporation and the Navy Department, all of which agencies use the group warehouse plan, to request similar exemption from the Office of Price Administration.

Dry Merchandise Storage

The dry merchandise storage situation is generally satisfactory, although the facilities of certain communities are fairly well congested and in these communities it does not seem possible to negotiate leases for additional suitable storage facilities because of the demand for industrial space. While of course it is to be desired that additional space be leased through negotiation wherever possible, it appears that in certain cities, such as Philadelphia, Baltimore, Chicago and San Francisco, it may become necessary to requisition buildings which are now occupied by non-essential industries in order that the warehouse system in those communities may take care of the Government freight which must necessarily be stored in those communities. Surveys are now being undertaken by the Division of Storage to locate those buildings which could be requisitioned without disturbance to the war program.

Refrigerated Warehousing

The situation with respect to cold storage warehousing is fairly satisfactory, although there is a lack of storage facilities in certain of the communities which have greatly expanded in population during the past year. The Division of Storage, in conjunction with the Federal Surplus Commodities Corporation and Quartermaster General's office, is guiding the movement of perishable products to the end that all available intermediate storage facilities may be utilized to the utmost to avoid undue congestion at the active ports.

Tank Storage

The Division of Storage has practically completed its tank storage acquisition program for the Defense Supplies Corporation's use in the storage of ethyl alcohol. At the present time the Defense Supplies Corporation has under lease a total of 115,067,544 gallons of tank storage, which is considered adequate for stockpiling purposes pending the completion of the butadiene and styrene plants.

Negotiations are now under way for the leasing of approximately 3,000,000 gallons of tank storage at San Francisco or Los Angeles, preferably the former, for the handling of alcohol in bulk under the Russian lend-lease program. The Russians are to supply tankers to handle approximately 8,000 tons of bulk alcohol per month.

Public Warehouses in San Francisco

The situation in San Francisco insofar as the public warehouses are concerned is very tight and a thorough survey of the port area fails to disclose any additional suitable buildings which could be rented and turned over to the F.E.W.A. of that city for operation. The Navy, Army and Federal Surplus Commodities Corporation use the public warehouse system in the port

of San Francisco to a very substantial extent for foodstuffs, and one of the contributing causes to the detention of cars in the port area is the fact that the railroads are so short of engine crews that they cannot give the public warehouses more than one switch per day. This, therefore, limits the unloading capacity of the public warehousemen substantially as opposed to normal conditions where two to three switches per day can be obtained.

It now appears necessary to seriously consider the construction of a one-story warehouse building containing approximately 300,000 sq. ft. of floor space with a 20 to 25 car spot through which foodstuffs can be handled, which will supplement the public warehouse system as it presently exists. This office is requesting the Office of Lend-Lease Administration to provide the funds for such construction and, if approved, the warehouse will be operated by the Federal Emergency Warehouse Association in exactly the same manner as if such a facility were presently available and could be leased by this office and added to the warehouse group facility.

ADMINISTRATIVE

The chief administrative problem during the quarter was the submission to Congress of the Budget for the fiscal year ending June 30, 1944.

Before presenting this budget to the Bureau of the Budget for transmission to Congress, I had the requests of the individual Divisions reviewed by a Budget Committee consisting of my Deputy Director, Executive Assistant and Administrative Officer. This Committee discussed the proposed expenditures with each Director and then submitted its recommendations to me for final review. A copy of my memorandum of January 5, 1943, appointing this Committee, is attached as Schedule 13.

As a result of this careful analysis, I believe that the budget submitted to the Bureau of the Budget represented a conservative estimate of

our requirements, after making allowance for certain contingencies that might arise during the 1944 fiscal year which would require expansion of our activities. The Bureau of the Budget, however, felt that these reserves for contingencies should be eliminated in submitting the Budget to Congress, and this was done. Consequently, if these contingencies arise, it may be necessary to request a supplementary appropriation during the fiscal year.

The amount which we requested and the Budget submitted to Congress by the Bureau of the Budget is shown below:

	Amount Requested	Budget Submitted To Congress	Decrease Amount	Decrease Percent
Personal Services	$13,239,850	$11,320,000	$1,919,850	14.5%
Other Obligations	5,263,140	3,580,000	1,683,140	31.9
TOTAL	$18,502,990	$14,900,000	$3,602,990	19.4

The total expenditures authorized by Congress for the fiscal year ending June 30, 1943, were $14,416,515. Our actual expenditures for the year, however, will be approximately $13,000,000 or $1,416,515 less than was authorized. In view of this conservative record on our part, we felt justified in asking for some contingency reserves in the 1944 fiscal year. Furthermore, the budget of $14,900,000 submitted to Congress, while slightly larger than the $14,416,515 authorized for 1943, is $1,926,736 less than the final authorization, when placed on an annual basis as shown below:

Comparison with 1943 Budget on an Annual Basis

	Fiscal Year 1944 Proposed Budget	Fiscal Year 1943 Approved Budget Annual Basis	Decrease 1944 over 1943
Departmental			
Personal Services	$ 2,812,900	$ 3,167,585	$ 354,685
Other Obligations	1,170,035	2,769,358	1,599,323
Total	$ 3,982,935	$ 5,936,943	$ 1,954,008
Field			
Personal Services	$ 8,432,370	$ 8,207,715	/ $ 224,655
Other Obligations	2,409,965	2,593,778	183,813
Total	$10,842,335	$10,801,493	/ $ 40,842
ODT Departmental & Field			
Personal Services	$11,245,270	$11,375,300	$ 130,030
Temporary Employees	50,000	88,300	38,300
Foreign Service Differential	24,730	---	/ 24,730
Total Personal Services	$11,320,000	$11,463,600	$ 143,600
Other Obligations	3,580,000	5,363,136	1,783,136
TOTAL	$14,900,000	$16,826,736	$ 1,926,736

In accordance with Budget Circular 408, issued by the Bureau of the Budget, under the title "Program to Save Man Power in Government Agencies", the Office of Defense Transportation made a detailed report containing several suggestions which it is hoped may prove to be beneficial. Pursuant to Public Law 821, the Bureau of the Budget directed the Office of Defense Transportation on March 30, 1943, to adjust its requirements so as to have not in excess of 867 positions in Washington and 3,288 in the field, a total of 4,155 employees as of April 30, 1942. On March 31st, 1943, the Office of Defense Transportation had 696 employees in Washington and 3,216 in the field, a total of 3,912 employees.

In accordance with a letter from the Bureau of the Budget dated March 10, 1943, the personnel functions of the Division of Central Administrative Services of the Office for Emergency Management were transferred to this agency. To enable us to carry out these functions a total of 27 positions were allotted and the personnel of the Division of Central Administrative

Services performing these functions were transferred to us in Washington. We are assuming these functions in the field without additional personnel.

Inasmuch as the limitations imposed by the Congress upon the travel funds of this agency during the 1943 fiscal year were found to be too low to permit us to carry out the tasks incident to our operations, it was necessary to ask for this limitation to be lifted to the extent of $120,000. No additional funds were requested, however, as this amount could be diverted from other items. Accordingly, a request was made to the Bureau of the Budget and approved by the Congress culminating in favorable action which will permit the agency to authorize field representatives to engage in much needed travel.

A chart of the organization and a list of the principal officers in Washington and in the field at the end of the quarter is given in Schedule 14.

Respectfully submitted,

Joseph B. Eastman

Joseph B. Eastman
Director

June 15, 1943
Washington, D. C.

LIST OF SCHEDULES

No.

1. Freight Traffic Statistics. First Quarter 1943 compared with First Quarter 1942.

2. Chart giving comparison of carloadings, revenue ton-miles and gross ton-miles for the first quarter of the years 1929 and 1939 to 1943 inclusive, for Class I Railroads.

3. I.C.C. Service Order 99. W. F. Kirk appointed an Agent of the Interstate Commerce Commission.

4. Forecast of deliveries of petroleum and its products into District 1 by all forms of transportation.

5. Chart showing increase in transportation of petroleum and its products into District No. 1 by tank car, pipe line and barge from January, 1941 to March, 1944.

6. General Order O.D.T. No. 35. Regulations concerning Local Passenger Transportation Equipment.

7. Statement to Local Transport Operators regarding Plan for Emergency Curtailment.

8. "Fitting Traffic Control to Wartime". Procedures for putting into effect Highway Traffic Control Policies.

9. General Order O.D.T. No. 10., affecting charter, sightseeing and special bus services.

10. Letter of Feb. 2 and Forms to Chief State School Officers for collecting information pertaining to school bus operations.

11. Letter of March 2 to Local Administrators relative to their change in status.

12. Letter to Massachusetts Bus Operators announcing working arrangement with the Department of Public Utilities for elimination of unnecessary bus services.

13. Memorandum of Jan. 13, appointing Budget Committee.

14. Chart of Organization and List of Principal Officers.

CLASS I RAILWAYS

FREIGHT TRAFFIC STATISTICS

First Quarter 1943 Compared with First Quarter 1942

		For Quarter Ended March 31		
		1943	1942	% Increase
1. Revenue Tons Originated		346,000,000*	290,983,963	18.9
2. Carload Freight (Carloads)		8,480,275	8,264,415	2.6
3. Less Carload Freight (Carloads)		1,179,640	1,891,787 d	37.6
4. Total Carloads		9,659,915	10,156,202 d	4.9
5. Revenue Ton-Miles	(Thousands)	170,210,832*	132,028,605	28.9
6. Net Ton-Miles	(Thousands)	181,716,543	142,614,573	27.4
7. Loaded Car-Miles	(Thousands)	5,385,270	4,867,971	10.6
8. Total Car-Miles	(Thousands)	8,478,201	7,565,414	12.1
9. Gross Ton-Miles	(Thousands)	384,996,890	324,871,282	18.5
10. Freight Train Miles	(Thousands)	172,456	154,084	11.9
11. Freight Train Hours		11,449,268	9,592,090	19.4
AVERAGES				
12. Ratio Revenue to Net Ton-Miles	(5÷6)	93.7	92.6	1.1
13. Haul per Ton Originated Miles	(5÷1)	491.9*	453.7	8.4
14. Carload - All freight tons	(6÷7)	33.7	29.3	15.0
15. Ratio Loaded to Total Car Miles	(7÷8)	63.5	64.3 d	1.2
16. Train Load Revenue Freight Tons	(5÷10)	987.	857.	15.2
17. Train Load All Freight	(6÷10)	1054.	926.	13.8
18. Train Load Cars and Contents	(9÷10)	2232.	2108.	5.9
19. Ratio Revenue to Gross Ton-Miles	(5÷9)	44.2*	40.6	8.9
20. Train Speed-Miles per hour	(10÷11)	15.1	16.1 d	6.2

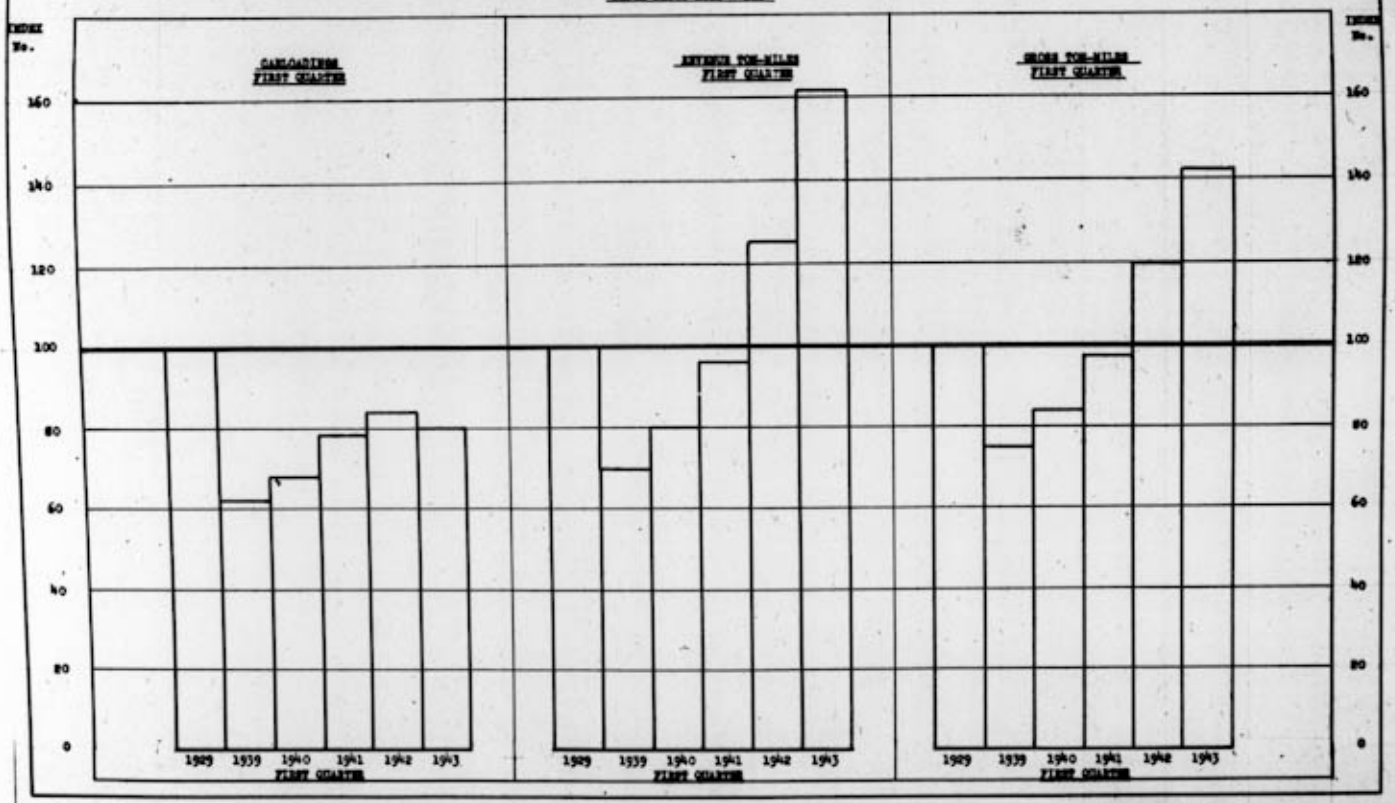
* March Estimated.

CLASS I RAILROADS

COMPARISON OF CARLOADINGS; REVENUE TON-MILES AND GROSS TON-MILES

FOR FIRST QUARTERS OF THE YEARS 1929 AND 1939 TO 1943 INCLUSIVE

INDEX BASIS 1929 = 100



SERVICE ORDER NO. 99

At a Session of the INTERSTATE COMMERCE COMMISSION, Division 3, held at its office in Washington, D. C., on the 3rd day of February, A. D. 1943.

It appearing, That upon representations from the Office of Defense Transportation, and due to the fact that certain railroads have recently been unable to transport promptly transcontinental carload traffic offered to them so as to properly serve the public; and that an emergency exists requiring immediate action to prevent shortage of railroad equipment and congestion of traffic and to promote the service in the interest of the public and the commerce of the people:

It is ordered, That:

TITLE 49 - TRANSPORTATION AND RAILROADS
CHAPTER I - INTERSTATE COMMERCE COMMISSION
SUBCHAPTER A - GENERAL RULES AND REGULATIONS

PART 97 - ROUTING OF TRAFFIC

§ 97.6 Routing of transcontinental traffic - Appointment of Agent. (a) W. F. Kirk, 208 South La Salle Street, Chicago, Ill., is hereby designated and appointed an Agent of the Interstate Commerce Commission and vested with authority to divert or reroute transcontinental carload traffic from the line of any railroad or railroads, which in his opinion cannot currently accept and move such traffic, over the line or lines of any other railroad or railroads less congested, and in a better position to handle the traffic. Such rerouting or diversion shall be made regardless of the routing shown on the bill of lading designated by either shipper or carrier. Such diversion or rerouting shall be made by said Agent either at point of origin or as soon as possible after the shipment has left the point of origin.

(b) As Agent he is authorized and directed to set up, subject to the approval of the Commission, an Advisory Committee on which shall be at least one representative of the Office of Defense Transportation, and one representative of the Association of American Railroads.

(c) As Agent he is hereby directed to avail himself of the facilities of the Association of American Railroads, its various departments, field forces, records, and reports.

(d) Inasmuch as the diversion or rerouting of traffic by said Agent is deemed to be due to carrier's disability, the rates applicable to traffic diverted or rerouted by said Agent shall be the rates which were applicable at the time of shipment on the shipments as originally routed.

(e) In executing the directions of the Commission and of such Agent provided for in this order, the common carriers involved shall proceed without reference to contracts, agreements, or arrangements now existing between them with reference to the divisions of the rates of transportation applicable to said traffic; such divisions shall be, during the time this order remains in force, voluntarily agreed upon by and between said carriers; and, upon failure of the carriers to so agree, said divisions shall be hereafter fixed by the Commission in accordance with pertinent authority conferred upon it by the Interstate Commerce Act. (40 Stat. 101, sec. 402, 41 Stat. 476, sec. 4, 54 Stat. 901; 49 U.S.C. 1(10)-(17)).

It is further ordered, That this order shall become effective

immediately, and shall remain in force until further order of the Commission; that copies of this order and direction shall be served upon all common carriers by railroad subject to the Interstate Commerce Act; and that notice of this order be given to the general public by depositing a copy in the office of the Secretary of the Commission at Washington, D. C., and by filing it with the Director, Division of the Federal Register, The National Archives.

By the Commission, Division 3.

W. P. BARTEL, Secretary

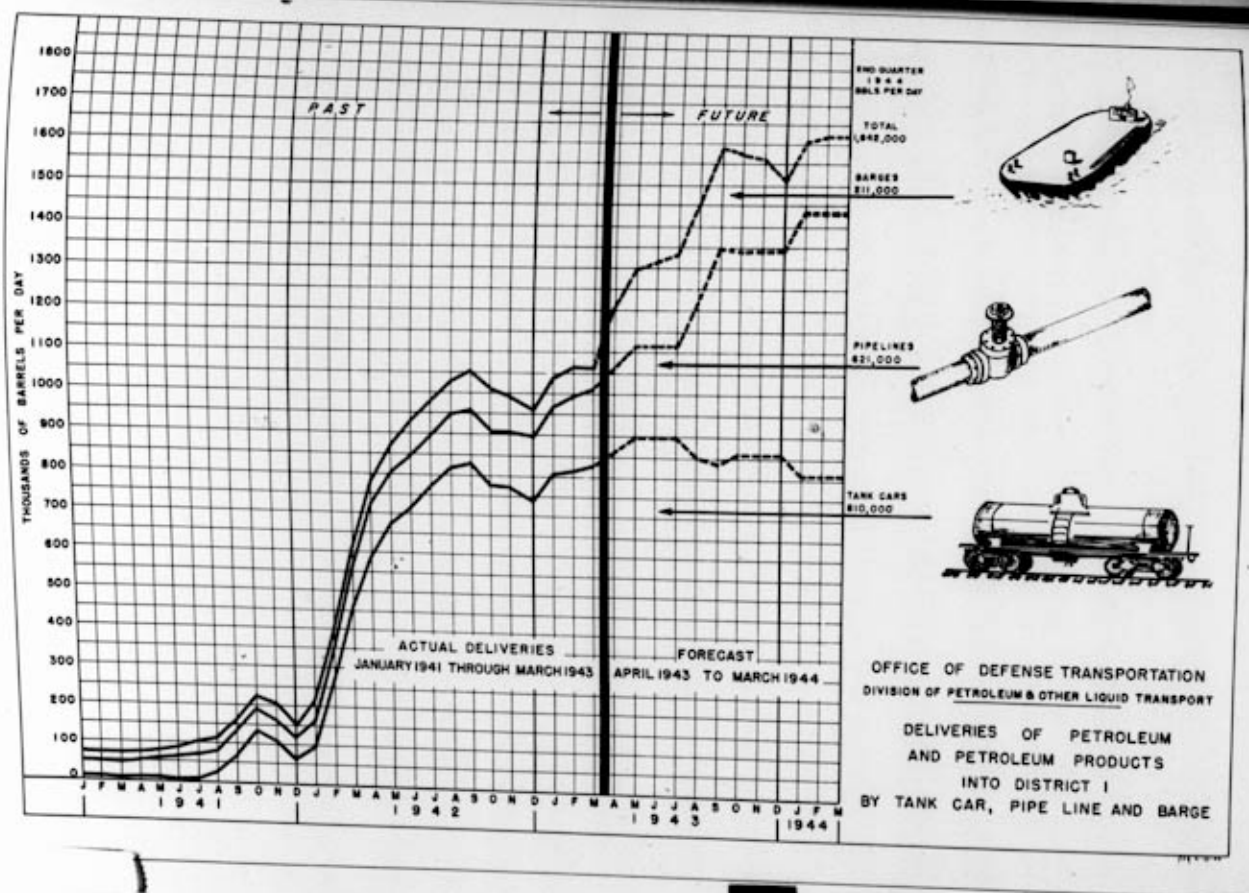
(SEAL)

OFFICE OF DEFENSE TRANSPORTATION
DIVISION OF PETROLEUM AND OTHER LIQUID TRANSPORT
FORECAST

DELIVERIES BY ALL METHODS OF TRANSPORTATION INTO DISTRICT 1
April 1943 to June 1944 inc.
(Thousands of Barrels per day)

Period	Pipe Lines	Barges				Tankers	(1)	Total Transportation
		Great Lakes	Miss-Ohio	Gulf Intra-Coastal	Total	Gulf-Florida	Tank Cars	
2nd Quarter - 1943	212	39	35	70	144	30	885	1271
April	204	8	35	65	108	30	860	1202
May	216	50	35	70	155	30	897	1298
June	216	60	35	75	170	30	897	1313
3rd Quarter - 1943	365	76	35	90	201	30	862	1458
July	216	76	35	80	191	30	897	1334
August *	365	76	35	90	201	30	854	1450
September **	514	76	55	100	211	30	835	1590
4th Quarter - 1943	482	40	35	100	175	30	860	1547
October	482	65	35	100	200	30	860	1572
November	482	50	35	100	185	30	860	1557
December	482	5	35	100	140	30	860	1512
1st Quarter - 1944	621	0	35	100	135	45	810	1611
January ***	621	0	35	100	135	35	810	1601
February	621	0	35	100	135	50	810	1616
March	621	0	35	100	135	50	810	1616
2nd Quarter - 1944	621	76	35	100	211	50	810	1692

*Completion of 24" line to Atlantic Seaboard estimated August 15, 1943.
**Completion of 20" line to Norris City estimated September 15, 1943.
***Completion of 20" line to Atlantic Seaboard estimated January 1, 1944.
(1) Does not include transportation in drums.


PAST
FUTURE
THOUSANDS OF BARRELS PER DAY
1800
1700
1600
1500
1400
1300
1200
1100
1000
900
800
700
600
500
400
300
200
100
0
J F M A M J J A S O N D J F M A M J J A S O N D J F M A M J J A S O N D J F M
1941
1942
1943
1944
ACTUAL DELIVERIES
JANUARY 1941 THROUGH MARCH 1943
FORECAST
APRIL 1943 TO MARCH 1944
END QUARTER 1944 BBLS PER DAY
TOTAL 648,000
BARGES 211,000
PIPELINES 521,000
TANK CARS 810,000
OFFICE OF DEFENSE TRANSPORTATION
DIVISION OF PETROLEUM & OTHER LIQUID TRANSPORT
DELIVERIES OF PETROLEUM
AND PETROLEUM PRODUCTS
INTO DISTRICT I
BY TANK CAR, PIPE LINE AND BARGE

OFFICE OF DEFENSE TRANSPORTATION

[General Order ODT 35]

PART 501—CONSERVATION OF MOTOR EQUIPMENT

SUBPART 3—LOCAL PASSENGER TRANSPORTATION EQUIPMENT

Pursuant to Executive Orders 8989, as amended by Executive Order 9294, and in order to conserve rubber by providently utilize vital passenger transportation equipment, materials, and supplies; and to provide for the orderly and continuous movement of necessary passenger traffic, the attainment of which purposes is essential to the successful prosecution of the war, it is hereby ordered, That:

AUTHORITY: §§ 501.300 to 501.311, inclusive, issued under E.O. 8989, 9156, 9294; 6 F.R. 6795, 7258, 8 F.R. 221.

§ 501.300 *Definitions.* As used in this part (§§ 501.300–501.311), or in any order, direction, permit, regulation, or ruling issued hereunder, the term:

(a) "Person" means any individual, partnership, corporation, association, joint-stock company, business trust, or other organized group of persons, or any trustee, receiver, assignee, or personal representative, and includes any department or agency of the United States, any State, the District of Columbia, or any foreign political, governmental or legal entity;

(b) "Federal department" means any department or agency of the Government of the United States and includes any corporation organized and controlled by the United States;

(c) "Contractor" means any person (not a common carrier) who holds, as a party, as a subcontractor or otherwise, to a contract with a Federal department, and who in connection with the performance of such contract provides, furnishes, or arranges for the transportation of passengers in local passenger transportation equipment;

(d) "Local passenger transportation equipment" includes buses, street railway cars, trolley coaches, trucks converted for passenger transportation, ferry boats, and other vehicles and vessels, principally used or held for use to carry 9 or more persons (including the operator) in public or private carrier service, but does not include combat equipment of the military and naval forces;

(e) "Common carrier" means any person who holds himself out to the general public to engage in the transportation of passengers by local passenger transportation equipment for compensation;

(f) "Special operation necessary for the prosecution of the war" means any operation involving the transportation of passengers in local passenger transportation equipment requisite in the prosecution of the war, which is conducted for a period of time not exceeding in the aggregate thirty (30) days, or which is for the purpose of supplying an occasional extraordinary demand for such transportation;

§ 501.301 *Applicability.* The provisions of this order shall be applicable within the continental United States and the territories and possessions of the United States.

§ 501.302 *Inventory of equipment.* (a) Each Federal department shall file with the Office of Defense Transportation an inventory of all local passenger transportation equipment which, on the effective date of this order (1) was owned by the United States and assigned to or in the possession of such Federal department, or (2) was owned by any person other than the United States and the right to the possession or control of which for any period in excess of 30 days was vested in such Federal department by virtue of any lease, contract, or other arrangement.

(b) Each contractor shall file with the Office of Defense Transportation an inventory of all local passenger transportation equipment, other than equipment held solely for sale or resale by any such contractor, which, on the effective date of this order, (1) was owned by such contractor, or (2) was owned by any person other than such contractor or the United States and the right to the possession or control of which for any period in excess of 30 days was vested in such contractor by virtue of any lease, contract, or other arrangement.

(c) Such inventory with respect to local passenger transportation equipment located in the continental United States shall be filed with the Office of Defense Transportation on or before May 15, 1943, and with respect to local passenger transportation equipment located in the territories and possessions of the United States shall be filed on or before June 15, 1943.

(d) Each inventory of local passenger transportation equipment filed with the Office of Defense Transportation, pursuant to the provisions of this § 501.302, shall contain the following information with respect to each rubber-tired vehicle included therein: (1) the name and address of the owner, (2) the name and address of any person to whom leased or chartered, (3) make of chassis, (4) make of body, (5) year of manufacture, (6) seating capacity, (7) place, places or area at or in which customarily used or held for use, (8) whether or not serviceable, (9) if not serviceable, repairs needed, and (10) such other information as will clearly indicate whether such unit of equipment was constructed as an integral body and chassis, a bus body mounted on a conventional truck chassis or a trailer or semi-trailer, or has been converted or rebuilt from another type of equipment.

(e) Each inventory of local passenger transportation equipment filed with the Office of Defense Transportation, pursuant to the provisions of this § 501.302, shall contain the following information with respect to each street railway car, ferry boat, vessel, or other vehicle which is not rubber-tired, included therein: (1) the name and address of the owner, (2) the name and address of any person to whom leased or chartered, (3) place, places or area at or in which customarily used or held for use, (4) whether or not serviceable, (5) if not serviceable, repairs needed, (6) the passenger capacity and tonnage if a ferry boat or vessel, and (7) such other information as will identify each unit as a street railway car, ferry boat, vessel or other vehicle, and be descriptive thereof.

§ 501.303 *Approval required.* No Federal department or contractor shall hereafter complete arrangements for the purchase, lease, requisition, or use of local passenger transportation equip-

ment without giving prior notice thereof to the Office of Defense Transportation as required by Executive Order 9294 and unless such purchase, lease, requisition or use shall have been first reviewed and approved by the Office of Defense Transportation.

§ 501.304 *Application for approval.* Application for approval by the Office of Defense Transportation of the purchase, lease, requisition, or use of any local passenger transportation equipment by any Federal department or contractor shall be made at the time such Federal department or contractor gives the notice to the Office of Defense Transportation that is required by the provisions of Executive Order 9294, and shall contain such information as the Office of Defense Transportation shall require.

§ 501.305 *Recommendation to War Production Board.* Any person desiring a recommendation by the Office of Defense Transportation to the War Production Board in connection with the purchase or delivery of any local passenger transportation equipment shall make application therefor to the Office of Defense Transportation and furnish such information in connection with and in support of such application as the Office of Defense Transportation shall require. Any recommendation made by the Office of Defense Transportation to the War Production Board with respect to the purchase or delivery of any such local passenger transportation equipment will be made subject to the condition that the applicant, if the application shall be granted, will comply with such terms and conditions with respect to the use of such equipment as may from time to time be prescribed by the Office of Defense Transportation.

§ 501.306 *Determination pursuant to the provisions of the Act of December 1, 1942 (Public Law 779, 77th Congress.)* A determination by the Office of Defense Transportation, in accordance with the provisions of the Act of December 1, 1942 (Public Law 779, 77th Congress), will be made only when specifically requested by the Secretary of War, the Secretary of the Navy, or the Chairman of the United States Maritime Commission, or the duly authorized representative of any thereof. Each such request shall be in writing and be accompanied by such information as the Office of Defense Transportation shall require. A statement shall be incorporated in each such request to the effect that, in the judgment of the official making such request, existing private and other facilities are not and cannot be rendered adequate by other means to perform the transportation service that is to be performed by the equipment to be purchased, leased, or chartered, and that such purchase, lease, or charter will result in the most efficient method of supplying transportation to the personnel concerned.

§ 501.307 *Physical transfer of equipment.* (a) Unless authorized by the Office of Defense Transportation or unless necessary as the result of an emergency arising from an accident, public calamity, or military necessity;

(1) No person shall use or operate any local passenger transportation equipment with respect to the purchase and delivery of which the Office of Defense Transportation has made a recommendation to the War Production Board, or permit the use or operation of any such local passenger transportation equipment of which any such person is the owner or operator, except (i) for the purpose, over the route or routes, in the area, and in the particular service set forth in the application made to the Office of Defense Transportation for the recommendation to the War Production Board with respect to the purchase and delivery of such equipment, and (ii) for such other purposes, over such other route or routes, in such other areas, and in such other services, as may be specifically authorized by the Office of Defense Transportation; and

(2) No person shall use or operate any local passenger transportation equipment with respect to the purchase and delivery of which the Office of Defense Transportation has not made a recommendation to the War Production Board, or permit the use or operation of any such local passenger transportation equipment of which any such person is the owner or operator, for such period of time or in such service as will require:

(i) The removal for more than 3 consecutive days of such local passenger transportation equipment from the service or services of any common carrier or group of common carriers under a common control or common management, (a) owning or operating such equipment on the date of this order, or (b) using such equipment by approval from the Office of Defense Transportation; or

(ii) The removal of such local passenger transportation equipment, when used and operated by a person not a common carrier, from the service of supplying transportation to and from the particular points, places, plants, camps, schools, and locations to and from which such local passenger transportation equipment (a) was so used and operated or held for use and operation, on the effective date of this order, or (b) is used with the approval of the Office of Defense Transportation.

(b) A report of each such use or operation necessary as a result of an emergency and not previously authorized by the Office of Defense Transportation shall be mailed to the Office of Defense Transportation, Washington, D. C., within 7 days after such use or operation is commenced.

(c) Application for authority to hold or operate local passenger transportation equipment in a manner prohibited by this § 501.307 shall be made in writing to the Office of Defense Transportation and shall contain such information as the Office of Defense Transportation shall require.

§ 501.308 *Special or general permits.* The provisions of this order shall be subject to any special or general permits issued by the Office of Defense Transportation to meet specific needs or circumstances.

§ 501.309 *Exemptions.* The provisions of § 501.303 of this order shall not apply to the use of local passenger transportation equipment (a) for the movement of military and naval personnel on furloughs or on trips made under military or naval orders, or (b) in connection with special operations necessary for the prosecution of the war.

§ 501.310 *Federal Reports Act of 1942.* This order has been approved by the Bureau of the Budget in accordance with the Federal Reports Act of 1942. Any specific recording or reporting requirements subsequently prescribed will be subject to the approval of the Bureau of the Budget pursuant to the Federal Reports Act of 1942.

§ 501.311 *Communications.* Communications concerning this order should be addressed to the Division of Local Transport, Office of Defense Transportation, Washington, D. C., and should refer to "General Order ODT 47."

This order shall become effective March 17, 1943.

Issued at Washington, D. C., this 16th day of March 1943.

JOSEPH B. EASTMAN,
Director, Office of Defense Transportation.

EO-9

U. S. GOVERNMENT PRINTING OFFICE 1942

ADVANCE RELEASE

ANCE RELEASE: For TUESDAY MORNING Papers, January 26, 1943
gle-5593

OFFICE OF WAR INFORMATION
OFFICE OF DEFENSE TRANSPORTATION ODT-47

Joseph B. Eastman, Director of the Office of Defense Transportation, yesterday
nuary 25) asked bus and taxicab operators throughout the nation to prepare
mediately plans for curtailment of mileage in event of emergency.

Mr. Eastman explained that the plans were requested to prevent transportation
nfusion or collapse" if gasoline or rubber shortages require emergency mileage
rtailment on short notice.

Director Eastman's order affects only operators of a fleet of 10 or more
bber-borne vehicles. They were asked to submit to the ODT three plans:

Plan No. 1 would eliminate 10 per cent of all presently operated rubber-borne
hicle miles.

Plan No. 2 would eliminate 20 per cent of all presently operated rubber- borne
hicle miles.

Plan No. 3 would eliminate 30 per cent of all presently operated rubber-borne
hicle miles.

In event of emergency, the ODT thus will be able to issue an order calling for
lan No. 2 for 10 days," for instance, in the area where the emergency exists, and
vering the emergency's expected duration.

Operators in the 17 Eastern gas-rationed States and the District of Columbia
re asked, "in view of the imminently critical fuel situation," to submit their
ans no later than February 8.

Operators in the 31 other gas-rationed states must submit their plans by
bruary 22.

The operators were asked to cooperate with State and local regulatory bodies
the preparation of their plans "to the extent possible within the defined time
mit." The plans are to be filed with the regional or field offices of the ODT's
vision of Local Transport.

In his notification to "all operators of buses and taxicabs and all public
thorities have regulatory powers over such operators," Mr. Eastman said in part:

"Due to the rapidly changing conditions of requirement and supply, curtailment
use and consumption of vital materials is necessitated during the war.

"Curtailment by budget or plan is always the most effective, and requires least
fort or hardship. Furthermore, curtailment depending upon need and conditions
ll vary in both extent and duration.

"Transportation services are in degree (1) vital, (2) essential, (3) desirable,
(4) customary. Shortage in gasoline or rubber supply can only be met by re-
ced vehicle mileage, all borne on the depleting rubber supply.....

"It should be readily recognized and accepted that only through plans, so
veloped with care in advance, can confusion or collapse in emergency be fore-
alled."

X-919

The text of Director Eastman's statement follows:

TO ALL OPERATORS OF BUSES AND TAXICABS
AND ALL PUBLIC AUTHORITIES HAVING
REGULATORY POWERS OVER SUCH OPERATORS:

SUBJECT: PLAN FOR EMERGENCY CURTAILMENT

Due to the rapidly changing conditions of requirement and supply, CURTAILMENT in use and consumption of vital materials is necessitated during the war.

CURTAILMENT by budget or plan is always the most effective, and requires least effort or hardship. Furthermore, curtailment depending upon need and conditions will vary in both extent and duration.

Transportation services are in degree (1) vital, (2) essential, (3) desirable and (4) customary. Shortages in gasoline or rubber supply can only be met by reduced vehicle mileage, all borne on the depleting rubber supply.

The Office of Defense Transportation, in order to be in a position to accomplish, if need be, and on short notice, SPECIFIC CURTAILMENT requests that there be developed by passenger carrier agencies, including all local and intercity bus and taxicab operators, and with the cooperation of the local and state regulatory bodies to the extent possible within the defined time limit, such complete plans for operation as follows:

Plan #1 - A plan for curtailed operation to eliminate 10% of all presently operated rubber-borne vehicle miles;

Plan #2 - A similar plan to eliminate 20% of all presently operated rubber-borne vehicle miles;

Plan #3 - A similar plan to eliminate 30% of all presently operated rubber-borne vehicle miles.

In case of temporary emergency, therefore, an order calling for "#2 - 10 days" would be met by Plan #2 for that length of time, etc.

It should be readily recognized and accepted that only through plans, so developed with care in advance can confusion or collapse in emergency be forestalled.

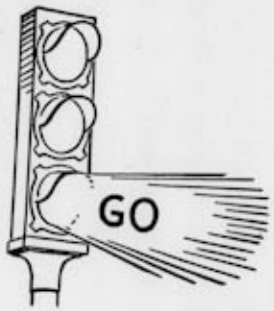
Each passenger carrier operating a fleet of ten or more rubber-borne vehicles in the 17 Eastern gas-rationed states and the District of Columbia shall, in view of the imminently critical fuel situation, file a duplicate copy of its plans Nos. 1 to 3, noting reduction in miles and vehicles released, with the appropriate regional or field offices of the Division of Local Transport, Office of Defense Transportation, on or before February 8, 1943.

Each passenger carrier operating a fleet of ten or more rubber-borne vehicles in the other 31 gas-rationed states shall file similar duplicate copies of its plans Nos. 1 to 3 with the office specified in the preceding paragraph on or before February 22, 1943.

/s/ Joseph B. Eastman
Director
Office of Defense
Transportation

X-913

FITTING TRAFFIC CONTROL TO WARTIME



Procedures for Putting Into Effect

HIGHWAY TRAFFIC CONTROL POLICIES

OF THE

OFFICE OF DEFENSE TRANSPORTATION

The Office of Defense Transportation calls upon all municipal and state officers and agencies with regulatory powers over traffic, to review critically all street and highway traffic controls, and to make whatever adjustments may be required to conform to the policies set forth herein.

Joseph B. Eastman

Director
Office of Defense Transportation

INTRODUCTION

JOSEPH B. EASTMAN, Director of the Office of Defense Transportation, in a statement addressed to state and municipal authorities, said:

> "The necessity for conserving vehicles, rubber and fuel, and the enormous expansion of war production in some areas, have created important changes in street traffic. Adjustments in traffic control methods have not kept pace with these conditions. This is wasting rubber, gasoline and time. In the national interest this waste can not be permitted to continue."

Accordingly, the ODT has issued for the guidance of local and state authorities a 12-point statement of policy. In order to guide intelligently the application of the principles which have been laid down, this publication has been prepared at the request of ODT. It reproduces the 12 points and shows in more detail measures which should be undertaken to put the ODT policies into effect, and it describes the standards which should be used in determining necessary changes.

Most of the basic factors affecting the use of traffic control devices are set forth in the War Emergency Edition of the *"Manual on Uniform Traffic Control Devices for Streets and Highways."* This volume also contains useful material on such matters as signal maintenance, sign design and traffic control devices for blackout conditions.

In applying the principles set forth in this guide, it is important that major changes not be made except on the recommendation of a competent traffic authority, after review and study of the problems involved. Cities requiring assistance on this score may look to the State Highway Traffic Advisory Committee, located in each state capital.

FITTING TRAFFIC CONTROL TO WARTIME

Elimination of Unnecessary Traffic Signals

Where the needs of traffic do not justify their use, the operation of traffic signals should be immediately discontinued.

Two simple tests of need, which should encourage the removal or shutting off of such signals, are set forth in the ODT Policy Statement. These are based on traffic volume and pedestrian flow and are in accord with the Wartime Emergency Edition of the Manual on Uniform Traffic Control Devices for Streets and Highways.* Now, more than ever, the use of a traffic signal should depend on its continuing ability to meet at least one of these tests:

(a) an average of at least 1,000 vehicles per hour, of which at least 250 approach from the minor streets, enter an intersection for 8 hours in a normal day, or

(b) more than 300 pedestrians per hour cross a street which carries an average of at least 750 vehicles per hour for six hours daily.

These are the major tests of the need for signals. If traffic volume is below either of these two accepted minimum standards, ordinarily it should no longer be operated. However, certain other conditions may determine whether the operation of traffic signals is justified. If a signal presently in operation meets any of the following four requirements, or very nearly satisfies a combination of any two, careful consideration should be given to continuing the signal in operation:

(a) a heavy left turning movement crosses through heavy opposing traffic at an intersection carrying an average of 1,000 vehicles hourly during 8 hours of an average day.

(b) Coordination with other signals is necessary to keep vehicles moving at uniform speed in compact groups.

(c) Traffic on a major thoroughfare is of such volume or speed that it must be interrupted to permit pedestrians or vehicles to cross safely without unreasonably long delays.

(d) The signals may be expected to reduce materially the number or seriousness of accidents that cannot reasonably be prevented by warning signs, safe-speed signs or stop signs.

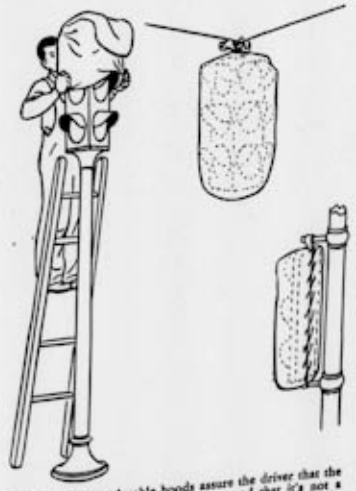


FIG. 1. Weather-durable hoods assure the driver that the signal is temporarily out of service—and that it's not a case of the signal facing him having a burned-out bulb.

*Hereafter called the "Manual." Published November, 1942, prepared by a joint committee of the American Association of State Highway Officials, Institute of Traffic Engineers, and National Conference on Street and Highway Safety, with the advice and assistance of the War Department and the Office of Civilian Defense. Traffic authorities may obtain copies from the Public Roads Administration, Washington, D. C.

Signals which are found unnecessary by these tests of present traffic conditions should be transferred to other locations if required, or put in storage for future use.

Signals which are not removed should be hooded, or if there is need for an indication of potential danger, they may be operated as flashing warning lights.

See Manual Secs. 301-308.

2. Flashing Lights

A stop-and-go traffic signal which may be justified during the heavy traffic periods of the day need not be operated as a stop-and-go signal during light traffic hours.

Such practices create wasteful delays which can be

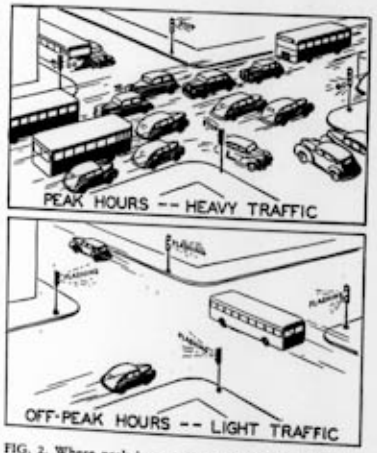


FIG. 2. Where peak hours still justify STOP-AND-GO signals, flashing lights often are adequate in off-peak hours.

entirely eliminated if the signal is changed over to flashing operation.

When for a period of four or more consecutive hours a traffic signal, justified under the preceding section, is at an intersection where the total traffic falls below 500 vehicles per hour or, if used primarily for pedestrian protection, below 375 vehicles per hour on the major street or 150 pedestrians per hour crossing the major street, flashing operation should replace stop-and-go-operation.

Mechanical devices to accomplish this changeover are built into many traffic signal controls. When such devices are not incorporated, or where they cannot be obtained, the signal should generally be turned off during light traffic periods.

When functioning as a flashing signal, the yellow should be shown in all directions except when the signal is located on a through street or when the safe approach speed on one of the streets is below 8 miles per hour. In such cases, flashing red should show to traffic approaching on the minor street or the street with low safe approach speed.

The standard meaning of flashing yellow is "proceed with caution," while the standard meaning of flashing red is "first stop, and then proceed with caution."

Flashing lights may also be used at any intersection where a signal now installed is not required at any time as a stop-and-go signal, provided the character of the intersection and the volume of traffic are such as to indicate the need for a cautionary warning indication.

See Manual Secs. 302, 304, 360, 362e and f, 388.

3. Shortened Signal Cycles*

Signal cycles should be as short as possible; long enough only to accommodate all necessary movements.

Signal cycles ranging in length from 35 to 50 seconds have been found fully adequate at the usual right-angle two-way intersection. Longer cycles create dissatisfaction, introduce unnecessary delay and discourage observance of the signals both by vehicle drivers and by pedestrians, more particularly the latter.

On some rural highways, longer cycles have been used previously to provide necessary extra time for the main thoroughfare. Reductions in traffic volume

* Most traffic-actuated signals, with actuation on both streets, are so constructed as to provide automatically for the changes recommended in items 3, 4 and 5 and so, ordinarily, will not require attention because of traffic variations.

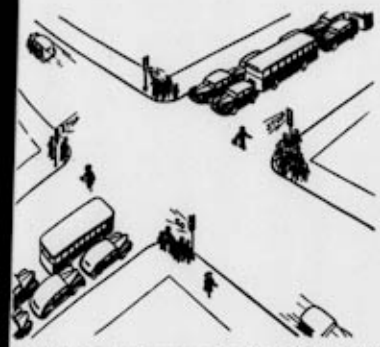


FIG. 3. This is what happens when the STOP and GO periods are too long. Shortening these periods reduces delays and pedestrian violations, and is a popular change.

in most places are such as to eliminate this necessity now.

A slightly longer cycle may, however, be necessary where, to accommodate all movements, three-way, instead of two-way, signal operation is necessary. Similarly, there are certain coodinated systems in which to provide proper progressive movement somewhat longer cycles may be essential.

The exact conditions under which cycles in excess of 50 seconds may be required cannot be predetermined, and so each coordinated system now operating on longer than 50-second cycles should be carefully checked by competent traffic engineers to determine the shortest cycle length that may be practicable.

One further situation in which cycles longer than 50 seconds may be justified is that of a heavily-traveled main thoroughfare carrying large volumes of truck or bus traffic which must be expedited at the expense of a few vehicles on minor intersecting streets.

See Manual Sec. 365.

4. Adjustment of Green Period

The time allotted to the green period on intersecting streets should be accurately adjusted to the time required to move cross traffic.

Usually the proportion of the cycle devoted to the green period on each intersecting street should conform to the relative volume of traffic per lane on such intersecting street. This is only a general principle which may have to be modified on streets carrying trucks, buses and street cars, because due to their larger size and slower starting they require more time to clear the intersection than do the lighter and faster passenger automobiles.

Most fixed time signal controllers are so designed as to permit a variation of the stop-and-go intervals to cover all ordinary timing requirements. To make most effective use of this feature, traffic checks may

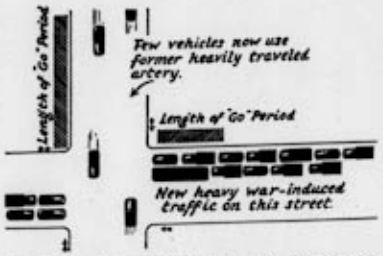


FIG. 4. Before the war the relative lengths of GO periods shown by the hatched bars were correct. Now retiming is obviously needed.

be necessary, especially in the neighborhood of war production industries, to determine the need for cycle adjustments to meet changing traffic conditions.

See Manual Secs. 367-369.

5. Timing Variations

Cycle lengths, or the division of the cycle, should be adjusted to the demands when traffic fluctuates widely at various times of day.

While fixed-time traffic signals cannot be adjusted to provide the correct cycle or cycle division at each minute of the day, it is feasible to make a limited number of changes as, for example, to set up timing sequences for morning and afternoon rush hours and a third sequence for the remainder of the time during which the signal is operating.

This can be done by time clocks which already may be in the signal controller or which may be

(Continued on page 10)

ODT POLICIES ON WA

1. Elimination of Unnecessary Signals

The operation of traffic signals should be discontinued where traffic falls below t accepted minimum standards:

(a) Total traffic entering the intersection from all directions should average at 1,000 vehicles an hour for 8 hours a day, of which at least 250 enter from the m street, or

(b) Pedestrians crossing the major street should average at least 300 an hour for at 6 hours a day, and vehicles entering the intersection from the major street sh average at least 750 an hour for the same 6 hours.

No signal should be eliminated, however, which is an essential part of a coordinated tem for expediting traffic, or if an extraordinary accident hazard would result. Dis tinued signals should be removed, hooded or operated as flashing lights.

2. Flashing Lights

A traffic signal justified for STOP and GO operation during part of the day sh however, be operated as a flashing signal when, for a period of four or more consecutive h traffic falls below 500 vehicles an hour, or in the case of a pedestrian protection signal, b 375 vehicles an hour on the major street or 150 pedestrians an hour crossing the major st

3. Shortened Signal Cycles

Signal cycles should be as short as possible. At the usual intersection, cycles of fro to 50 seconds should be enough. Slightly longer cycles may be desirable in coordinated tems where block lengths are irregular, or at unusually complicated intersections, or h pedite buses, street cars or trucks.

4. Adjustment of Green Period

The proportion of the cycle devoted to the green period should conform to the rel volume of traffic per lane on each street, except that special consideration should be gi to buses, street cars and trucks.

5. Timing Variations

Where traffic volume fluctuates widely during the day, cycle length or the divisio the cycle should be altered at the appropriate times to fit the changed conditions.

6. Progressive Signal Operation

Fixed time signals within one-quarter mile of one another, and controlling the s roadway, should be coordinated to provide progressive traffic movement and reduce the nu ber of vehicle stops.

E TRAFFIC CONTROL

Traffic Police

Assignments of traffic police to fixed posts should make most effective use of manpower. Traffic police should not be assigned to signalized intersections except where pedestrians or turning vehicles are unusually numerous.

Police Control of Traffic Movement

Traffic officers should keep their STOP and GO periods as short as possible to reduce delays. When special circumstances require an officer to control traffic at the center of a signalized intersection, signal lights should be turned off.

Special effort should be made to expedite buses, street cars and trucks on routes serving war plants.

Elimination of Unnecessary Stop Signs

Stop signs should be removed except from locations where warning signs would be inadequate, such as at intersections where greatly restricted view or accident records indicate a need, at intersections along a legally designated "through" street or highway, and at railroad crossings where a stop is required by law.

Traffic Regulations

Traffic regulations, such as those governing turning restrictions, through streets and parking should be reviewed and revised to expedite vehicle movements where the war has either increased or decreased traffic.

War Transportation Routes

A system of primary war transportation routes, to which preferred traffic control treatment would be given, should be designated in every municipality. Such routes should consider the needs of both workers and vehicles carrying war materials.

Traffic Control Equipment

Traffic control equipment requires critical materials. Therefore every effort must be exerted to use most effectively the equipment already on hand before applying to Government agencies for assistance in the purchase of new equipment.

JOSEPH B. EASTMAN, *Director,*
Office of Defense Transportation

(Continued from page 7)

added. Where such equipment is not available and cannot be obtained, traffic officers may be instructed to make the necessary changes at pre-determined times.

Where traffic volume fluctuates greatly and the changes are irregular from day to day, it may be desirable to assign a traffic officer to control the signal manually during the busy periods and to turn

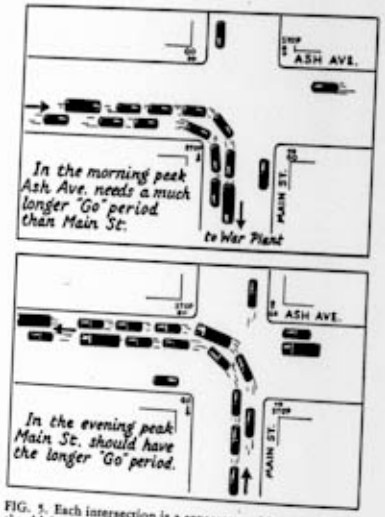


FIG. 5. Each intersection is a separate problem. Changes should be based on analysis of up-to-date traffic counts.

it off at other times. Such use of manpower should not be made, however, if the signal is, or can be made, adaptable to automatic change.

See Manual Sec. 365.

6. Progressive Signal Operation

Isolated fixed-time signals within one-quarter mile of one another should be coordinated wherever possible.

Progressive operation of signals provides for nearly continuous movement of all vehicles on a thoroughfare

FIG. 6. Properly coordinated signals expedite essential wartime traffic.

at a predetermined speed and is by far the most efficient method of operation.

Much of the inconvenience and delay resulting from independent operation of adjacent signal installations can be eliminated by carefully planned coordination. Ordinarily this is done by the use of a master controller connected to a series of signalized intersections. Now that it is almost impossible to buy cable for interconnection, the practical thing is to use synchronous motors which are so designed as to keep to a predetermined constant cycle length, which must be the same at all intersections in the system.

Most cities have synchronous motors at outlying intersections located more than a quarter mile from other signalized locations. Such motors can be exchanged with those of older types at the intersections which are to be coordinated.

See Manual Secs. 370, 371, 374-376.

7. Traffic Police

Assignments of traffic police to fixed posts should be reviewed to make certain that available manpower is used most effectively.

Many intersections on routes leading to war production centers, where there has been no previous need for police officer control, under present conditions may require police supervision.

Personnel for such locations can frequently be obtained from intersections where traffic volume has fallen to such a level that police officer control is no longer needed.

The shortage of traffic police personnel is today too acute to justify the continuance of a traffic officer on fixed post duty unless his presence there is urgently

required to keep traffic moving or protect the safety of the public.

It is not ordinarily desirable to assign traffic police to signalized intersections. This should be done only for limited periods or under special conditions as,

FIG. 7. Wartime traffic produces new needs for traffic police. Often men can be shifted from assignments no longer so important.

for example, where large numbers of pedestrians or turning vehicles require assistance which automatic traffic signals alone cannot provide.

8. Police Control of Traffic Movements

Traffic officers should be trained in efficient methods to keep traffic moving.*

A capable officer can handle traffic with a flexibility lacking in automatic signals. He can take advantage of gaps in a traffic stream to let crossing vehicles through. He can favor movement of traffic of preferred types, mass transportation vehicles or trucks carrying war materials, for example. He can assist turning vehicles or permit occasional special combina-

* A war emergency training manual for traffic police is available from the International Association of Chiefs of Police, 1827 Orrington Avenue, Evanston, Illinois. Copies may be obtained upon request by any police department.

FIG. 8. Traffic police can expedite essential war traffic by keeping STOP and GO periods short. Cross traffic should not have to wait for the straggler.

tions of movement not provided for by ordinary signal control.

He must, however, avoid a natural tendency to prolong the GO periods to wait for individual stragglers before changing the direction of movement, if cross traffic is waiting. Moreover, even if moving traffic continues heavy, ordinarily the longest go period should be about 30 seconds if cross traffic is waiting.

Except in emergencies, a traffic officer should not attempt to take over the entire control of traffic at an intersection when automatic signals are in operation, as confusion and possibly accidents may result.

Traffic officers may appropriately be stationed at intersections where traffic volume varies greatly during the day and it is impossible to provide automatic adjustment of signal timing as described in Section 5.

9. Elimination of Unnecessary Stop Signs

Stop signs should be removed from all locations where they cannot be justified for the safe and orderly control of traffic.

Need for stop signs exists mainly at intersections where visibility is so restricted by buildings or other fixed obstructions as to reduce the safe approach speed below 8 miles per hour.

Under no circumstances should a stop sign be removed from any location where a stop is required by law, as for example at railroad crossings, drawbridges or at the intersections of a legally designated through street or highway.

At many places where stop signs have been in-

FIG. 9. Changes in traffic often mean that STOP signs formerly justified can now be removed.

stalled, cautionary warning signs will now be found fully adequate, while at many other locations any sign is unnecessary.

Under no circumstances should stop signs be used in conjunction with automatic signals.

Where it appears undesirable to remove a stop sign from an intersection at which the regulation is no longer to be imposed, the sign can be hooded or masked.

See Manual Secs. 106, 114, 133.

10. Traffic Regulations

Traffic regulations should be reviewed and revised to expedite vehicle movements where war-time changes in traffic flow have taken place.

Regulations of the three types most frequently warranting revision are those governing turning restrictions, "through" streets, and parking.

(a) *Turning restrictions.* Restriction of turns, particularly left turns, will often facilitate the flow of traffic through an intersection. This should be done, however, only where certain turns cause unreasonable delay to vehicles or pedestrians or are particularly hazardous, and only where vehicles can accomplish an equivalent turn elsewhere with a minimum of added travel distance. Traffic volumes have fallen so greatly in many places that turning restrictions once needed to relieve traffic congestion can now be eliminated with consequent saving in vehicle mileage, gasoline, and rubber. In other areas, such restrictions may now be urgently required.

(b) *Through streets.* A through street or highway is established to accommodate "express" traffic between different sections or communities. Vehicles on intersecting streets or highways are legally required to stop before entering or crossing such a through street when stop signs have been erected. The through traffic during the major part of the day should be heavy enough to justify such delay of vehicles on the less favored intersecting roadways. An urban through street should be wide enough for at least two lanes of traffic moving in one direction or four lanes moving in two directions. It should have a continuous length of at least eight city blocks, except for a short connecting street that can be considered as part of a through-street system.

(c) *Parking.* Where parking deprives a street or highway of the use of pavement needed for important moving traffic, such parking should be prohibited either at all times or during certain periods of peak traffic. However, equivalent parking space must be made available in adjacent streets or in off-street parking areas, since "terminal facilities" are as essential to private transportation as to public.

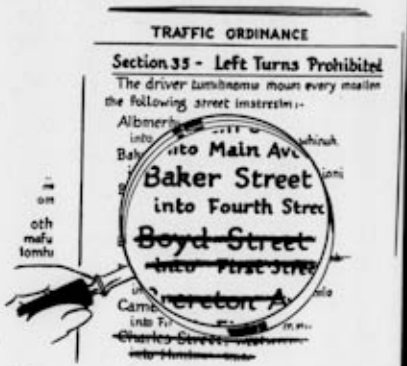


FIG. 10. Traffic regulations should be revised to fit new needs.

The need for new parking restrictions is particularly prevalent in the vicinity of war plants where greatly increased employment has created new traffic problems.

See Manual Sec. 141 and Fig. 141a.

11. War Transportation Routes

A system of primary war transportation routes should be designated in every municipality.

War transportation routes should be laid out in all municipalities or local areas in which the concentration of industrial or military activity dictates improvement in the flow of traffic. Officials of any industrial or military establishments that may be involved should be consulted to obtain all possible information on their needs in connection with the movement of personnel and goods in or out of the plants.

The location of the plant or plants, and the areas between which materials and workers must be moved, should be spotted on a map. The more detailed the information as to where the workers live, the better. Bus or streetcar routes should also be marked on the map.

Some routes might be one-way either at all times or during certain hours. Frequently these routes should be laid out away from the main streets or roads, or perhaps main thoroughfares must be designated, depending on local conditions. Trucks should be routed over roads and streets with adequate surfaces.

Once the best routes are selected, their locations and advantages must be widely publicized, so that they will attract the desired traffic. Placing of route markers may be desirable, or it may be necessary to distribute maps to employees at the plants and to truck operators in the area. Above all, the routes should be so maintained and controlled that traffic will flow as smoothly as possible at all times. Channelizing islands, lengthened curb radii and widened pavements adjacent to intersections, pedestrian safety zones and similar devices often increase the efficiency of traffic movement at small cost and with a minimum use of critical materials.

Intersections must be carefully protected, and war traffic should be given preference over the less important cross traffic.

If the war transportation routes have been intelligently laid out and it is known that they actually give preference to war workers and commercial traffic, little difficulty will be had in getting drivers to use them.

The major attention of local traffic authorities should be given to expediting traffic on these routes; they should be given highest priority in the relocation of needed traffic signs and signals, in the use of pavement markings and the assignment of traffic police, both on fixed post and mobile duty.

12. Traffic Control Equipment

Every effort should be exerted to use most effectively the equipment already on hand before soliciting help of government agencies in the purchase of new equipment.

Unfortunately, much of the material normally used in traffic control signs and signals is now on the critical list. For the manufacture of signs, however, wood can be just as effective as metal. Traffic signals, on the contrary, present a serious problem. The signal housings, timing mechanisms, reflectors, bulbs, wire and cable are all difficult to obtain.

When it is clear that a signal should be installed, an attempt must first be made to find one nearby that can be moved for the duration. It may be possible to borrow or purchase from an adjacent locality where there is less war activity. Only if there is no chance of obtaining a signal locally should an application for a preference rating be made to the War Production Board. Such an application requires a full and detailed statement of the conditions that make the installation necessary. State highway officials can give valuable help in the preparation of the application, and if the amount of material involved is considerable, the application should be transmitted through the State Highway Department.

Full information on the methods to be followed in obtaining preference ratings for new traffic equipment from the War Production Board will be found in the Manual, pp. 145-147.

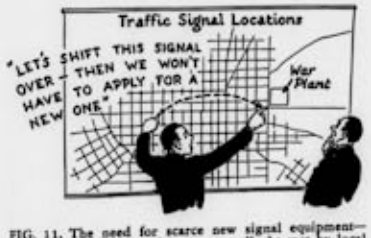


FIG. 11. The need for scarce new signal equipment—involving critical materials—can usually be met by local readjustments.

Briefly—

Here's what you should do:

1. Eliminate unnecessary STOP-GO signals.
2. Change STOP-GO signals to flashing lights in hours of light traffic.
3. Shorten STOP-GO signal cycles as much as possible.
4. Adjust length of green GO periods to fit changed traffic.
5. Change cycle length or division of the cycle during hours when traffic variations justify.
6. Coordinate nearby STOP-GO signals.
7. Save traffic police manpower where STOP-GO signals will do the job.
8. Keep STOP-GO periods at police controlled intersections as short as possible.
9. Remove stop signs no longer justified.
10. Revise traffic and parking regulations to expedite war traffic.
11. Set up primary war transportation routes.
12. Use traffic control equipment on hand rather than buy new.

THIS PAMPHLET was prepared and published jointly by the following, in cooperation with the Office of Defense Transportation:

American Automobile Association
American Association of Motor Vehicle Administrators
American Association of State Highway Officials
American Transit Association
Automotive Safety Foundation
American Trucking Associations, Inc.
Chamber of Commerce of the U. S. A.
Highway Traffic Advisory Committee to the War Department
International Association of Chiefs of Police
Institute of Traffic Engineers
National Association of Motor Bus Operators
National Conservation Bureau
National Safety Council
Public Roads Administration
Yale Bureau for Street Traffic Research

OFFICE OF DEFENSE TRANSPORTATION

...T 501—CONSERVATION OF MOTOR EQUIPMENT

[General Order ODT 10A]

...RT 0—SIGHTSEEING, CHARTER AND OTHER SPECIAL SERVICES

...uant to Executive Orders 8989, ... and 9294, and in order to conserve ...providently utilize vital transporta... equipment, material and supplies; ...o provide for the prompt and con... movement of necessary traffic, ...attainment of which purposes is ...ial to the successful prosecution of ...war, General Order ODT 10, as ...ded (§§ 501.38 to 501.42[1]), is hereby ...d to read as follows:

...*is hereby ordered*, That:

... Definitions.
... Applicability.
... Certain charter service and other special services prohibited.
... Sightseeing service prohibited.
... Special or general permits.
... Notice of changes in operations of regulated motor carriers.
... Communications.

...THORITY: §§ 501.38 to 501.44, inclusive, ...d under E.O. 8989, 9185, 9294; 6 F.R. ...7 F.R. 3349, 8 F.R. 221.

...501.38 *Definitions.* As used in this ...r (§§ 501.38 to 501.44) or in any or... permit, or regulation issued here..., the term:

... "Person" means any individual, ...nership, corporation, association, ...t stock company, business trust, or ...r organized group of persons, or any ...ee, receiver, assignee, or personal ...esentative, and includes any depart...t or agency of the United States, any ..., the District of Columbia, any edu...nal institution, any school district, ... school board, or any other political, ...rnmental or legal entity;

... "Bus" means any rubber-tired ...cle used in the transportation of ...engers, having a capacity of ten (10) ...more passengers;

... "Common carrier" means any per... which holds itself out to the general ...lic to engage in the transportation ...passengers by bus for compensation;

... "Charter service" means the ...sportation by bus by a common car..., whether or not for compensation, ...

... Any passenger or group of pas...gers who, pursuant to a common pur... pose or under a single contract or arrangement, acquires the right to use or to occupy, exclusively, the bus in which such passenger or passengers are transported; or

(2) Any passenger or passengers to whom individual tickets have been sold or with or for whom other individual transportation arrangements have been made, from or to any point or over any route, not regularly served by the common carrier facilities and the established scheduled services of the person performing such transportation;

(e) "Other special services" means the transportation by bus, whether or not for compensation, of a passenger or passengers by a person not a common carrier or performed other than as a common carrier;

(f) "Sightseeing service" means the transportation of passengers by bus, whether or not for compensation, or by any other rubber-tired vehicle propelled or drawn by mechanical power, if performed for compensation, for the primary purpose of permitting or enabling any passenger or passengers to see places or objects of general or special interest, whether or not the services of a driver or operator are provided with the vehicle;

(g) "Continental United States" means the forty-eight States and the District of Columbia.

§ 501.39 *Applicability.* This order shall be applicable only within the continental United States.

§ 501.40 *Certain charter service and other special services prohibited.* No person shall engage in charter service or other special services except:

(a) In the transportation hereinafter specified when such transportation cannot readily be performed by existing facilities and established scheduled services of common carriers of passengers operating over regular routes between fixed termini, to wit: The transportation of:

(1) Military or naval personnel of the United States, or of State military forces organized pursuant to section 61 of the National Defense Act, as amended, if such transportation is furnished on written request of the commanding officer of such personnel;

(2) Persons participating in organized recreational activities of any military or naval establishment, to or from such establishment, if such transportation is furnished on written request of the commanding officer of such establishment;

(3) Registrants to or from examining or induction stations on the written request of an authorized official engaged in the administration of the Selective Service System;

(4) Patients to or from clinics for medical attention, if such transportation is furnished on written request of an authorized official of the United States Public Health Service or of a State board of health;

(5) Students, teachers, and other school employees from their homes to their schools for the purpose of permitting such persons to attend a regular daily session of school, or from such schools to their homes after such attendance: *Provided*, That no such person shall be so transported in excess of one round-trip on any one calendar day;

(6) Employees en route between their homes and their places of work;

(7) Children under eighteen (18) years of age and their attendants, from their homes to summer camps, for the purpose of permitting such children to attend such camps for periods in excess of one day, or from such camps to their homes after such periods of attendance: *Provided, however*, That such service may be given only after written application showing the necessity therefor has been filed with and approved in writing by a regional office of the Office of Defense Health and Welfare Services, Division of Recreation;

(8) Persons en route between their homes and their places of regular weekly worship for the purpose of attending religious services and returning from such attendance;

(9) Civilians from their homes for purposes of evacuation, in the interest of their safety or to serve military purposes, or to their homes after evacuation, pursuant to orders of governmental or military authorities;

(10) Passengers of common carriers by railroad or by air en route on an established scheduled service operated over a regular route between fixed termini by any such carrier, if such transportation is furnished upon the written request of any such carrier and is furnished in lieu of and as a substitute for such established scheduled service of such carrier which has been temporarily discontinued or interrupted as a result of adverse weather conditions, an act of God, a catastrophe, accident, or other

[1] F.R. 3786, 5950, 6060.

emergency not within the control of such carrier.

(b) In the transportation of:

(1) Insane, mentally disordered or mentally incompetent persons, prisoners, or others under the custody of authorized agents of the United States Government or of the District of Columbia or of any State or municipality, and their custodians, guards, and other necessary attendants, if such transportation is furnished upon written request of an authorized officer of the law or other official charged with the custody of such persons;

(2) A jury, its official custodians and other authorized court attendants, if such transportation is furnished upon written request of the presiding judge of the court in which such jury is serving;

(3) Persons transported in buses owned and operated by the Department of War, the Department of the Navy, or the United States Maritime Commission;

(4) Persons transported in accordance with, within the scope of, and pursuant to a transportation plan, arrangement or contract specifically approved in writing by the Office of Defense Transportation.

§ 501.41 *Sightseeing service prohibited.* No person shall perform any sightseeing service.

§ 501.42 *Special or general permits.* The provisions of this order shall be subject to any special or general permit issued by the Office of Defense Transportation to meet specific needs or exceptional circumstances.

§ 501.43 *Notice of changes in operations of regulated motor carriers.* Every person engaged in charter service, sightseeing service, or other special services on the effective date of this order, who was required by law to file tariffs of rates, charges, rules, or practices, forthwith shall file with the Interstate Commerce Commission, in respect of transportation in interstate or foreign commerce, and with each appropriate State regulatory body in respect of intrastate commerce, and publish in accordance with law, and continue in effect until further order, tariffs or appropriate supplements to filed tariffs, setting forth any changes in the operations, rules, regulations, and practices of such
which may be necessary to acco
the provisions of this order,
with a notice describing the op
which will be or have been disco
or suspended in compliance w
provisions of such tariffs or suppl
and a copy of this order; and fo
shall apply to said Commission a
such regulatory body for special
lion for such tariffs or supplem
become effective on one day's not

§ 501.44 *Communications.* C
nications concerning this order
be addressed to the Division o
Transport, Office of Defense Tran
tion, Washington, D. C., or to the
regional office of the Division o
Transport, and should refer to "O
Order ODT 10A".

This General Order ODT 10A
become effective March 15, 1943.
eral Order ODT 10, as amended,
by revoked as of the effectiv
hereof.

Issued at Washington, D. C., t
day of March 1943.

JOSEPH B. EASTM
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GPO—ODT 1—p. 2

EXECUTIVE OFFICE OF THE PRESIDENT

OFFICE FOR EMERGENCY MANAGEMENT

TICE OF DEFENSE TRANSPORTATION
JOSEPH B. EASTMAN, Director

IN REPLY REFER TO:

February 2, 1943

To Chief State School Officers:

A few days ago the Office of Defense Transportation sent you supplies of forms ODT-LT-5a,b,c,d, which are to be used in preparing applications for continuation of certificates of war necessity for school buses.

It should be noted that these applications are to list not only school buses used for the transportation of public school children, but also buses used in transporting any who attend private schools, colleges, and universities. In order to bring this matter to the attention of those in charge of such schools, one copy of form 5d and two copies each of forms 5a, 5b and 5c should be sent to each private school, college, or university which provides transportation service.

Reports of buses listed by these special schools should be received by the local public school superintendent and included in his report as it is presented to the Chief State School Officer for transmission to the regional office of the Office of Defense Transportation.

Very truly yours,

C. D. Hutchins

C. D. Hutchins
Chief, School Bus Section
Division of Local Transport

INSTRUCTIONS FOR THE PREPARATION OF APPLICATION FOR CONTINUATION OF CERTIFICATES OF WAR NECESSITY TO OPERATE SCHOOL BUSES (FORMS ODT-LT-5a,b,c,)

GENERAL INSTRUCTIONS

It is necessary for each local school administrative unit, (hereafter referred to as the local school unit) in cooperation with adjoining local school units and with State and Federal authorities to observe the policies stated by the Office of Defense Transportation on November 16, 1942, in making essential adjustments which will assure that only such transportation is continued as is necessary to meet basic minimum educational needs.

STATE PROGRAM OF SCHOOL TRANSPORTATION.--If the State provides school transportation service, three copies of the application and a bus route map showing the area served shall be prepared by the official in charge of transportation and submitted to the chief State school officer for approval and the completion of Part IV.

LOCAL SCHOOL UNIT PROGRAM OF TRANSPORTATION.--Subdivisions of the State which provide school transportation services should select the appropriate procedure stated below and complete the corresponding certificate in Part III, Sections A, B, or C.

A. If the local school unit consists of a county (or other large area) the country superintendent (or similar official) shall prepare the application, complete the certificate in Part III, Section A, and submit three copies of the application and bus route map to the chief State school officer, for completion of the certificate in Part IV.

B. If the local school unit is smaller in area than a county (or other large area) and there is a county superintendent (or similar official), each local school unit shall provide all necessary data for, and assist the county superintendent (or similar official) in preparing the application on a county-wide (or other large area) basis. Local school unit data for assembling on a county-wide basis shall be submitted by the local school unit officials on the same application form. The county superintendent (or similar official) shall complete the certificate in Part III, Section B, and submit three copies of the application and a bus route map to the chief State school officer, for completion of the certificate in Part IV.

C. If the local school unit is smaller in area than a county (or other large area) and there is no county superintendent (or similar official), each local school unit shall prepare its application in cooperation with adjoining units, complete the certificate in Part III, Section C, and submit three copies of the application, a bus route map, and such other supplementary data as may be necessary to the chief State school officer for the completion of Part IV.

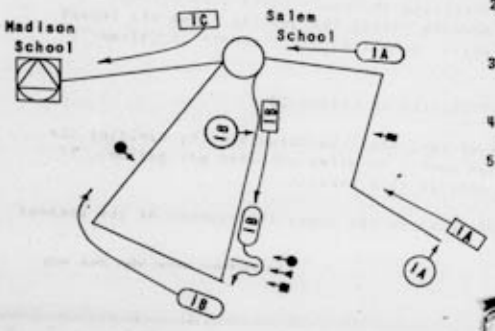
APPROVAL OF APPLICATION.--The applications for continuation of Certificates of War Necessity shall be checked and appraised by the chief State school officer or his designated representative. Any exceptions to the report should be designated and the certificate in Part IV completed. One copy of the application and the bus route map should be retained in the State office of education, and two copies of the application sent to the proper regional office of the Office of Defense Transportation. Mileage and gasoline figures for each bus will then be certified by the regional office to the nearby district office of the Office of Defense Transportation for the preparation of a revised Certificate of War Necessity.

THE SCHOOL TRANSPORTATION ROUTE MAP

A school transportation route map shall be prepared for each county (or other large area) showing the routes traveled by all buses which transport school children. State school officials should prepare plans and instructions to assist local school units in procuring and preparing suitable maps and should provide a uniform code for school bus routes, trips, and schools.

In the use of any code and in reporting school bus routes, a route shall be defined as the course or way traveled by a school bus from the point of departure of the bus in the morning to the last point at which pupils are unloaded in the morning. The bus route may be covered in one or more trips in the morning travel. A trip in the morning is the travel of a bus from the point of departure of the bus to a point at which part or all of the pupils are unloaded. For example, the first trip is from the point the bus is stationed over-night to the first point at which either part or all of the bus load of pupils are unloaded; the second and following trips each from the last point where any pupils are unloaded to the next point at which pupils are unloaded or the bus stops for the day.

The following code and illustration of a route map is suggested:



CODE

1. 1A → Rectangle with arrow indicates the trip starting point and direction of bus travel. Insert number of the route and if more than one trip, the letter "A" for the first trip, and the letter "B" for the second trip, "C" for the third trip.
2. (1A) → Circle with arrow indicates stop for first pupil. Number and, where more than one trip, proper letter should be inserted to designate bus route and bus trip.
3. (1B) → Oval with arrow indicates direction of bus travel. Insert proper number for bus route and proper letter for each trip if bus makes more than one trip in the morning.
4. Elementary-school, junior-high-school, and senior-high-school pupils, respectively, walking to meet bus.
5. Elementary School.
   Junior High School.
   Senior High School.

PART I - WARTIME SCHOOL TRANSPORTATION ADJUSTMENTS.--It is essential that each of these twelve questions be answered in light of the statement of policies on school bus operation issued by the Office of Defense Transportation on November 16, 1942. The answers should be checked "yes" only when conditions fully justify this answer. If there are any exceptions or if the answer is "no", a complete and detailed explanation shall be prepared to accompany this part of the application.

INSTRUCTIONS FOR PREPARATION OF FORM ODT-LT-5b, a

PARTS II-A and II-B - SCHOOL TRANSPORTATION DATA.--Every item in each section shall be accurately and properly reported. It is essential that the exact code used on the school transportation route map be used in this part of the report. If any route or trip by any bus should need additional explanation, such explanation shall be submitted on a supplementary sheet. Each bus, route, or trip which is to be explained, must be fully identified by bus number and code used on route map.

Part II-A - Data on Schools Served, Pupils, Mileage and Utilization by Trips

All buses, cars, and other motor vehicles, whether contracted or owned by school authorities, used in transporting pupils to public and nonpublic schools shall be reported as follows by items:

1. Bus no.: List each school bus and each morning trip made by that bus on a separate line. If buses are not numbered, assign each bus a number. Begin with the number "1" and continue consecutively until all buses are numbered. Any other plan of numbering should be explained. In listing the buses, record the number of each bus in the column headed "Bus no." List, first, all motor vehicles having a seating capacity of over seven pupils, leave a space and second, all other motor vehicles, including passenger automobiles used to transport pupils to and from school.

   If a school bus is also used for worker, clinic, or other trips, list its morning school trips first and data relating thereto; then use one line for each A.M. and/or P.M. trip for other than school transportation purposes. Record totals for items 7, 9, 10, and 11 on the next line after all trips and insert the word "total" in Column 1, if the bus makes more than one trip.

2. Code used on map: In Column 2 use the letters A, B, C, etc. to designate trips for any bus shown on the map as 1A, 1B, 1C, etc. The letter "N" may be used to designate trips for nonpublic school children, "H" for health clinic trips, and "W" for trips made for the purpose of transporting workers or adults. The "H" and "W" trips need not be shown on the school bus route map.

3. Name of school served or destination: Report each school served by each bus trip. For worker or other trips report the plant or destination to which persons are transported.

4. Bus seating capacity: Determine this item on the basis of 13 lineal inches of seating space per passenger.

5. Number of pupils transported in morning: Report the number of elementary and secondary pupils and total pupils transported by trips in the morning regardless of distance, and then the number of transported pupils who reside less than 2 miles from school. For other trips, report number of persons for each trip (A.M. and P.M.) in the "total" column only.

6. Time en route per trip: In reporting time en route per school trip include the elapsed time from the point of departure of the bus for that particular trip, to the point where pupils are unloaded. For other trips, record time for each trip (A.M. and P.M.). Time should be recorded in minutes.

7. Daily round-trip mileage: In reporting daily bus mileage for transporting pupils, include only miles of travel from the bus storage point in the morning to the bus storage point after the last trip in the afternoon. Report also the number of miles operated for other trips.

8. Days bus operates by quarters of 1943: Report by trips the number of days the school bus is to be operated in each of the four quarters.

Part II-B - Data on Mileage, Gallons of Gasoline, and Ownership

1. Bus no. and code: List buses in Part II-B in the same order and on corresponding lines used in Part II-A.

9. Mileage by quarters of 1943: Note that this item is divided into four sections of three columns each. Report in Column "a" the quarterly mileage, determined by multiplying the daily round-trip mileage (total miles in Item 7) by the number of days the bus is to operate during the quarter (Item 8); report in Column "b" mileage to service stations for inspection, repairs, gasoline, etc.; report in Column "t" the sum of the mileage in Columns "a" and "b".

10. Total miles for year: Enter the sum of the four quarterly "t" figures in Column 10.

11. Total gallons of gasoline by quarters: The number of gallons of fuel shall be calculated by dividing the number of miles reported in Item 9, Columns "t" by the average number of miles operated per gallon. If the bus makes more than one trip, supply figures for totals only in this section.

12. Present war certificate number: Record the printed figure appearing on the upper left corner of the present Certificate of War Necessity.

U.S. GOVERNMENT PRINTING OFFICE: 1942 O - 501179

APPLICATION FOR CONTINUATION OF CERTIFICATES
OF WAR NECESSITY TO OPERATE SCHOOL BUSES

State _____ County _____

Local School Unit _____ Date _____

Official Reporting _____ Title _____

PART I -- WARTIME SCHOOL TRANSPORTATION ADJUSTMENTS

The questions in Part I refer to school transportation policy statements issued by the Office of Defense Transportation on November 16, 1942. Please check in the appropriate parentheses under "Yes" or "No". If the answer to any question is "No" for any route, any trip, or for the entire local school unit, it is necessary that a complete explanation, properly identified by item, question, and if necessary by bus or trip number, be attached.

	Yes	No
1. Is the maximum number of pupils being transported with the minimum number of bus miles through:		
(a) the establishment of trunk routes which eliminate side trips for pupils who live within 1½ miles of the established routes?	( )	( )
(b) elimination of unnecessary duplicating or overlapping school bus routes?	( )	( )
(c) reduction to the lowest point practicable in distances buses travel without pupils?	( )	( )
2. Is school bus transportation limited, except for those physically handicapped or those who otherwise would be subjected to extreme danger or serious physical hardship, to children living more than two miles from school?	( )	( )
3. Are pupils required to use available common carriers where such use permits a reduction in the number of school buses or bus miles?	( )	( )
4. Has maximum reduction in buses and bus miles been secured through transporting children to the nearest school regardless of existing boundary lines?	( )	( )
5. Have unnecessary bus stops been eliminated?	( )	( )
6. Have school hours been staggered where the effectiveness of existing transportation facilities can be increased thereby or where the requirements of a specific transportation problem call for changes in school hours?	( )	( )
7. Have existing contracts been re-negotiated when necessary to facilitate reorganization of school bus routes?	( )	( )
8. Is the use of school buses for school transportation limited to the transportation of students, teachers, and other school employees en route between their homes and places of regular daily instruction?	( )	( )
9. Have bus operators and owners cooperated in arrangements calling for the use of school buses in essential worker transportation?	( )	( )
10. Has an effective, preventive maintenance program been established?	( )	( )
11. Are high quality driving standards being maintained through careful selection, adequate training, and supervision of bus drivers?	( )	( )
12. (a) Has a route map been prepared and is a copy being filed with the chief state school officer, showing schools and transportation routes as explained in Chapter III of School Transportation in Wartime?	( )	( )
(b) Has a comprehensive study been made of all school transportation within the local school unit and of the areas adjacent to the local school unit?	( )	( )

Explanation of each item above to which the answer is "No".

U. S. GOVERNMENT PRINTING OFFICE: 1942 O - 501179

State ______________ County ______________ Local School Unit ______________ Date ______________

PART II-A--DATA ON SCHOOLS SERVED, PUPILS, MILEAGE, AND UTILIZATION, BY TRIPS

1	2	3	4	5				6	7			8			
Bus No.	Code Used on Map	Name of School Served or Destination	Bus Seating Capacity	Number of Pupils Transported in Morning				Time en Route per Trip (AM)	Daily Round-trip Mileage			Days Bus Operates by Quarters of 1943			
				El.	Sec.	To-tal	Less Than 2 mi.		With Pupils	Without Pupils	Total Miles	1st	2nd	3rd	4th

U. S. GOVERNMENT PRINTING OFFICE: 1943 O - 589[illegible]

State ____________ County ____________ Local School Unit ____________ Date ____________

PART II-A--DATA ON SCHOOLS SERVED, PUPILS, MILEAGE, AND UTILIZATION, BY TRIPS

1	2	3	4	5				6	7			8			
Bus No.	Code Used on Map	Name of School Served or Destination	Bus Seating Capacity	Number of Pupils Transported in Morning				Time en Route per Trip (AM)	Daily Round-trip Mileage			Days Bus Operates by Quarters of 1943			
				El.	Sec.	Total	Less Than 2 mi.		With Pupils	Without Pupils	Total Miles	1st	2nd	3rd	4th

State____________________ County______________ Local School Unit____________________ Date____________________

PART II-B - DATA ON MILEAGE, GALLONS OF GASOLINE, AND OWNERSHIP

1-2	9												10	11				12
Bus no. and code	Mileage by quarters of 1943 for (a) Routes and trips (b) Inspection, Gas, etc. (t) total of (a) and (b)												Total Miles for Year	Total Gallons of Gasoline by Quarters				War Certificate Number
	1st quarter			2nd quarter			3rd quarter			4th quarter								
	a	b	t	a	b	t	a	b	t	a	b	t		1st	2nd	3rd	4th	

U. S. GOVERNMENT PRINTING OFFICE: 1943 O - [illegible]

State____________________ County______________ Local School Unit__________________ Date__________________

PART II-B - DATA ON MILEAGE, GALLONS OF GASOLINE, AND OWNERSHIP

1-2	9												10	11				12
Bus no. and code	Mileage by quarters of 1943 for (a) Routes and trips (b) Inspection, Gas, etc. (t) total of (a) and (b)												Total Miles for Year	Total Gallons of Gasoline by Quarters				War Certificate Number
	1st quarter			2nd quarter			3rd quarter			4th quarter								
	a	b	t	a	b	t	a	b	t	a	b	t		1st	2nd	3rd	4th	

PART III – CERTIFICATE OF SCHOOL SUPERINTENDENT

A. Certificate of County (Or Other Large Area) Superintendent

I hereby certify that a careful study of school transportation has been made in this area and that a school transportation route map ... for this unit ... for this unit and other adjoining units ... has been prepared as prescribed in School Transportation in Wartime and filed with the chief state school officer; that all information in this application is correct and complete; and that all buses listed in Part II should be entitled to continuation of Certificates of War Necessity and all cars listed should be provided with gasoline and tires for school transportation, for the mileage shown.

Name of Superintendent (or Similar Official)_____

Title_____ Address_____

Date_____

B. Certificate of County (Or other Large area) Superintendent in Which Separate Applications Are Prepared by Subordinate or Independent Local School Units Within the County (Or Other Large Area)

I hereby certify that I have examined the applications for all administrative units in this county ( ), supervisory union ( ), other_____( ), that all applications are based on the results of a survey and study of the map of school transportation in this area, copies of which are being filed with the chief state school officer; and that all buses listed in Part II should be entitled to continuation of Certificates of War Necessity and all cars listed should be provided with gasoline and tires for school transportation for the mileage shown, except for the following:

_____

_____

_____

_____

Name of County or Union Superintendent(or similar official)_____

Title_____ Address_____

Date_____

C. Certificate of Superintendent of Local School Unit Only

I hereby certify that a careful study of school transportation has been made in this area and that a school transportation route map ... for this unit ... for this unit and other adjoining units ... has been prepared and is being filed with the chief state school officer; that all information in this application is correct and complete; that a cooperative plan for transporting pupils has been prepared with adjoining local school units; and that all buses listed in Part II should be entitled to continuation of Certificates of War Necessity and all cars listed should be provided with gasoline and tires for school transportation, for the mileage shown.

Name of Local School Unit Official_____

Title_____ Address_____

Date_____

PART IV — CERTIFICATE OF CHIEF STATE SCHOOL OFFICER OR HIS OFFICIAL REPRESENTATIVE

(This certificate by the chief state school officer must accompany all applications for continuation of Certificates of War Necessity. Two complete copies of each application must be filed with the proper regional office of ODT and one copy retained for the files of the State Department of Education.)

I hereby certify that I have examined the accompanying application for continuation of Certificates of War Necessity, and have found that it is complete and correct to the best of my knowledge and belief. I also certify that a comprehensive survey of school transportation in the area has been made and that a satisfactory school transportation route map of the area has been prepared and filed in this office as prescribed in Chapter III of School Transportation in Wartime. I recommend that all buses listed in Part II be granted continuation of Certificates of War Necessity and all cars listed be provided with gasoline and tires for school transportation, for the mileage shown with the following exceptions:

_____

_____

_____

Chief State School Officer or Representative:_____

Title_____ Address_____

State_____ Date_____

EXECUTIVE OFFICE OF THE PRESIDENT

OFFICE FOR EMERGENCY MANAGEMENT

OFFICE OF DEFENSE TRANSPORTATION
JOSEPH B. EASTMAN, Director

Early in April 1942, the National Highway Traffic Advisory Committee of the War Department was requested by the Office of Defense Transportation to assume responsibility for a part of our conservation program. That Committee immediately accepted the responsibility and outlined a program whereby the facility and services of the State HTAC's could be utilized most effectively.

The plan called also for a request by me of the Governor of each State that he name his HTAC to work with the National HTAC. The plan further called for a request by me on the Mayors of all cities of 10,000 population and over that each appoint a Local Administrator to assume responsibility for the program in his respective community. A splendid job of organization was achieved to the great credit of the National HTAC, of the Governors and their State Committees, of the Mayors and of the Local Administrators.

Originally, the conservation program was based on three main objectives: (1) staggered hours to secure more service from existing transit vehicles; (2) group riding to lengthen the life of private automobiles by changing from daily to rotated necessity use; and (3) signal and other highway adjustments to facilitate the movement of traffic.

The development of these objectives, even in this initial stage, required of you a tremendous amount of work for no other reward than the consciousness of fulfilling a patriotic duty. Many excellent reports of projects and performances attest how well the Local Administrators carried out their labors.

With the filing on September 10 of the Baruch Committee Report on the Rubber Situation, the approach to our conservation problem was changed materially. The Report took particular cognizance of the importance of the private automobile as an essential factor in the transport fleet of the country. This viewpoint led the Committee to recommend a large increase in the amount of reclaimed rubber (with the necessary increase in crude rubber admixture) to be allocated for the tire replacements of private cars.

The Baruch Committee's further recommendation that the War Production Board appoint a Rubber Director was implemented by the naming of Mr. Wm. S. Jeffers. Mr. Jeffers' first studies of the problem brought his directive of September 25, whereby the Office of Price Administration was directed and authorized to institute nation-wide gasoline rationing as a means of tire conservation. He also instructed the ODT and the OPA to proceed as planned for the mileage and purpose control of commercial vehicles under ODT General Order 21. Mr. Jeffers further instructed the ODT to review the gasoline rationing program from the standpoint of its effects upon the transportation service of the Nation.

These events coupled with the virtual discontinuance of bus and bus body production have made it necessary for the Division of Local Transport to establish regional offices, to each of which has been assigned the responsibility for the supervised control in its respective area of all commercial transport of passengers except by steam railroads and air.

We recognize that, as War Transportation Administrator of your home locality, you have a fund of knowledge and experience of inestimable value to these new regional representatives of the Division of Local Transport. We have concluded that direct contact between you and these regional representatives is imperative for the better understanding of the transportation problems of your community.

The accompanying Statement of Policy, issued April 17, is of course familiar to you. Through the efforts of numerous public-spirited men like yourself, this Policy has been adopted and closely followed in many communities. Quite likely, one of the first cooperations requested of you by my regional representatives will be to survey the course of mass transport operations in your area to check their degree of compliance with the April Statement of Policy.

One new aspect of the staggered-hour problem is the plan of the War Department to require that its plant contractors obligate themselves to study working hours with a view toward making adjustments, consistent with efficient and economical manufacturing procedure, which will implement the use of existing mass transport facilities. The development of such stagger plans will obviously require the full cooperation of the Local Administrator in a given area in order that new shift hours may be made to fit into the community program.

Acting with the assurance that you will cooperate fully in this new and more complex phase of our transport emergency, I am requesting our regional men to forward to you whatever data they feel might be of value to you in preparing yourself for this closer teamwork. I also offer below the name and address of the regional representative of the Division of Local Transport to whom you should feel free to address any inquiry or forward any information or suggestions.

With full appreciation of your help to date and with every hope for ntinued cooperation from you, I remain

Very sincerely yours,

Joseph B Eastman

Director

. P. N. Simmons, Assistant Director
ivision of Local Transport, Eastern Region
ffice of Defense Transportation
ashington, D. C.

EXECUTIVE OFFICE OF THE PRESIDENT

OFFICE FOR EMERGENCY MANAGEMENT

OFFICE OF DEFENSE TRANSPORTATION
JOSEPH B. EASTMAN, Director

January 14, 1943

TO ALL BUS OPERATORS IN THE
COMMONWEALTH OF MASSACHUSETTS.

Gentlemen:

In order to obtain a more rapid adoption of the conservation policies of the Office of Defense Transportation by the bus operating companies in Massachusetts, I am asking the Department of Public Utilities to assume the leadership in the elimination of unnecessary or duplicating bus services within the Commonwealth. You are undoubtedly familiar with the statement of policy dealing with bus and street railway operation which I issued last April, but for your convenience another copy is being enclosed herewith.

May I urge that you again survey your operations from the standpoint of curtailing unnecessary service by re-adjustments, pooling arrangements, temporary abandonments and other means, and confer at an early date with the Department of Public Utilities regarding their ideas on the same subjects. You will, I am sure, find the Department willing and anxious to cooperate and to obtain speedily the conservation of rubber, fuel and buses which is inherent in this program.

Very truly yours,

Joseph B. Eastman

Director

Enclosure

OFFICE OF DEFENSE TRANSPORTATION

January 5, 1943

To the Directors of all Divisions:

It is quite evident that both the President and Congress are determined to pare down Federal expenditures in every way consistent with the war effort and the necessary administration of the Nation's affairs. Quite apart from this, it is my plain duty to expend no more in our work than is clearly necessary.

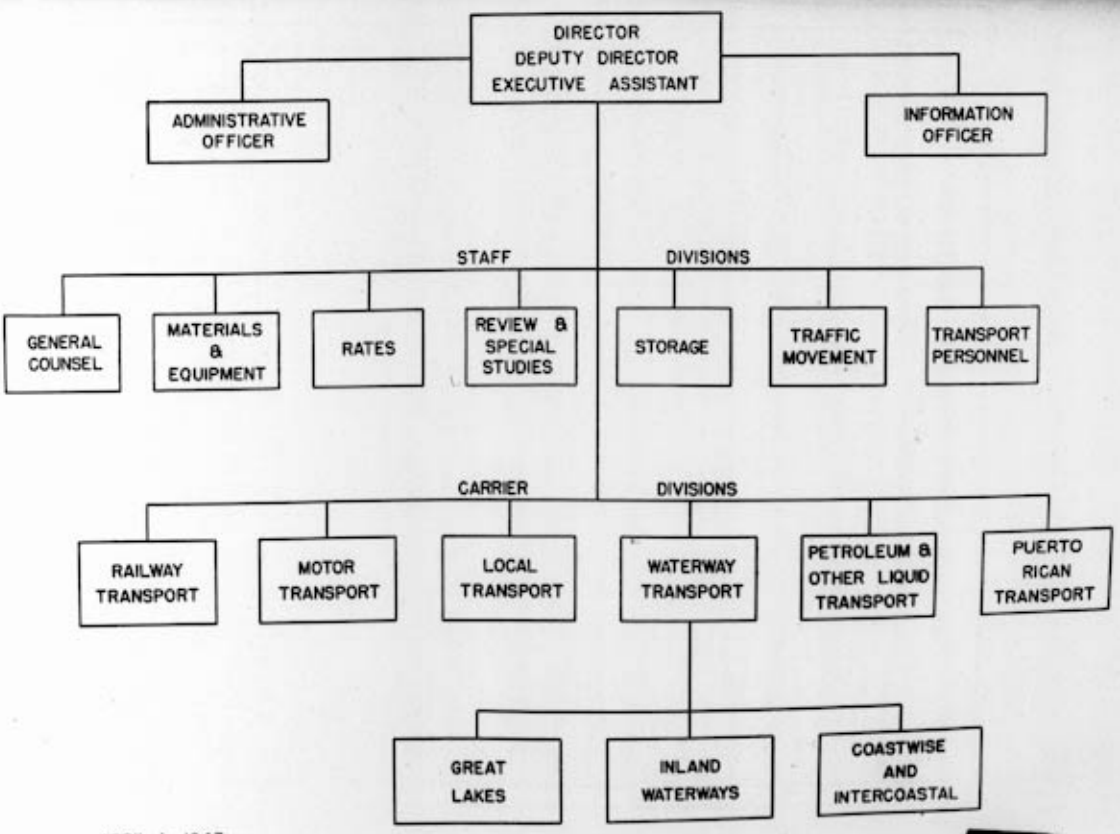
The Bureau of the Budget has asked me to submit, by February 10, 1943, our budget for the fiscal year beginning July 1, 1943. In preparing this Budget I wish to review with each Director the programs and procedures in each of his Sections and the actual expenditures resulting therefrom for the calendar year 1942, as well as the estimated expenditures for the six months ending June 30, 1943. To assist me in this review and in the preparation of the Budget for the next fiscal year, I have appointed the following Budget Committee:

General C. D. Young, Assistant Director, Chairman
Joseph L. White, Executive Assistant
S. C. Skeels, Administrative Officer

This Committee will confer with the Director of each Division and review with him and his staff the present and proposed activities of the Division and the procedures and the payroll expenditures required to carry them out.

After the Budget Committee makes its report and recommendations, I shall have conferences with each Director before determining the minimum budget which can be submitted to the Bureau of the Budget for each Division without serious impairment of necessary activities.

Joseph W. Eastman
Director


DIRECTOR
DEPUTY DIRECTOR
EXECUTIVE ASSISTANT
ADMINISTRATIVE OFFICER
INFORMATION OFFICER
STAFF
DIVISIONS
GENERAL COUNSEL
MATERIALS & EQUIPMENT
RATES
REVIEW & SPECIAL STUDIES
STORAGE
TRAFFIC MOVEMENT
TRANSPORT PERSONNEL
CARRIER
DIVISIONS
RAILWAY TRANSPORT
MOTOR TRANSPORT
LOCAL TRANSPORT
WATERWAY TRANSPORT
PETROLEUM & OTHER LIQUID TRANSPORT
PUERTO RICAN TRANSPORT
GREAT LAKES
INLAND WATERWAYS
COASTWISE AND INTERCOASTAL

APRIL 1, 1943

OFFICE OF DEFENSE TRANSPORTATION

Washington, D.C.

Director—JOSEPH B. EASTMAN.

Deputy Director—GENERAL CHARLES D. YOUNG.
Executive Assistant—JOSEPH L. WHITE.
Administrative Officer—SIMON G. SEKELS.
Information Officer—BRYANT PUTNEY.

Special Advisor on Railroad Abandonments—RALPH H. JEWELL.
Principal Statistician—JAMES M. CURTIN.
Assistant to Deputy Director—SIDNEY L. MILLER.

STAFF DIVISIONS

GENERAL COUNSEL—
JACK GARRETT SCOTT.
Assistant General Counsel,
HALLAN HUFFMAN.
Assistant General Counsel,
FRANCIS A. SILVER.
Assistant General Counsel,
WALTER L. BAUMGARTNER.

DIVISION OF REVIEW AND SPECIAL STUDIES
Director, CHARLES L. DEARING.
Associate Director,
HAROLD J. DRESCHER.

DIVISION OF TRAFFIC MOVEMENT
Director, HENRY F. McCARTHY.
Assistant Directors:
ARTHUR B. BAYLIS.
WALTER BOCKSTAHLER.
ARTHUR R. MAHANEY.
J. W. STEVENSON.

DIVISION OF TRANSPORT PERSONNEL
Director, OTTO S. BEYER.
Assistant Director, EDWIN M. FITCH.

DIVISION OF STORAGE
Director, LEO M. NICOLSON.
Associate Directors:
Refrigerated Warehousing Section,
J. R. SHOEMAKER.
Merchandise and Raw Materials Storage,
S. G. SPEAR.
Storage Control Section,
ROBERT C. KING, Chief
Raw Materials Section,
JAMES R. SLOANE, Chief.

DIVISION OF RATES
Director, G. LLOYD WILSON.
Assistant Director,
JOHN C. HOWARD.
Assistant to Director,
HARRY WILSON.

DIVISION OF MATERIALS AND EQUIPMENT
Director, H. H. KELLY.
Associate Director, A. L. SORENSON.
Assistant Director,
CARROLL W. BROWN.
Mechanical Analyst, A. B. COLE.
Material Analyst, J. A. DILLON.
Head Program Specialist,
H. K. SNELL.

CARRIER DIVISIONS

DIVISION OF RAILWAY TRANSPORT
Director, VICTOR V. BOATNER.
Executive Assistant, H. H. KIERNAN.
Assistant to Director, J. F. HALEY.

CENTRAL ORGANIZATION
Associate Directors:
Field Operations: O. N. HARSTAD.
Freight and Passenger Service,
O. C. CASTLE.
Motor-Rail Service, East-South,
CHARLES B. COLPITTS.
Motor-Rail Service, West,
H. A. HOBSON (Chicago, Ill.).
Mechanical Section, C. J. WOLFE.
Assistant Directors:
Passenger Service, W. R. HAYES.
Coal Operations, S. S. BRUCE.
Ore and Grain Operations,
FRED S. KEISER (Chicago, Ill.).
Special Representative—
Federal Manager, T. P. & W. Railroad Company, HOLLY STOVER.

REGIONAL ORGANIZATION
Associate Director, Eastern Region,
W. G. CURREN, New York, N. Y.
Associate Director, Southern Region,
J. M. HOOD, Washington, D. C.
Associate Director, Western Region,
W. F. KIRK, Chicago, Ill.
Deputy Associate Director, Western Region,
J. M. BATHS, San Francisco, Cal.
Deputy Associate Director, Ports,
NEIL S. LAIDLAW, San Francisco, Cal.

DIVISION OF LOCAL TRANSPORT
Director, GUY A. RICHARDSON.

CENTRAL ORGANIZATION
Associate Directors:
T. E. NICHOLL
EDWARD A. ROBERTS.
EDGAR F. KELLY.
Special Assistant, FRANK H. SHEPARD.
Asst. Director, Equipment and Research,
W. S. RAINVILLE, Jr.
Section Chiefs:
Contract Clearance, ERNST JACOBSEN.
Inter-City Bus Section, R. A. WAHLE.
School Bus Section, C. D. HUTCHINS.
Taxicab Section, CLEWELL SYKES.

REGIONAL ORGANIZATION
Assistant Directors:
Northeastern Region,
F. N. SIMMONS, Washington, D. C.
Southeastern Region,
GUY KELCEY, Atlanta, Ga.
Southwestern Region,
R. P. McCALLUM, Jr., Dallas, Tex.
Middlewestern Region,
H. R. POTTER, Chicago, Ill.
Western Region,
R. O. CROWE, San Francisco, Cal.

DIVISION OF MOTOR TRANSPORT
Director, JOHN L. ROGERS.
Executive Assistant,
H. RICHARD STICKEL.

CENTRAL ORGANIZATION
Assistant Directors:
Operations—Property Section,
ELLIS T. LONGENECKER.
Vehicle Maintenance Section,
W. J. CUMMING.
City Delivery Section, E. M. BRADY.
Farm Vehicle Section, R. A. HICKS.
Petroleum Carriers Section,
S. F. NINESS.
Inventory Section, JAMES C. RILEY.
Allocations Section,
MATTHEW E. KANE.

REGIONAL ORGANIZATION
Associate Director,
A. S. McEVOY, Washington, D. C.
Regional Managers
New York, N. Y., WILLIAM J. CLARK.
Philadelphia, Pa., MELVIN B. GREENE.
Atlanta, Ga., JOHN G. CALEY.
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