Report 38

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NATIONAL WAR PROGRAM

MONTHLY PROGRESS REPORT

November 30, 1943

Prepared by
Bureau of the Budget
Executive Office of the President

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CONTENTS

CHARTS

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I. SUMMARY

Aircraft Production: 81.5 million pounds of military airframes were accepted in November—an increase of 7 percent over October. The number of aircraft accepted in November totaled 8,789--an increase of 427 planes over October acceptances. Four-engine bomber acceptances were 1,101.
(Pages 2, 3)

Army Air Forces: 20,756 first-line combat planes were on hand on November 1. Active duty personnel of the Army Air Forces totaled 2,356,167 -- 77,102 were pilots. (Pages 4-6)

Navy Aeronautical Program: The Navy had 14,040 combat airplanes on hand on November 23. Navy and Marine Corps military aeronautical personnel totaled 263,361 on November 1 -- 35,023 were pilots. (Pages 7, 8)

Active Military Strengths:

	Total All Classes	Date
Army	7,375,000	Dec. 1
Navy, Marine Corps, and Coast Guard ..	2,798,885	Nov. 15

The Army reported 2,299,800 overseas on December 1.

(Pages 13-15, 26, 27)

Selected Ordnance Production

	September	October
Torpedoes, submarine	877	918
Medium tanks	1,570	1,245
Guns, 90mm antiaircraft	267	93
Guns, 155mm (field)	66	60
Carbines	332,158	411,357

(Pages 9-11, 24)

Navy Ship Construction: 454 combatant vessels had been completed in 1943 through November 20: 2 battleships, 12 aircraft carriers, 40 aircraft carrier escorts, 3 heavy cruisers, 4 light cruisers, 112 destroyers, 234 destroyer escorts, and 47 submarines.
(Pages 16-22)

Merchant Shipping: During the first 28 days of November, 1.6 million dwt. of merchant vessels were constructed by the United Nations, while losses reported were 163,400 dwt.
(Pages 28-30)

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II. AERONAUTICAL PROGRAM

November Aircraft Production

Preliminary reports indicate that 81.5 million pounds of airframes (spares included, gliders excluded) were accepted in November, bringing the total for the first eleven months of the year to 658.8 million pounds. This is 17 percent below the 793.5 million pounds scheduled in the 911 million pound program for 1943. The weight accepted in November increased 7 percent over October.

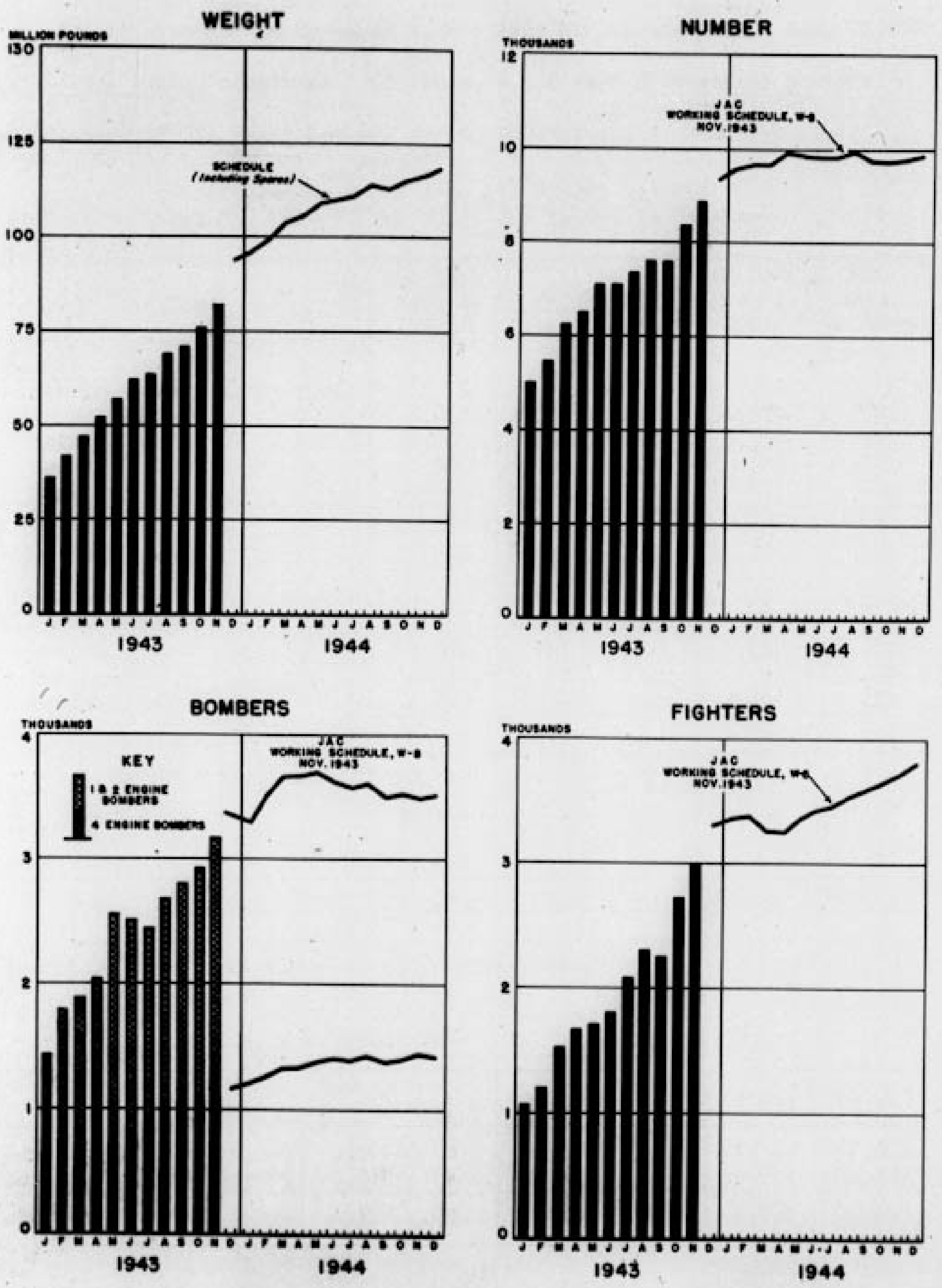
Military airplanes accepted in November totaled 8,789. This was 97 percent of the working schedule of the J.A.C. and represented an increase of 427 planes over the October total. 1,101 four-engine bombers were accepted, including 18 B-29's.

Aircraft Acceptances for 1943 Through November

Type	Oct.	Nov.	Jan.-Nov.	Scheduled December
Bomber, 4-engine, long-range	13	18	57	47
Bomber, 4-engine, other	1,065	1,083	8,335	1,130
Bomber, 2-engine	943	968	9,430	1,049
Bomber, 1-engine	919	1,101	8,457	1,157
Fighter	2,726	3,001	21,268	3,309
Reconnaissance	26	47	422	52
Total combat	5,692	6,218	47,969	6,744
Transport, 4-engine	16	13	165	33
Transport, 2- & 1-engine	628	665	6,344	752
Total tactical	6,336	6,896	54,478	7,529
Trainer	1,456	1,394	18,237	1,378
Liaison	473	462	3,898	390
Rotary wing	5	4	16	8
Target and drone	92	33	472	67
Grand total	8,362	8,789	77,101	9,372

CHART I

MONTHLY ACCEPTANCES OF MILITARY AIRPLANES



Army Air Forces

A. Airplanes. On November 1, the Army Air Forces had on hand 20,756 first-line combat airplanes. Of these, 6,388 were four-engine bombers — an increase of 531 heavy bombers during October.

Airplanes of the Army Air Forces on Hand
Oct. 1, Nov. 1, and Gains and Losses in October

Type	On Hand Oct. 1, 1943	October		On Hand Nov. 1, 1943	Net Gain or Loss
		Gains	Losses*		
Combat					
Bomber, heavy, long-range	5	4	0	9	4
Bomber, heavy	5,852	1,008	481	6,379	527
Bomber, medium	3,761	166	340	3,587	-174
Bomber, light	908	101	122	887	- 21
Fighter	8,941	1,324	684	9,581	640
Reconnaissance	338	15	40	313	- 25
Total combat	19,805	2,618	1,667	20,756	951
Transport					
Heavy	397	35	28	404	7
Medium	2,284	184	33	2,435	151
Amphibian	31	0	0	31	0
Utility	2,693	258	45	2,906	213
Total transport	5,405	477	106	5,776	371
Total combat & transport	25,210	3,095	1,773	26,532	1,322
Trainers	24,339	1,236	344	25,231	892
Communications	3,652	279	90	3,841	189
Total, all types	53,201	4,610	2,207	55,604	2,403

*Includes losses from enemy action, survey, etc.

A.A.F. Airplane Inventories, Jan. 1 and Nov. 1, 1943

	Bomber			Fighter	Trans-port	Other	Total
	Heavy	Medium	Light				
November 1, 1943	6,388	3,587	887	9,581	5,776	29,385	55,604
January 1, 1943	1,996	1,628	641	4,453	1,297	20,321	30,336
10-Month incr.	4,392	1,959	246	5,128	4,479	9,064	25,268

B. Personnel of the Army Air Forces. The active duty strength of the Army Air Forces, including personnel assigned from other services, totaled 2,356,167 on November 1 — an increase of 34,309 during October and 96 percent of the requirements for the 273-group program by December 31, 1944.

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

Type of Personnel	Officers	Enlisted	Total	Minimum Requirements for 273 Groups by Dec. 1944
Pilots (includes glider and service)	75,569	1,533	77,102	118,736
Aviation cadets	---	105,046	105,046	84,382
Pre-aviation cadets	—	131,266*	131,266	—
Bombardiers and navigators	26,645	491	27,136	41,611
Observers	372	---	372	887
Engineers	7,390	—	7,390	5,926
Mechanics	—	233,827	233,827	289,244
Armorers	---	59,559	59,559	83,005
Communications	3,789	—	3,789	6,265
Radio operators	---	41,403	41,403	76,040
Other, Army Air Corps	83,882	990,916	1,074,798	1,054,708
Total, Army Air Corps	197,647	1,564,041	1,761,688	1,760,804
Assigned from other branches	56,149	538,330	594,479	706,157
Total, Army Air Forces	253,796	2,102,371	2,356,167	2,466,961

*Includes pre-aviation cadets in basic training centers and classification centers.

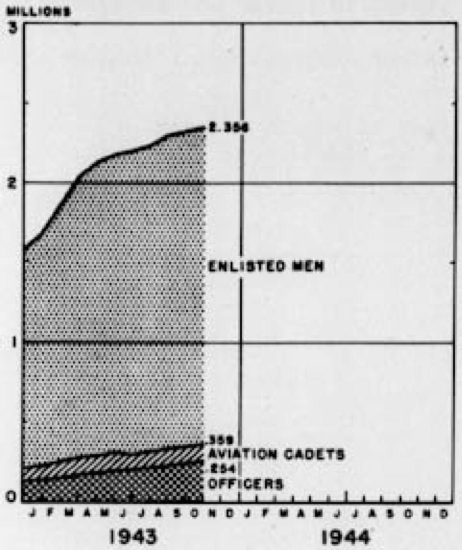
C. Flying Training. During October 6,109 pilots were graduated from advanced training. Since the beginning of the war emergency, a total of 82,041 pilots have completed advanced training.

ARMY AIR FORCES MILITARY PERSONNEL

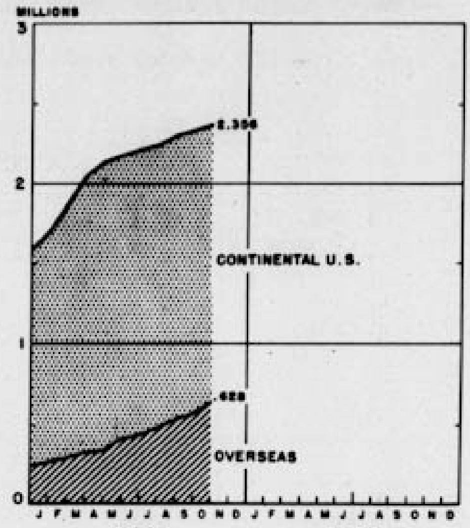
(INCLUDES PERSONNEL ASSIGNED FROM THE ASF AND AGF)

1. TOTAL STRENGTH

OFFICERS, AVIATION CADETS AND ENLISTED MEN

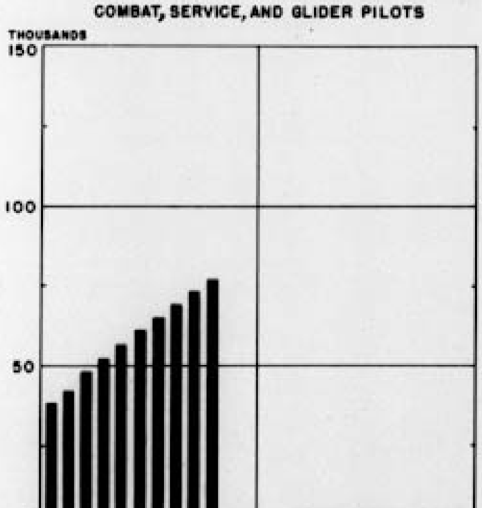


OVERSEAS AND CONTINENTAL U.S. STRENGTH

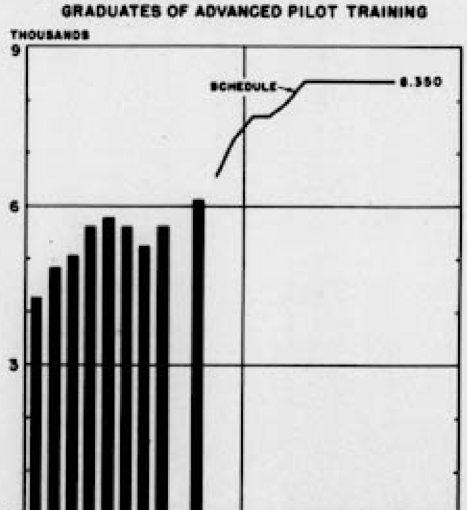


2. PILOTS AND PILOT TRAINING

COMBAT, SERVICE, AND GLIDER PILOTS



GRADUATES OF ADVANCED PILOT TRAINING



Bureau of Aeronautics

A. Airplanes. On November 23, the Navy reported a total of 24,365 useful airplanes on hand. Of these, 14,040 were tactical combat types -- an increase of 1,156 tactical combat planes since October 31.

Navy Airplanes on Hand, Oct. 31, Nov. 23, and Acceptances and Losses, Nov. 1 to 23

Type	On Hand Oct. 31	Nov. 1 to 23 Accepted	Nov. 1 to 23 Lost	On Hand Nov. 23
Tactical Combat				
Scout bomber	3,285	317	57	3,545
Torpedo bomber	1,956	241	41	2,156
Patrol bomber--boat:				
4-engine	76	0	1	75
2-engine	1,129	61	11	1,179
Bomber--landplane:				
4-engine	302	5	3	304
2-engine	743	81	13	811
Observation scout	1,427	31	14	1,444
Fighter	3,966	637	77	4,526
Subtotal	12,884	1,373	217	14,040
Tactical Non-Combat				
Utility, 1-engine	138	3	0	141
Utility, multi-engine	397	5	2	400
Transport, 1-engine	284	4	1	287
Transport, multi-engine	460	8	4	464
Subtotal	1,279	20	7	1,292
Training				
Trainer, primary	3,434	78	8	3,504
Trainer, advanced	5,020	224	38	5,206
Subtotal	8,454	302	46	8,710
Experimental	36	3	0	39
Miscellaneous				
Target and drone	222	33	5	250
Helicopter	2	1	0	3
Communication (liaison)	23	8	0	31
Subtotal	247	42	5	284
Grand total	22,900	1,740	275	24,365

B. Personnel. The active duty strength of the Navy and Marine Corps military aeronautical personnel on November 1 was 263,361, as compared with a requirement through December 31, 1943 of 293,076.

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

Navy and Marine Corps Active-Duty Military Aeronautical Personnel
November 1, 1943 and Requirements for December 31, 1943

	Navy		Marine Corps		Total	
	Requirements 12-31-43	Actual Nov. 1	Requirements 12-31-43	Actual Nov. 1	Requirements 12-31-43	Actual Nov. 1
Pilots	30,705	27,470	8,435	7,553	39,140	35,023
Other						
Officers*	24,395	24,651	3,084	3,256	27,479	27,907
Enlisted	147,457	130,670	79,000	69,761	226,457	200,431
Total	202,557	182,791	90,519	80,570	293,076	263,361

*Includes navigators.

C. Pilot Training. From January 1, 1942 through October 15, 1943, the Navy, Marine Corps, and Coast Guard commissioned 23,470 pilots -- 1,323 since September 17.

Student pilots in training on November 1 totaled 42,969, and 9,075 of these were in the last stage of training prior to commissioning. The number of students in training for pilot service has been declining since September 1, when there were 44,156. It is estimated that by December 31 the number will decrease to 41,392, or a reduction of 2,764.

III. ARMY

Production of Ordnance Equipment

Assuming a uniform monthly production rate, 83.3 percent of the 1943 Army Supply Program should have been delivered by October 31. Fourteen of the 41 classes of critical ordnance items reviewed in this report are within 5 percent of this objective. Of the 27 remaining items, deliveries for 10 have been in excess of, and for 17 have been less than, 83.3 percent of 1943 requirements.

Heavy Trucks

Delivery of heavy-duty trucks constitutes one of the more serious production problems at this time. Of the five representative truck items reviewed, only one (4-5 ton, 4 x 4) can be regarded as satisfactory for 1943. (See tabulation on the following page.)

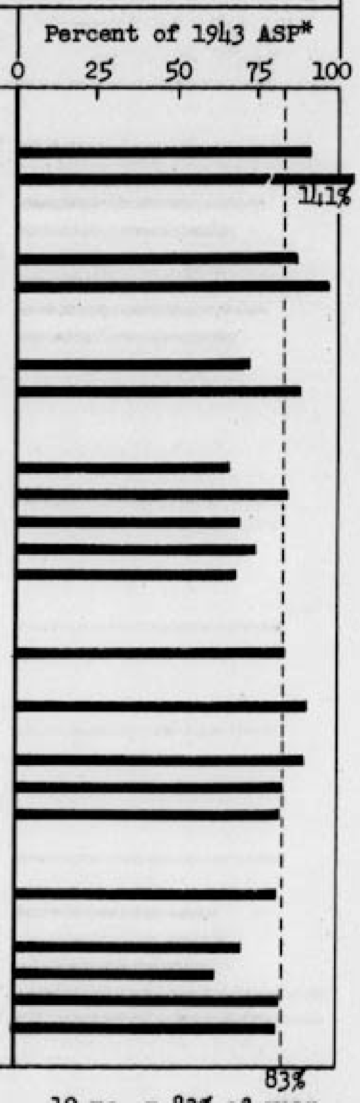
Requirements of these five types for 1944, together with an estimated deficit of 3,760 trucks in 1943, will call for an average monthly production rate of 3,809 in 1944 -- an increase of 73 percent over the October delivery rate. The October rate for the five items was 20 percent less than the September rate.

Status of 1943 and 1944 Truck Program for Selected Types

Type of Truck	Requirements 1943 and 1944	Deliveries Jan. 1 to Dec. 31, '43	% Delivered	October Deliveries	
				Number	As % of Sept.
4 ton, 6 x 6	21,846	6,598	30%	754	101.1%
4-5 ton, 4 x 4	12,893	4,114	32	357	108.2
6 ton, 6 x 6	15,781	5,141	32	495	81.7
10 ton, 6 x 4	17,230	3,709	22	410	88.4
10 ton, 6 x 6	3,553	1,630	46	186	143.1
Total	71,303	21,192	30%	2,202	79.7%

Status of 1943 Deliveries of Selected Critical Ordnance Materiel
(Includes International Aid and Navy Items Procured by Army)

Item	October	Undeliv-ered Balance in 1943 A.S.P.	Jan. 1, 1943 to Nov. 1, 1943 Cumulative
Aircraft Gun**			
20mm	4,500	5,614	64,386
37mm	450	-1,606	5,537
Antiaircraft Gun**			
40mm	935	1,560	11,883
90mm	93	85	3,387
Combat Vehicles			
Light tank	251	1,210	3,242
Medium tank	1,245	2,326	18,989
Heavy Duty Truck			
4 ton, 6 x 6	754	3,248	6,598
4-5 ton, 4 x 4	357	705	4,114
6 ton, 6 x 6	495	2,248	5,141
10 ton, 6 x 4	410	1,234	3,709
10 ton, 6 x 6	186	726	1,630
Artillery**			
60mm and 81mm mortar	2,239	3,732	19,937
75mm howitzer (S.P., field, and pack)	290	352	3,604
105mm howitzer (S.P. and field)	514	546	4,969
155mm howitzer	197	232	1,134
155mm field gun	60	98	498
Small Arms			
.30 cal. US rifle, M1	129,280	210,897	969,133
.30 & .303 cal. rifle (all other U.S.)	143,328	555,893	1,359,028
.30 cal. carbine	411,357	1,091,020	1,909,487
.30 cal. machine gun	10,536	35,535	166,670
.50 cal. machine gun	60,427	117,578	527,878

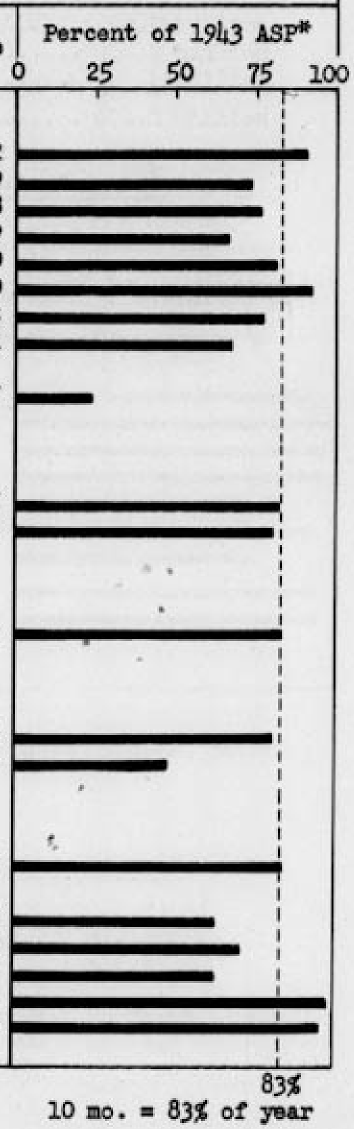


*Army Supply Program as of October 31, 1943.
**Proof firing may not be complete.

10 mo. = 83% of year

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

Item	October	Undelivered Balance in 1943 A.S.P.	Jan. 1, 1943 to Oct. 31, 1943 Cumulative
Bombs			
250 lb. G.P.	43,898	66,102	704,942
500 lb. G.P.	201,180	398,815	1,137,039
1,000 lb. G.P.	76,222	148,778	498,038
2,000 lb. G.P.	14,637	18,601	121,399
4,000 lb. demolition	301	599	2,740
1,000 lb. semi-A.P.	11,916	22,420	280,100
1,600 lb. A.P.	1,000	2,385	8,553
Cluster, fragmentation	98,182	340,596	715,564
Fragmentation, parachute	129,218	720,543	226,457
Small Arms Ammunition (Million rounds)			
All .30 cal.	1,055	1,936	9,607
All .50 cal.	421	860	3,772
For 20mm Guns, M1 and M2, Hispano (Thousand rounds)	16,626	26,680	143,320
Antiaircraft Ammunition (Thousand rounds)			
For 40mm A.A. guns	3,332	4,848	20,753
For 90mm A.A. guns	469	2,482	2,269
Artillery Ammunition (Thousand rounds)			
For 60 & 81mm mortar	1,889	3,113	16,848
For 75mm howitzer (pack and field)	1,349	4,132	7,155
For 75mm field gun	1,993	5,212	12,986
For 105mm howitzer	1,770	6,237	10,629
For 155mm howitzer	324	49	3,143
For 155mm field gun	130	53	1,356



*Army Supply Program as of October 31, 1943.

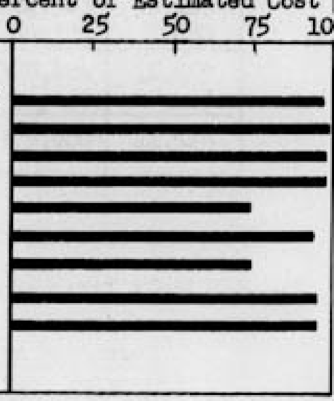
War Construction Program by the Corps of Engineers

To November 1, the Office of the Chief of Engineers had authorized a total of $11 billion for emergency projects under its War Construction Program:

Construction in the United States	$9.9 billion
Construction outside the United States	.7 billion
Real estate program	.4 billion
Total	$11.0 billion

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

Type of Facilities	Estimated Cost		Work Actually in Place	
	Millions	% of Total	Millions	Percent of Estimated Cost %
War Construction Program				
Air Force	$2,965	27%	$2,869	97%
Ground Force	2,706	24	2,669	99
Storage and shipping	957	9	934	98
Industrial	2,870	26	2,827	98
Outside U. S.	707	6	525	74
Other	440	4	413	94
Real Estate Program	408	4	303	74
Total, Nov. 1	11,053	100	10,540	95
Total, Oct. 1	10,964		10,376	95
Increase	$89		$164	



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

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

Stage of Completion	Number of Projects	Estimated Cost	Percent of Total Cost
Completed	1,908	$8,217,357,000	91.0%
Under construction	233	806,294,000	8.9
Not started	6	4,793,000	.1
Total	2,147	$9,028,444,000	100.0%

*Jobs of $500,000 and over.

Military Personnel

A. Strength. The estimated increase in the active duty strength of the Army during November was 41,526, bringing the total to 7,375,000 on December 1.

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

Class of Personnel	Nov. 1 Actual	Dec. 1 Estimated	November Increase
Commissioned officers	593,579	594,730	1,151
Warrant and flight officers	25,135	25,417	282
Enlisted men and selectees	6,625,157	6,664,303	39,146
W.A.C.	53,894	54,374	480
Subtotal	7,297,765	7,338,824	41,059
Army Nurse Corps	35,709	36,176	467
Total	7,333,474	7,375,000	41,526

During November, the Army active duty strength overseas increased 161,591 to a total of 2,299,800, or 31 percent of the total Army strength.

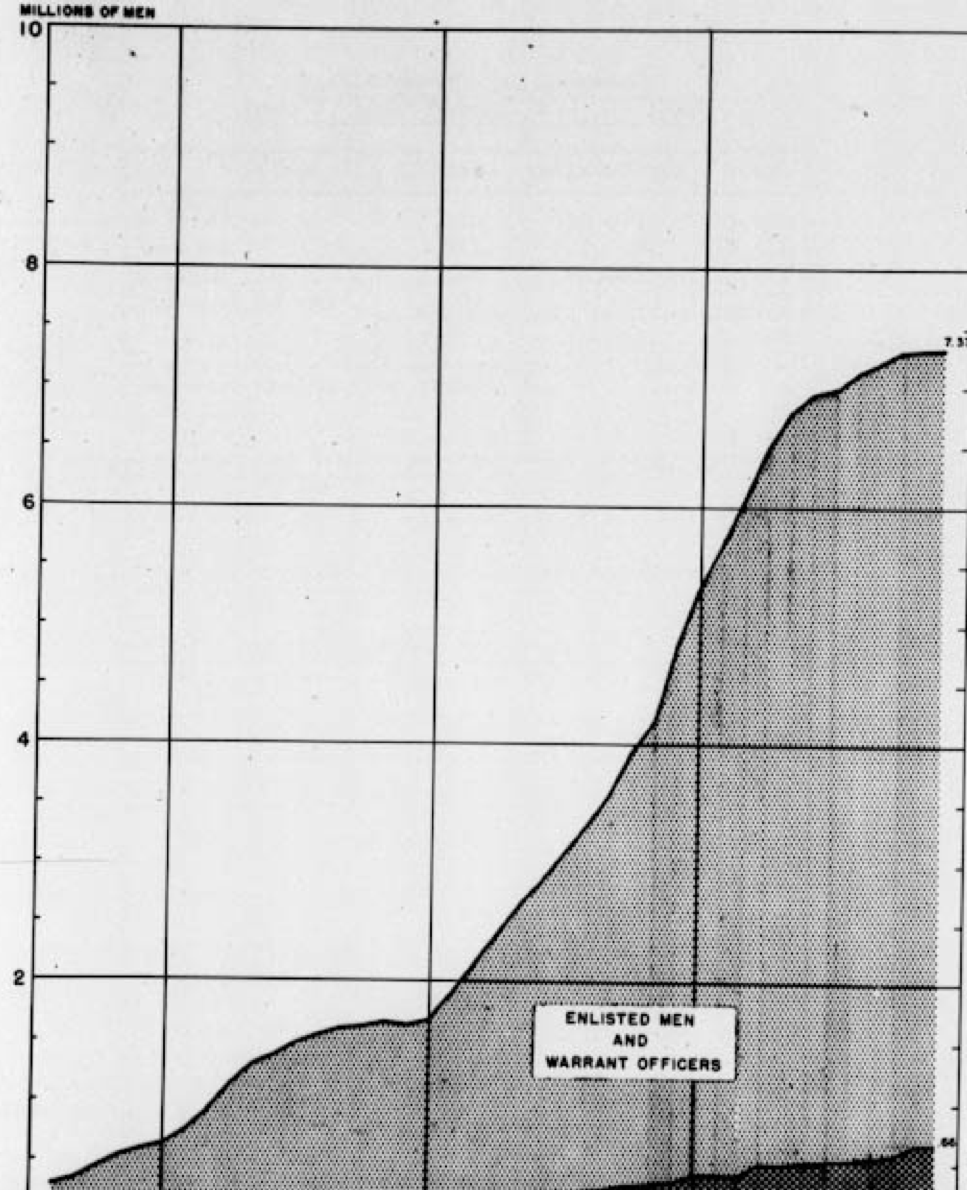
Disposition of Army Active Duty Military Personnel
By Assignment — October 1, November 1, and Increase

Assignment of Personnel	Nov. 1 Actual	Dec. 1 Estimated	November Increase
Army Ground Forces in U.S.	1,910,680	1,781,429	-129,251
Army Air Forces in U.S.	1,656,958	1,555,337	-101,621
Army Service Forces in U.S.	1,274,893	1,396,891	121,998
In defense commands in U.S.	184,335	184,335	—
In staging areas	67,809	92,000	24,191
In ships	100,589	65,207	-35,382
Overseas	2,138,210	2,299,801	161,591
Total	7,333,474	7,375,000	41,526

On December 1, the total active duty military personnel was distributed as follows: Ground Forces, 3,046,753 or 41 percent; Air Forces, 2,259,116 or 31 percent; and Service Forces, 2,069,131 or 28 percent.

CHART 3

TOTAL ARMY STRENGTH



B. Casualties. To November 1, 89,000 battle casualties have been reported — 36,337 in the Southwest Pacific Theater and 31,548 in the North African Theater.

Battle Casualties Reported
Dec. 7, 1941 Through Oct. 31, 1943

	Officers	Enlisted Men	Total
Killed*	2,180	10,856	13,036
Wounded	2,802	27,716	30,518
Missing	3,666	21,061	24,727
Prisoner of war	3,903	16,976	20,879
Total	12,551	76,609	89,160

*Includes deaths from wounds.

C. Separations and Transfers. Physical disqualifications accounted for 54,401 separations from the enlisted ranks of the Army during September. Total separations and transfers for the month were 122,333.

Enlisted Personnel Separations and Transfers for September 1943
(Based on Number of Cases Completely Processed)

	Air Corps	Infantry	Other	Total*
Casualties:				
Battle	2,246	2,068	733	5,047
Other	533	176	640	1,349
Retirement	11	13	92	116
Honorable Discharge:				
To accept a commission	10,865	1,538	5,997	18,400
Physical disqualification	9,431	10,065	34,905	54,401
Over 38 years of age	775	310	2,588	3,673
Keyman in industry	465	338	2,047	2,850
Other discharges	3,388	5,684	24,981	34,053
Discharge under conditions other than honorable	298	491	1,278	2,067
Dishonorable discharge	0	0	377	377
Total	28,012	20,683	73,638	122,333

*Includes 5,916 transfers to inactive status.

IV. NAVY

Completions of Naval Vessels

A total of 454 combatant vessels had been completed in 1943 through November 20, as compared with 145 completions during all of calendar year 1942. Of these completions, 62 occurred during October and 46 more during the first 20 days of November.

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

Type	1943				1942 Actual
	Oct.	Nov. Thru 20th	Jan. 1 Thru Nov. 20	Scheduled Nov. 21 to Dec. 31	
Combatant Vessels:					
Battleship	0	0	2	0	4
Aircraft carrier	0	1	12	3	1
Aircraft carrier, escort	5	6	40	10	17
Heavy cruiser	1	0	3	1	0
Light cruiser	0	0	4	4	8
Destroyer	7	6	112	16	81
Destroyer escort	45	30	234	66	0
Submarine	4	3	47	10	34
Total combatant	62	46	454	110	145
Patrol craft	44	29	647	144	475
Mine vessels	37	22	358	38	272
Auxiliaries	37	18	302	93	208
Landing force vessels*	43	29	573	84	215

*LST, LSD, and LCI(L)

Status of Construction of Selected Naval Vessels

Of 1,083 combatant vessels on order on November 20, 19 percent had been launched, 22 percent were on the ways, and 59 percent had not been placed on the ways.

Status of Construction of Selected Naval Vessels, Nov. 20, 1943
(Includes Lend-Lease Vessels)

Type	New Construction on Order				Con-vert-ing	Add'l Auth.
	Not Yet on Ways	On Ways	Launch-ed	Total		
Combatant Vessels:						
Battleships	2	2	0	4	0	0
Aircraft carrier	12	11	4	27	0	0
Aircraft carrier, escort	13	3	7	23	38	0
Large cruiser	1	1	1	3	0	0
Heavy cruiser	15	10	1	26	0	0
Light cruiser	24	17	5	46	0	0
Destroyer	159	41	38	238	0	0
Destroyer escort	238	109	119	466	0	0
Submarine	170	48	32	250	0	0
Total combatant	634	242	207	1,083	38	0
Patrol craft	118	136	188	442	92	0
Mine craft	78	82	116	276	0	4
Auxiliaries	110	76	91	277	298	51
Landing force vessels*	568	72	37	677	0	160

*LST, LSD, and LCI(L)

CHART 4

CONSTRUCTION PROGRESS ON BATTLESHIPS AND AIRCRAFT CARRIERS

PROGRESS JULY 1, 1940 TO NOVEMBER 1, 1943 — PROGRESS FOR OCTOBER 1943

TYPE AND NAME	Keel Laid	Estimated Completion Date
BATTLESHIPS		
NORTH CAROLINA	10-27-37	7-21-41
WASHINGTON	6-14-38	7-21-41
SOUTH CAROLINA	7-15-39	3-20-42
INDIANA	11-20-39	4-30-42
MASSACHUSETTS	7-20-39	5-15-42
ALABAMA	2- 1-40	8-16-42
IOWA	6-27-40	3-28-43
NEW JERSEY	9-16-40	6-30-43
MISSOURI	1- 6-41	7-24-44
WISCONSIN	1-25-41	6-30-44
ILLINOIS	2- 1-44	7-31-46
KENTUCKY	4-15-44	6-30-46
MONTANA	WORK SUSPENDED	
OHIO	WORK SUSPENDED	
MAINE	WORK SUSPENDED	
NEW HAMPSHIRE	WORK SUSPENDED	
LOUISIANA	WORK SUSPENDED	
AIRCRAFT CARRIERS		
HORNET	9-25-39	10-20-41
ESSEX	4-28-41	12-30-42
YORKTOWN	12- 1-41	4-15-43
LEXINGTON	7-15-41	2-17-43
BUNKER HILL	9-15-41	5-24-43
INDEPENDENCE	1-14-43	2-25-43
PRINCETON	6- 2-41	2-25-43
BELLEAU WOOD	8-11-41	3-30-43
COWPENS	11-17-41	5-28-43
MONTEREY	12-29-41	6-17-43
LANGLEY	4-11-42	8-31-43
INTREPID	12- 1-41	8-16-43
COBOT	3-16-42	7-24-43
BATAAN	8-31-42	11-17-43
SAN JACINTO	10-26-42	12-22-43
HORNET	8- 3-42	11-29-43
FRANKLIN	12- 7-42	1-31-44
TICONDEROGA	2- 1-43	6- 1-44
RANDOLPH	5-10-43	11-15-44
WASP	3-18-42	11-24-44
HANCOCK	1-26-43	4- 1-44
BENNINGTON	12-15-42	9-15-44
BOXER	9-13-43	3- 1-45
BON HOMME RICHARD	2- 1-43	12- 1-44
CROWN POINT	2-21-44	7-16-45
KEARSARGE	3- 1-44	12-31-45
ORISKANY	5- 1-44	3- 1-46
REPRISAL	7- 1-44	5- 1-46
ANTIETAM	3-15-43	2- 1-45
VALLEY FORGE	9-14-43	12-31-45
SHANGRI-LA	1-15-43	11- 1-44
LAKE CHAMPLAIN	3-15-43	12-31-44
CV 40	3- 1-44	12- 1-45
CVB41	10-27-43	9-15-45
CVB42	12- 1-43	10- 1-45
CVB43	9- 4-44	7-20-46
CV 45	7- 4-44	2-28-46
CV 46	10- 2-44	2- 1-46
CV 47	1- 2-45	7- 1-46
CVL48	6- 1-44	12-30-45
CVL49	7- 1-44	3- 1-46

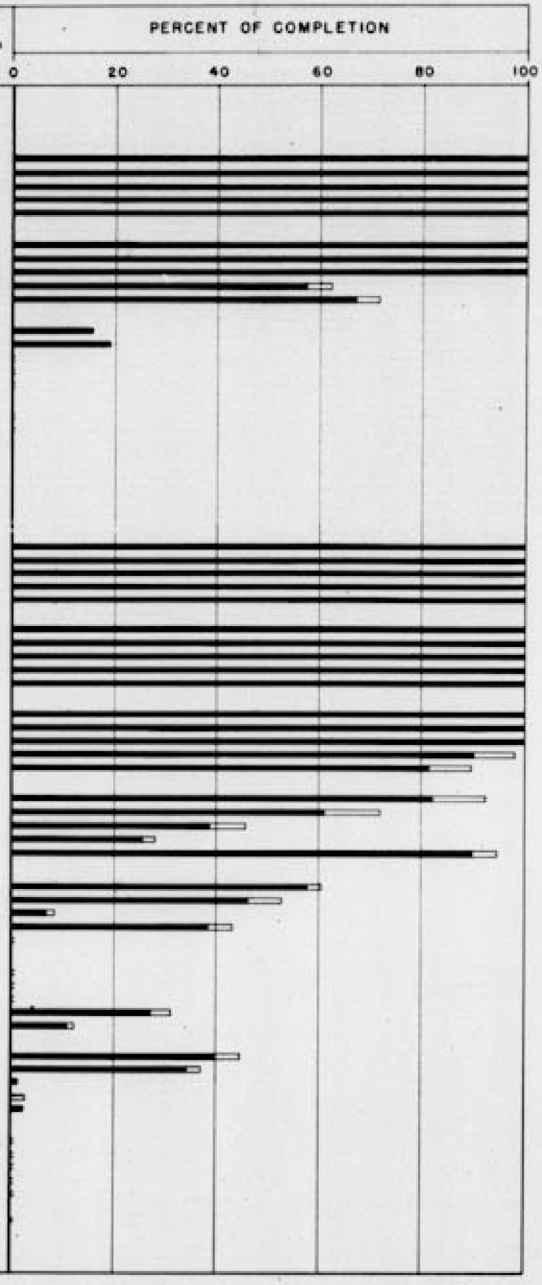


CHART 5

CONSTRUCTION PROGRESS ON AIRCRAFT CARRIERS, ESCORT

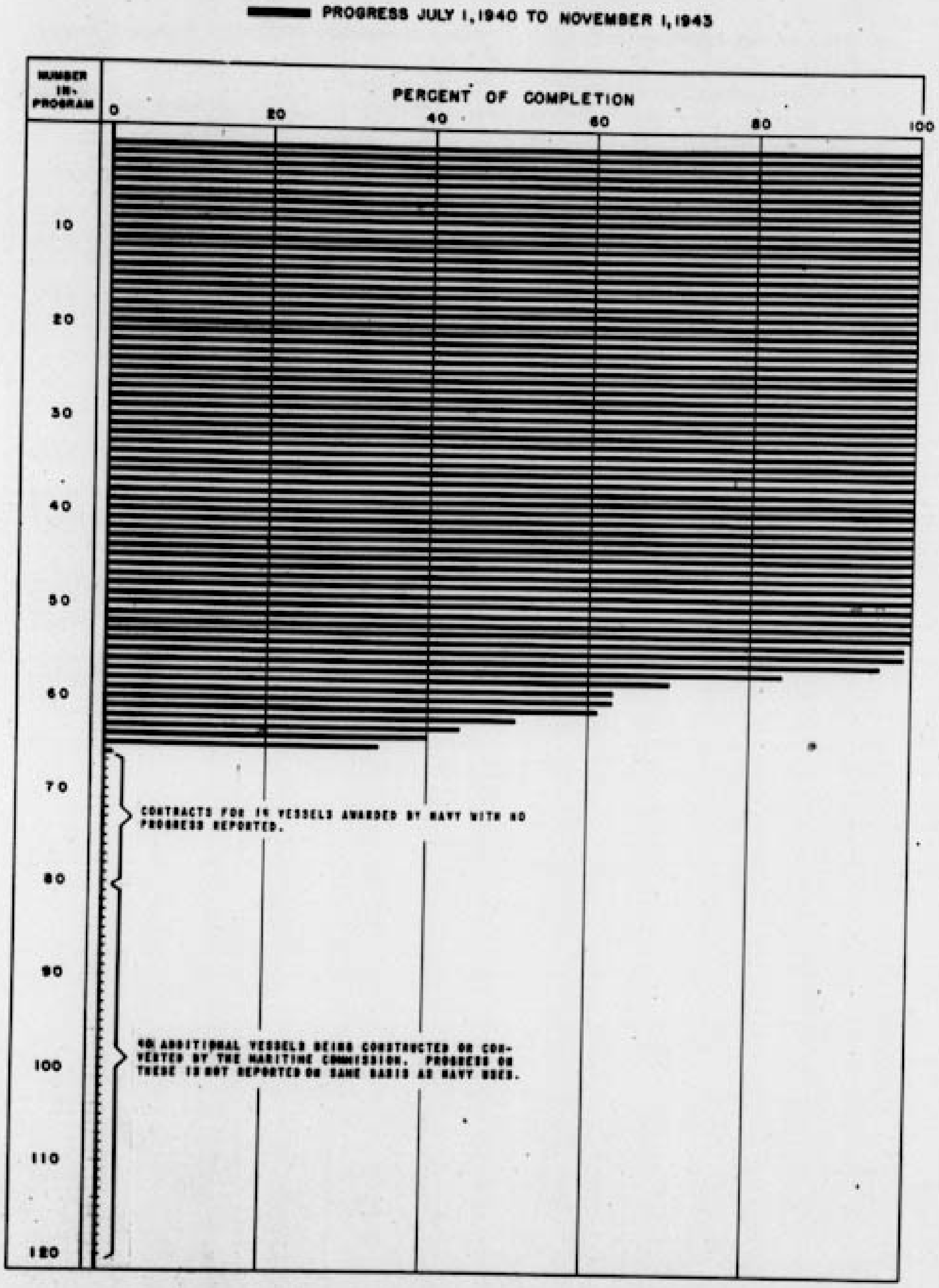


CHART 6

CONSTRUCTION PROGRESS ON LARGE AND HEAVY CRUISERS

PROGRESS JULY 1, 1940 TO NOVEMBER 1, 1943 — PROGRESS FOR OCTOBER 1943

TYPE AND NAME	Keel Laid	Estimated Completion Date
LARGE CRUISERS		
ALASKA	12-17-41	4- 1-44
GUAM	2- 2-42	7-15-44
HAWAII	12-20-43	12- 1-45
PHILIPPINES	WORK SUSPENDED	
PUERTO RICO	WORK SUSPENDED	
SAMOA	WORK SUSPENDED	
HEAVY CRUISERS		
BALTIMORE	5-26-41	4-15-43
BOSTON	6-30-41	6-30-43
CANBERRA	9- 3-41	10-14-43
QUINCY	10- 9-41	12-15-43
PITTSBURGH	2-13-43	7-15-44
ST. PAUL	2- 3-43	8-15-44
COLUMBUS	6-28-43	12-15-44
DES MOINES	9- 9-43	2- 1-45
OREGON CITY	1- 5-44	5-10-45
ALBANY	2-15-44	6-15-45
ROCHESTER	2-28-44	7-15-45
NORTHAMPTON	3-10-44	8- 1-45
CAMBRIDGE	5-15-44	8-15-45
CA127	6-15-44	9- 1-45
KANSAS CITY	6-15-44	10- 1-45
BREMERTON	8-15-44	11-15-45
CA130	2- 1-43	12-15-44
CA131	4-12-43	12-28-44
CA132	6-14-43	2-15-45
TOLEDO	9-13-43	6- 1-45
CA134	4-15-45	8- 1-46
LOS ANGELES	7-28-43	12-31-44
CHICAGO	7-28-43	2- 1-45
CA137	3-15-44	10-31-45
CA138	3-15-44	3-31-46
CA139	12-15-44	4-10-46
CA140	1-15-45	6-30-46
CA141	2-20-45	7-15-46
CA142	3- 5-45	8- 1-46

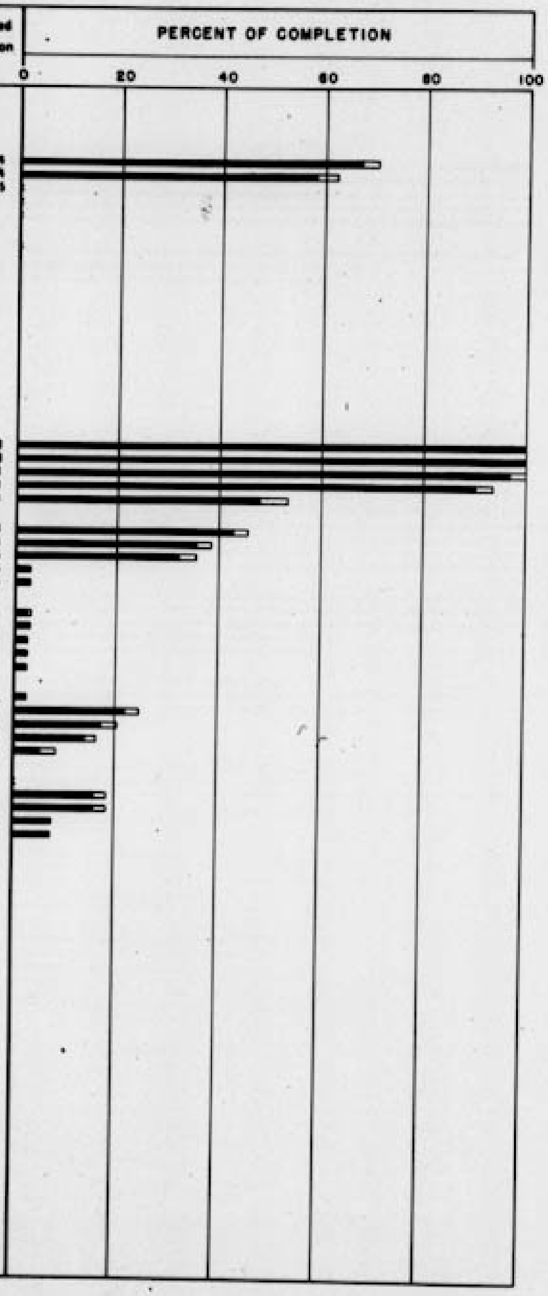


CHART 7

CONSTRUCTION PROGRESS ON LIGHT CRUISERS

PROGRESS JULY 1, 1940 TO NOVEMBER 1, 1943 — PROGRESS FOR OCTOBER 1943

TYPE AND NAME	Keel Laid	Estimated Completion Date
LIGHT CRUISERS 6000 TONS		
ATLANTA	4-22-40	12-29-41
JUNEAU	5-27-40	2-11-42
SAN DIEGO	3-27-40	1-10-42
SAN JUAN	5-15-40	2-28-42
OAKLAND	7-15-41	7-17-43
RENO	8- 1-41	12-17-43
FLINT	10-23-42	10- 1-44
TUCSON	12-23-42	12- 1-44
JUNEAU	9-15-44	11-16-45
SPOKANE	11-15-44	1-18-46
FRESNO	1-15-45	3-15-46
LIGHT CRUISERS 10,000 TONS		
CLEVELAND	7- 1-40	8-15-42
COLUMBIA	8-19-40	7-15-42
MONTPELIER	12- 2-40	9- 9-42
DENVER	12-26-40	10-15-42
SANTA FE	6- 7-41	11-24-42
BIRMINGHAM	2-17-41	1-29-43
MOBILE	4-14-41	3-24-43
BILOXI	7- 9-41	8-31-43
PASADENA	2- 6-43	6- 1-44
SPRINGFIELD	2-13-43	8-15-44
TOPEKA	4-21-43	10- 1-44
VINCENNES	3- 7-42	12-31-43
HOUSTON	8- 4-41	12-20-43
PROVIDENCE	7-27-43	12- 1-44
MANCHESTER	2- 1-44	8- 1-45
VICKSBURG	10-26-42	5- 1-44
DULUTH	11- 9-42	8- 1-44
MIAMI	8- 2-41	12-15-43
ASTORIA	9- 6-41	2-28-44
OKLAHOMA CITY	12- 8-42	10-18-44
LITTLE ROCK	3- 6-43	4- 2-45
GALVESTON	2- 7-44	8- 7-45
YOUNGSTOWN	5- 8-44	12-31-45
AMSTERDAM	3- 3-43	10-19-44
PORTSMOUTH	6-28-43	12-30-44
WILKES-BARRE	12-14-42	6-15-44
ATLANTA	1-25-43	8-15-44
DAYTON	3- 8-43	9-15-44
FARGO	8-23-43	3-15-45
HUNTINGTON	10- 4-43	4-15-45
NEWARK	1- 1-44	7- 1-45
NEW HAVEN	2- 1-44	9- 1-45
BUFFALO	3- 1-44	10- 1-45
WILMINGTON	8- 1-44	2- 1-46
VALLEJO	8-15-44	4- 1-46
CL113	11- 1-44	5- 1-46
CL114	11- 8-44	6- 1-46
CL115	1- 8-45	7- 8-46
TALLAHASSEE	12-30-43	5-15-45
CHEYENNE	1-31-44	8-15-45
NORFOLK	4- 8-44	10-15-45
CL143	2-15-45	8-15-46
CL144	3- 8-45	8-15-46
CL145	6-15-45	12- 1-46
CL146	8- 6-45	2- 1-47
CL147	10- 8-45	3-30-47
CL148	1- 1-46	7- 1-48
CL149	4- 2-46	10- 1-48

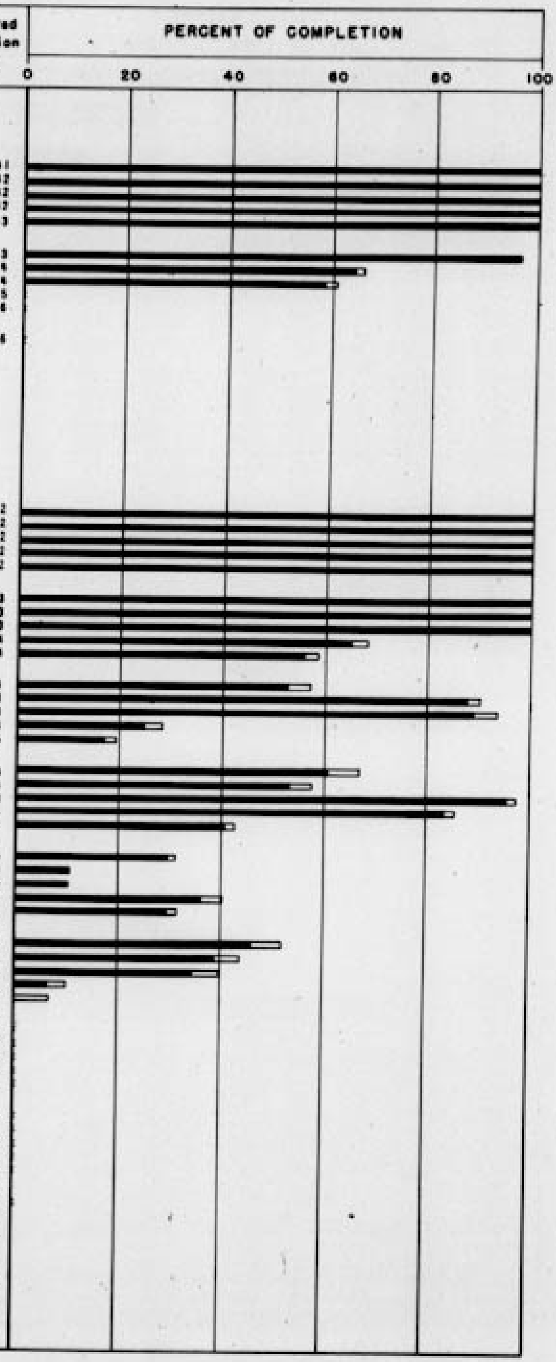
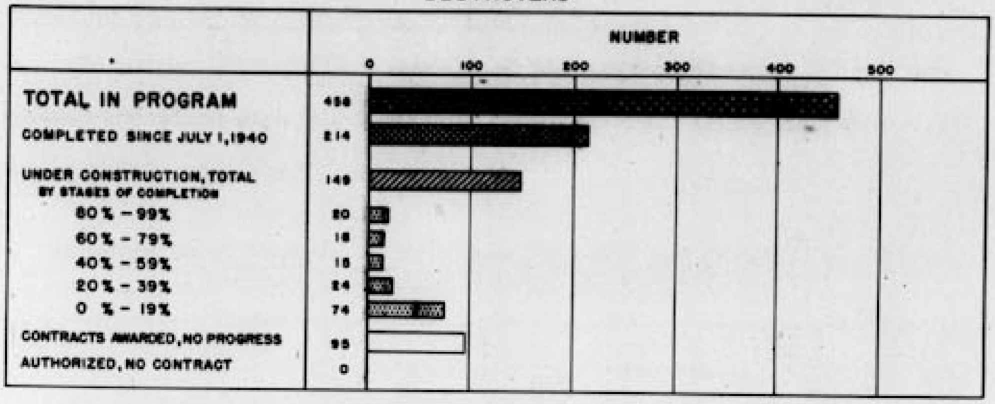


CHART 8

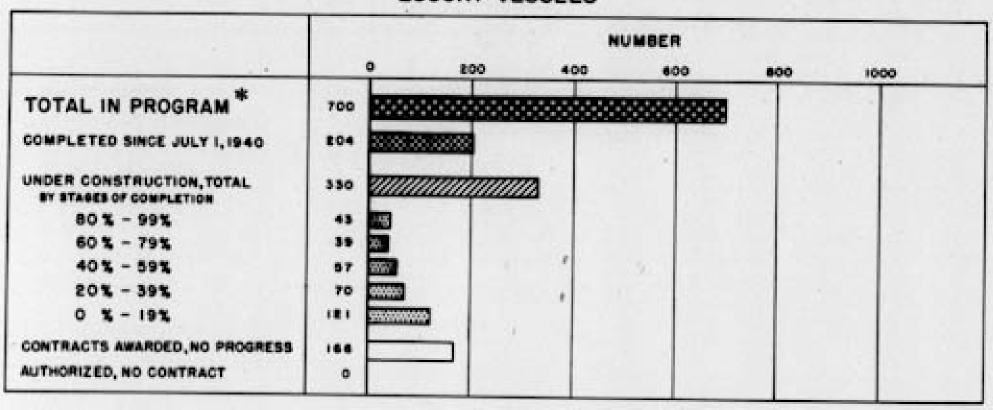
DESTROYERS, ESCORT VESSELS AND SUBMARINES CONSTRUCTION PROGRAM

NOVEMBER 1,1943

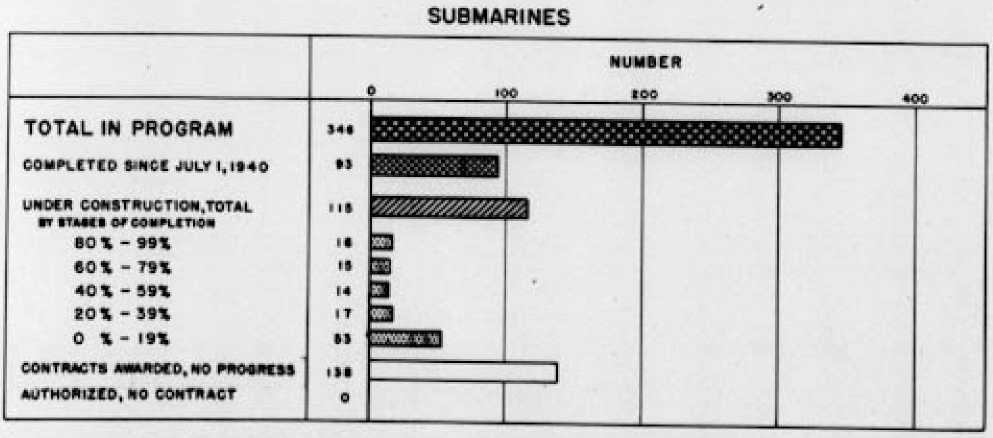
DESTROYERS



ESCORT VESSELS



SUBMARINES



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

Change in Vessels on Hand Since June 30, 1940

The number of combatant vessels of the Navy on November 20 had increased 406 since June 30, 1940 to a total of 789. These figures reflect only publicly announced losses.

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

Type	On Hand June 30 1940	New Completions	Publicly Announced Losses, Transfers, & Reclassifications	On Hand Nov. 20 1943	Net Gain or Loss
Combatant Vessels:					
Battleship	15	8	1	22	7
Aircraft carrier	6	14	4	16	10
Aircraft carrier, escort	0	59	30	29	29
Heavy cruiser	18	3	6	15	-3
Light cruiser	19	13	3	29	10
Destroyer	225	220	128	317	92
Destroyer escort	0	234	45	189	189
Submarine	100	97	25	172	72
Total combatant	383	648	242	789	406
Patrol craft	36	1,204	196	1,044	1,008
Mine craft	36	742	242	536	500
Auxiliaries	138	637	140	635	497
Landing force vessels*	0	766	243	523	523

*LST, LSD, and LCI(L)

Production of Naval Ordnance Materiel

The following table shows the deliveries of selected ordnance materiel for 1943 through October:

Deliveries of Selected Ordnance Materiel for 1943 Through October
(Includes Defense Aid and Army Items Procured by the Navy)

Item	Sept.	October	Jan. 1 to Nov. 1	Scheduled Production 1943
Torpedoes				
Surface craft 1/	46	129	180	759
Submarine 1/	877	918	6,635	8,688
Aircraft 1/	828	721	5,009	6,716
Surface Fire Guns				
Heavy, 12" & 16"--turret	0	0	4	6
Medium, 8" & 6"--turret	1	1	29	43
Light, 4"	1	6	46	61
Antiaircraft Guns				
Heavy, 3" & 5"--mounted barrel	2/ 827	816	2/6,938	8,446
Light, 40mm & 20mm, mounted barrel 3/	2/5,129	5,078	2/45,925	55,481
Fire Control Equipment				
Gun directors	2/ 277	305	2/ 2,962	3,626
Radar fire control	141	162	680	871
Gun sights, Mk. 14	2,330	2,796	18,663	23,363
Ammunition				
Heavy surface fire	4,021	4,210	28,816	38,616
Medium surface fire	35,240	31,731	240,511	323,611
Light surface fire	390M	509M	2,860M	4,290M
Antiaircraft:				
Heavy	525M	499M	4,444M	5,749M
Light:				
20mm	41,728M	38,787M	392,684M	470,184M
40mm	2,724M	3,224M	23,256M	30,356M
1.1"	178M	302M	6,247M	7,072M

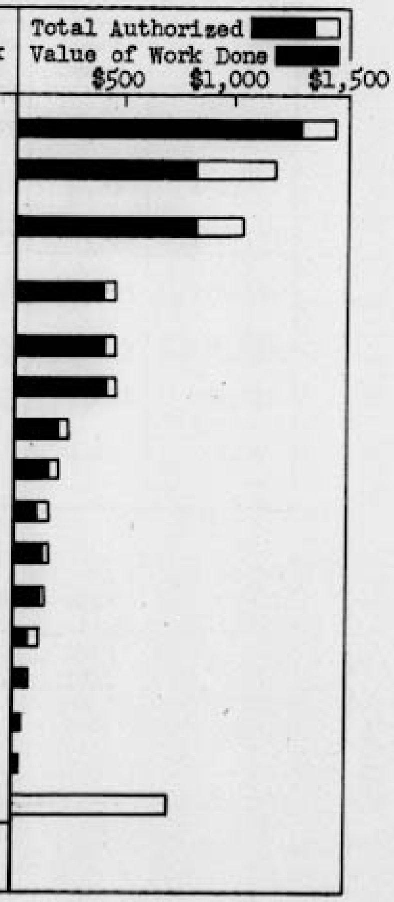
M = 1,000 rounds
1/ Turned into store.
2/ Revised.
3/ 40mm singles, heretofore included, have been omitted as they are procured from the Army.

Navy Shore Construction Program

The Navy shore construction program of the Bureau of Yards and Docks was about 73 percent complete on October 1, 1943. Authorizations since July 1, 1940 aggregate $7 billion. This does not include certain parts of the plant expansion programs of the Bureaus of Ships, Aeronautics, and Ordnance which are handled by the Bureaus with private contractors.

Navy Shore Construction Program of the Bureau of Yards and Docks
Authorizations and Value of Work Done, by Classification
July 1, 1940 to October 1, 1943
(Millions)

Type of Work	Authorized	Value of Work Done
Aeronautical facilities	$1,463	$1,293
Advance bases	1,181	807
Shipbuilding and repair facilities	1,012	809
Structures for naval personnel	468	403
Ordnance facilities	467	403
Storage facilities	458	404
Fleet facilities	251	204
Miscellaneous structures	206	152
Hospital facilities	167	124
Marine Corps	164	146
British bases	145	131
Naval working fund	111	83
Defense housing	82	78
Section bases	45	41
Radio facilities	32	27
Not distributed	706	—
Total	$6,958	$5,105



Personnel

The active duty strength of the Navy, Marine Corps, and Coast Guard increased from 2,694,874 on October 15 to 2,798,885 on November 15, an increase of 104,011. Of the total on November 15, 563,084 were regulars, 2,180,346 male reserves, and 55,455 female reserves. Distribution of officers and enlisted personnel in the three naval services on November 15 was as follows:

Strength of the Naval Services, Oct. 15 and Nov. 15, 1943

	Navy	Marine Corps	Coast Guard	Total
Officers	215,709*	26,697	10,068	252,474
Officer candidates	113,439	11,442	1,336	126,217
Enlisted personnel	1,915,122	346,493	158,579	2,420,194
Total, Nov. 15	2,244,270	384,632	169,983	2,798,885
Total, Oct. 15	2,159,940	367,999	166,935	2,694,874
Increase	84,330	16,633	3,048	104,011
Percent	3.90	4.52	1.83	3.86

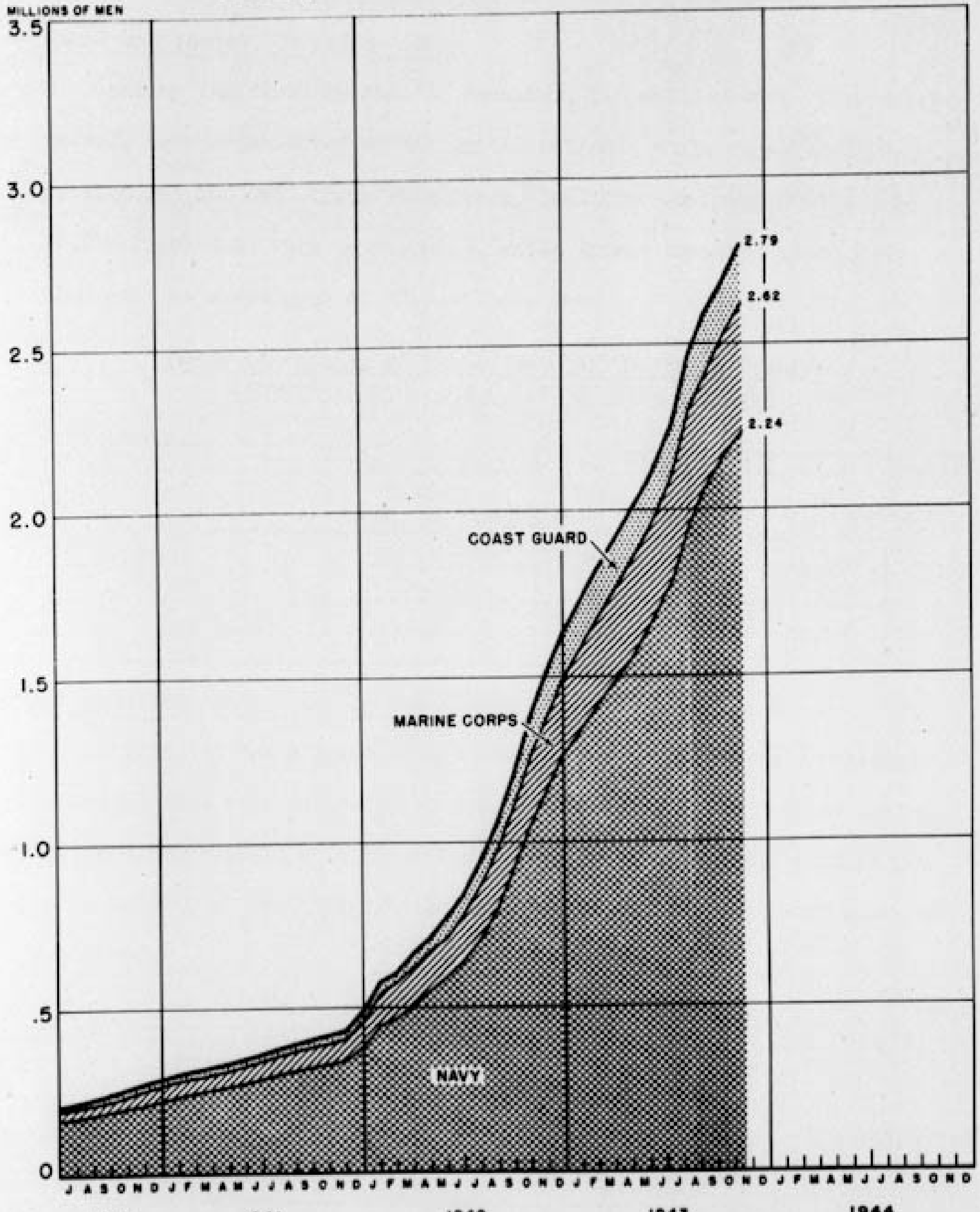
*Includes 6,790 nurses.

Note: The strengths approved by the President are:
Navy..........2,912,000 by Dec. 31, 1944
Marine Corps.. 478,000 by Jan. 1, 1944
Coast Guard... 174,000 by Jan. 1, 1944

CHART 9

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

OFFICERS, OFFICER CANDIDATES, ENLISTED PERSONNEL, & NURSES



V. MERCHANT SHIPPING

Gains and Losses, United Nations

During the first 28 days of November, 1.6 million dwt. of merchant vessels were constructed by the United Nations, while reported losses totaled 163,400 dwt. From December 1, 1941 through November 28, 1943 29.8 million dwt. were constructed, while losses amounted to 17.5 million dwt. -- a net gain of 12.3 million dwt.

Gains and Losses of United Nations' Merchant Vessels
Reported Dec. 1, 1941 Through Nov. 28, 1943
(000 Dwt.)

	Dec. 1, 1941 Through Sept. 30, 1943	Oct.	Nov. 1 Thru Nov. 28	Total to Nov. 28
Gains	26,255	1,900	1,643	29,798
Losses	16,988	317	163	17,468
Net gains	9,267	1,583	1,480	12,330

Merchant Ship Deliveries by U.S. Shipbuilders

During the whole month of November, 137 merchant vessels totaling 1,576,938 dwt. were delivered by U.S. shipbuilders. The October deliveries were 142 vessels at 1,605,000 dwt. To December 1, 16.5 million dwt. or 88 percent of the 18.9 million dwt. programmed for the year had been delivered.

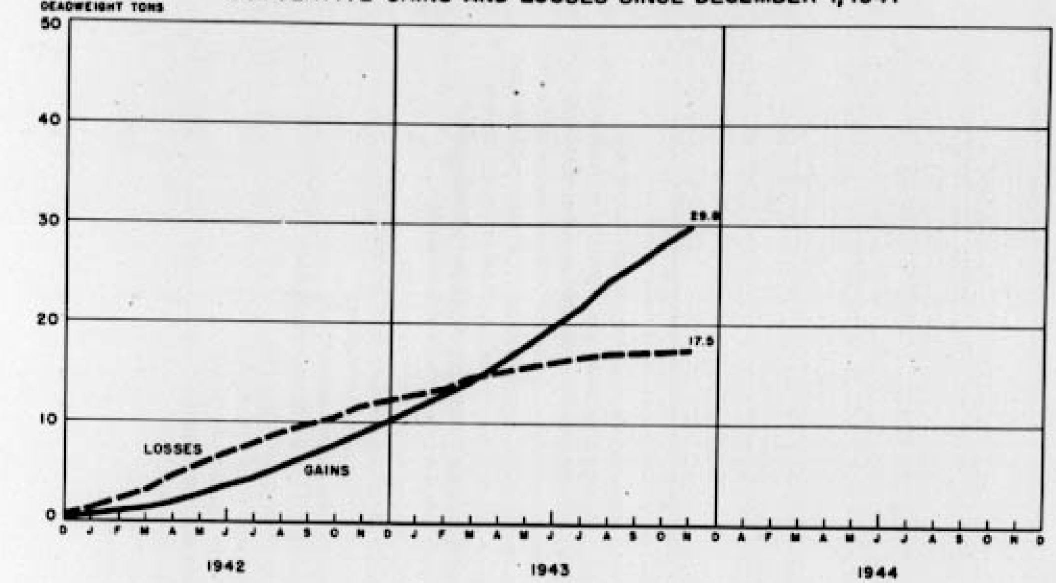
Merchant Ship Deliveries by U.S. Shipyards
November 1943

Type	Number	Dwt.
Dry cargo	100	1,064,555
Tanker	37	512,383
Total	137	1,576,938

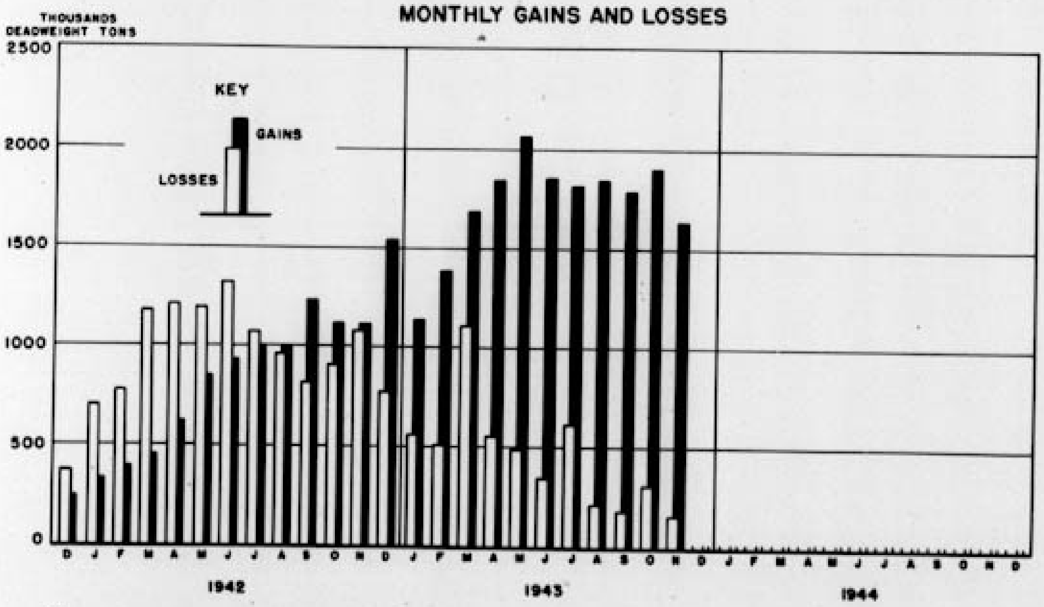
CHART 10

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

CUMULATIVE GAINS AND LOSSES SINCE DECEMBER 1, 1941



MONTHLY GAINS AND LOSSES



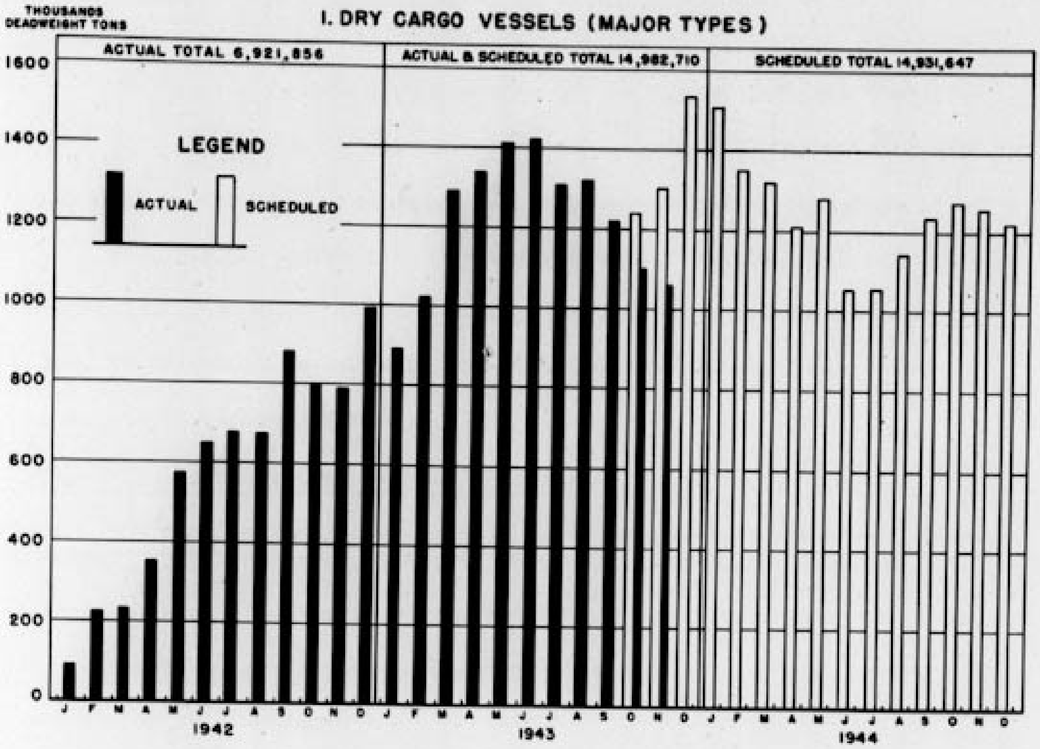
*BEGINNING WITH AUGUST 1942, MERCHANT VESSELS COMMISSIONED FOR MILITARY SERVICE ARE INCLUDED. LOSSES ARE ON A NOTIFICATION BASIS.

SOURCE: WEEKLY REPORT OF THE COMBINED SHIPPING ADJUSTMENT BOARD

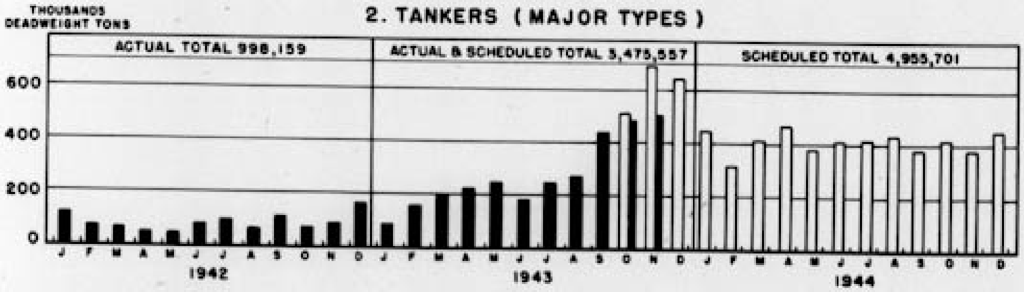
CHART 11

DELIVERIES OF SHIPS BY U. S. MERCHANT SHIPBUILDERS

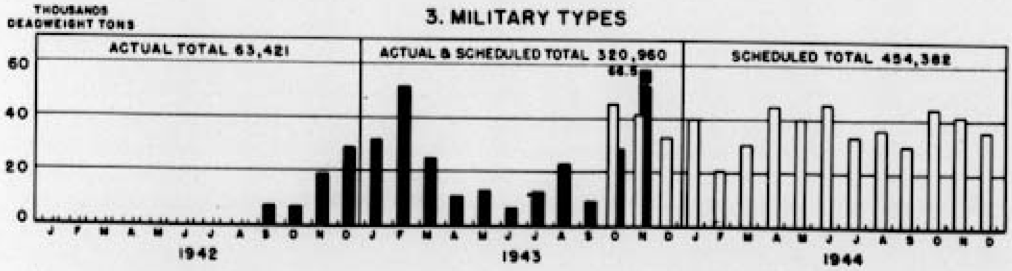
1. DRY CARGO VESSELS (MAJOR TYPES)



2. TANKERS (MAJOR TYPES)



3. MILITARY TYPES



SOURCE: MARITIME COMMISSION - SCHEDULE AS OF 8-31-43

VI. REVIEW OF PRODUCTION IN SELECTED WAR INDUSTRIES

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

(1) Steel foundry capacity has been expanded 80 percent for war needs, but September production was only two-thirds of capacity.

(2) August production of primary aluminum reached 88.5 percent of capacity. A surplus of total supply (primary, secondary, and imported) over requirements is accruing and will increase during 1944, based on realistic estimates of need.

Steel Expansion Program -- Steel Castings

The steel expansion program is being examined separately in several phases. Blast furnaces, electric furnaces, open-hearth furnaces, and sintering facilities have already been discussed. This report reviews the expansion of steel foundries to produce steel castings.

Steel foundries. The general steel expansion program provides for an annual capacity of 97 million tons of steel ingot plus 3.6 million tons of steel castings.

On January 1, 1942, the country's annual steel foundry capacity was 2.01 million tons. An expansion, amounting to 1.62 million tons, is in progress, of which five-sixths is Government-financed in 64 plants, with a total Federal cost of $205 million.

A considerable portion of the new capacity for steel castings was intended for the manufacture of military tanks, with castings for ship parts also amounting to a large tonnage. Construction of most of the Government-financed plants is now completed, but production for September 1943 for the whole casting industry was only 202,000 tons, or 67 percent of capacity.

Aluminum

The program of aluminum, through the ingot stage, was reviewed in the report for April 1943. In the interval since that review, construction has been completed, both for the alumina plants and the aluminum ingot plants. Production of alumina for August amounted to 91 percent of final capacity and production of aluminum 88.5 percent. The rate for aluminum at the beginning of 1943 was 63 percent of the planned peak.

Operations in the production of primary aluminum are in general satisfactory, although some slight limitations have occurred from labor shortages. This industry, like the steel foundries reviewed above, is in the "hot and dirty" category and therefore is unattractive. Manufacturing costs are generally about 16 cents per pound in the new plants and are progressively being reduced as experience is acquired. A substantial surplus of production over requirements is beginning to accrue for aluminum ingot, alumina, and mined bauxite ore. In September the total stockpile of bauxite ore amounted to 3.72 million tons, which is about six months' supply at present rates of consumption. The stockpile of alumina has accrued only during recent months. At the end of September it amounted to 460 million pounds, which is a little over one month's supply.

A comparison of the total supply and requirements for aluminum ingot in 1943 and the estimates for 1944 appears below:

Aluminum Ingot	1943	1944
	(Millions of Pounds)	
Supply:		
Primary	1,836	2,216
Secondary	517	666
Imported	412	490
Total supply	2,765	3,372
Requirements	2,621	2,800
Surplus	144	572

Requirements shown above are less than the War Production Board estimate, which indicated that the total supply will be required for 1943 and 1944. The WPB estimate is questioned because it does not take into consideration:

1. Existing stockpiles of ingot, amounting to 98 million pounds.

2. Obsolete fabricated aircraft parts, amounting to 369 million pounds, which could be reworked.

3. That the distribution "pipe line" should be filled by the end of 1943. The WPB allows an additional 80 million pounds for this purpose in 1944.

A review and rescheduling of 1944 requirements has been recommended, together with consideration of reducing imports in lieu of reduction of primary production.

VII. STOCKPILE AND PUBLIC PURCHASES OF BASIC WAR COMMODITIES

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

Status of Selected Stockpile Commodities - November 15, 1943

Commodity	Unit of Measure	Recommended Purchase Program	Percent of Purchase Program		
			Stockpile Inventory Nov. 15 1943	Inventory Increase Since Oct. 15	Inventory Increase Since Pearl Harbor
Alcohol	1,000 gal.	185,000	31%	-9%	31%
Antimony, metal	Tons	25,914	49	0	18
Chrome ore	1,000 l.t.	1,950	38	3	24
Diamond dies	Dies	60,000	14	1	8
Manganese ore	1,000 l.t.	3,900	21	3	9
Manila fiber	1,000 bales	2,037	3	0	-5
Mercury	Flasks	87,200	72	12	67
Mica	Tons	16,995	67	1	51
Nickel, content of matte	Tons	1/15,000	0	0	0
Nitrate of soda	1,000 tons	2,100	2/	0	-1
Opium	1,000 lbs.	640	101	0	101
Quartz crystals	1,000 lbs.	2,199	207	11	139
Quinine sulphate	1,000 av.oz.	12,450	24	1	-34
Rubber	1,000 l.t.	3/1,900	7	-1	-11
Silk	1,000 bales	50-100	10	0	2
Tin, refined	1,000 l.t.	1/ 360	15	0	1
Tungsten	Tons	48,000	29	3	13
Zinc concentrates	1,000 tons	1/ 1,700	15	2	11
Zinc, metal	Tons	430,000	30	7	30

1/ Part or all of this amount consists of recommended purchases per annum.
2/ 88,770 tons stored in Chile.
3/ Latest program recommends purchase of all available.

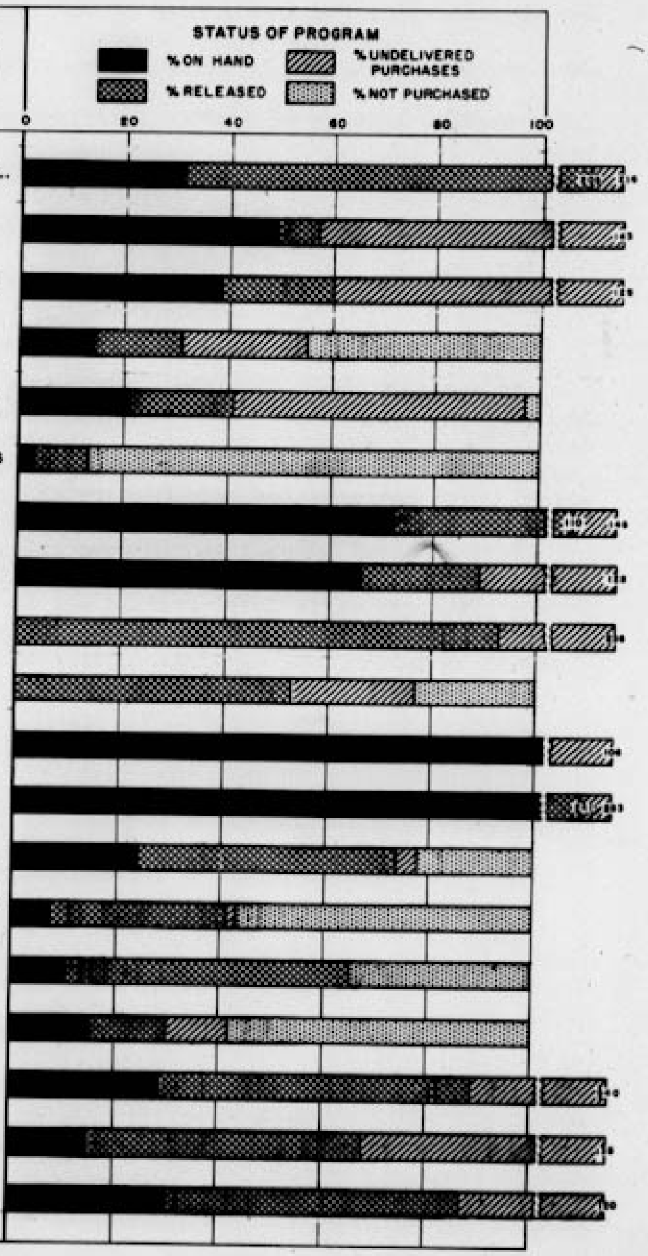
CHART 12

STATUS OF SELECTED CRITICAL AND STRATEGIC MATERIALS

(PERCENTAGES BASED ON QUANTITIES IN RECOMMENDED PURCHASE PROGRAM)

AS OF NOV. 15, 1943

COMMODITY	RECOMMENDED PURCHASING PROGRAM
ALCOHOL	185,000,000 GAL.
ANTIMONY	25,914 S.T.
CHROME ORE	1,950,000 L.T.
DIAMOND DIES	60,000 DIES
MANGANESE ORE	3,900,000 L.T.
MANILA FIBER	2,037,268 BALES
MERCURY	87,200 FLASKS
MICA	16,995 S.T.
NICKEL, Matte Content	15,000 S.T.
NITRATE OF SODA	2,100,000 S.T.
OPIUM	640,000 LBS.
QUARTZ CRYSTALS	2,199,270 LBS.
QUININE SULPHATE	12,450,000 AV. OZ.
RUBBER	1,900,000 L.T.*
SILK	100,000 BALES
TIN, Refined	360,433 L.T.
TUNGSTEN ORE	48,000 S.T.
ZINC CONCENTRATE	1,700,000 S.T.
ZINC METAL	430,000 S.T.



*LATEST PROGRAM RECOMMENDS PURCHASE OF ALL AVAILABLE

VIII. AGRICULTURE AND WAR FOOD ADMINISTRATION

Difficulty developed in November in maintaining the announced support price on hogs, largely as a result of inability of packers to process hogs as rapidly as marketed in many localities. There is growing concern about the prospect of increasing difficulties in farm transportation as farm trucks wear out and as tires on serviceable trucks need replacing. The farm machinery outlook improved as manufacturers accelerated production.

Prices

The November price report showed the index of prices received by farmers unchanged from the October level of 192. This figure was 23 points higher than a year earlier and was well above any November of record except 1918 and 1919. Sharp decreases in prices of meat animals and cotton were offset by increases in prices of dairy products, chickens and eggs, fruits, potatoes, most grains, and truck crops. Prices of all major groups of farm products, except meat animals, were higher than in November 1942. Prices of hogs declined from $14.00 to $12.90 per cwt. Farm prices of wheat at $1.37 per bushel were at the highest level since May 1927, and terminal market prices indicate that there has been some further advance in prices received by farmers since mid-November. Farm prices of cotton at 19.40 cents were down sharply from the last few months and only slightly above mid-November 1942.

Machinery and Supplies

Special emphasis was given in November to the campaign for fullest utilization of farm machinery, other equipment, and structures in order to achieve 1944 food production goals; for use of machinery in saving labor; and prevention of undue deterioration through repair and maintenance of farm structures. Through amendments to Conservation Order L-41, additional exemptions for farm construction were permitted. Farmers are being informed regarding the anticipated critical situation with respect to farm transportation and rubber tire needs for farm vehicles. Emphasis is being placed upon conservation and maximum use of hauling vehicles now in use.

Plans were made during the month to encourage farmers to assist in overcoming the lumber and pulpwood shortage by working in logging camps on a seasonal basis where possible and by cutting lumber from their own farm woodlots during the winter.

Distribution

Anticipating civilian requirements for next spring and summer, the War Food Administration is encouraging the meat industry to accumulate beef during the current peak production season.

Five steps were taken to assist orderly marketing of hogs and at the same time to maintain the support price of $13.75, Chicago basis. These were:

1. Authorizing farmers to slaughter on their farms for 90 days any hogs owned by them and to deliver the meat without obtaining a license or permit.

2. Reducing ration-point values.

3. Urging farmers to get in touch with marketing agencies before shipping their hogs.

4. Continuing to buy federally inspected pork products at prices which will enable slaughterers to pay not less than the support price of hogs, and requesting RFC to withhold slaughter payments to any slaughterer who purchases hogs below the support price.

5. Announcing definite support prices for all markets at one dollar below the ceiling price until it is determined that adjustments are needed.

These actions have helped the situation considerably but it still is necessary for many markets to hold hogs from one to three days.

By the first of the year War Food Administration will extend the bread enrichment program to help maintain adequate nutrition for civilians. The order will require that after January 2 all types of white flour bakery products made by commercial bakers and restaurants must contain specified minimum food values. At the present time only white bread is required to be enriched by commercial bakers.

IX. ECONOMIC STABILIZATION PROGRAM

If the ban on subsidies included in the CCC bill becomes law, the resulting rise in the cost of living will probably require a major readjustment of the stabilization program designed to minimize the inflationary spiral.

Prices--Cost-of-Living: Between September 15 and October 15, the cost of living rose 0.4 percent for the second successive month. Increases in clothing prices under "cost plus margin" regulations and in egg prices under seasonally adjusted regulations contributed to the bulk of the rise. The ban on subsidies passed by the House would send up the cost of living initially about 3 percent.

Prices—Farm: The general level of prices received by farmers remained unchanged during the month ending November 15, while prices paid rose fractionally. A subsidy program on wheat flour, designed to prevent a rise in bread prices, has been instituted.

Wages: Labor pressure for wage increases beyond the Little Steel formula is assuming major proportions in steel and automobiles. The CIO convention called for scrapping the Little Steel formula and for upward adjustment of wages.

Taxes: The House debate preceding the passage of a $2 billion tax bill indicated a rejection of the idea of relying upon taxation as a major anti-inflationary weapon. The Senate is not expected to increase substantially the yield of the House bill. Moreover, if the Congress again freezes social security contribution rates, about $1.5 billion of payroll taxes, to become effective January 1, 1944 under present law, will not be collected.

War Bonds: Net sales of war savings bonds in November amounted to $628 million, the lowest in 17 months as redemptions reached 21.3 percent of gross sales. The large figure for redemptions—$170 million—suggests that many persons buying bonds during the Third War Loan cashed them as soon as possible—60 days.

Debt Liquidation: Early Christmas shopping has brought an upturn in consumer credit outstanding.

X. WAR FINANCES

Expenditures

Expenditures for war purposes during November were $7.8 billion. For the first five months of F.Y. 1944, expenditures amounted to $35 billion or 38 percent of the revised estimate of $92 billion for the fiscal year.

	July	August	Sept.	Oct.	Nov.
	(Billions)				
Monthly rate	$6.746	$7.529	$7.212	$7.105	$7.794
Adjusted annual rate	78.200	90.634	86.818	85.530	93.828

Appropriations

Due largely to a reduction of $980 million in the estimate of appropriations required after June 1944 to complete the Navy shipbuilding program, appropriations, other Congressional authorizations, and commitments of Government corporations for war purposes decreased $769 million in November to a total of $344 billion. Net expenditures against this amounted to $146 billion.

Appropriations and Disbursements, F.Y. 1941 Through Nov. of F.Y. 1944
(Billions)

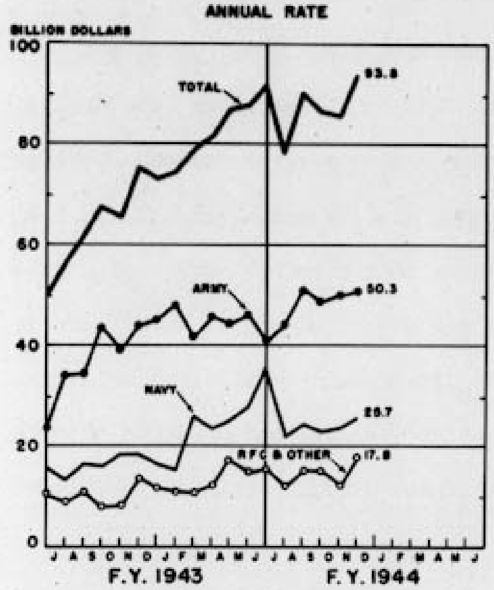
	Appropriations & Authorizations*			Disbursements
	F.Y. 1941 Thru F.Y. 1943	F.Y. 1944	Total	F.Y. 1941 Thru Nov. 1943
War	$126.649	$59.036	$185.685	$80.396
Navy	47.480	28.321	75.801	41.714
Maritime Commission	10.957	.030	10.987	5.499
Govt. corpns. (commit.)	19.904	1.301	21.205	6.824
Other	26.411	9.818	36.229	11.958
Est. approp. required beyond F.Y. 1944 for completion of Navy	---	---	13.651	---
Total	$231.401	$98.506	$343.558	$146.391

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

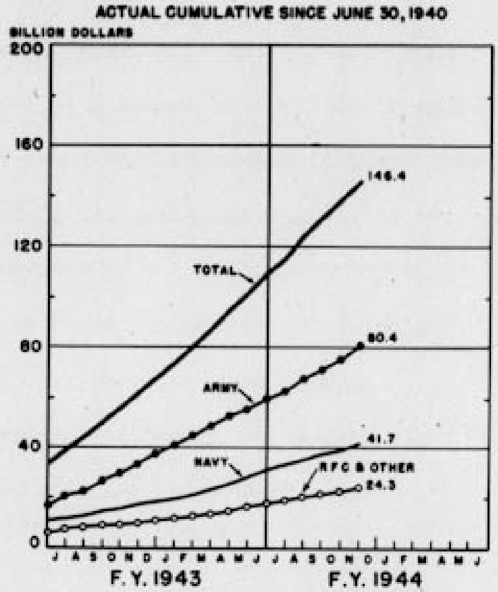
RECEIPTS, EXPENDITURES AND PUBLIC DEBT*

WAR EXPENDITURES

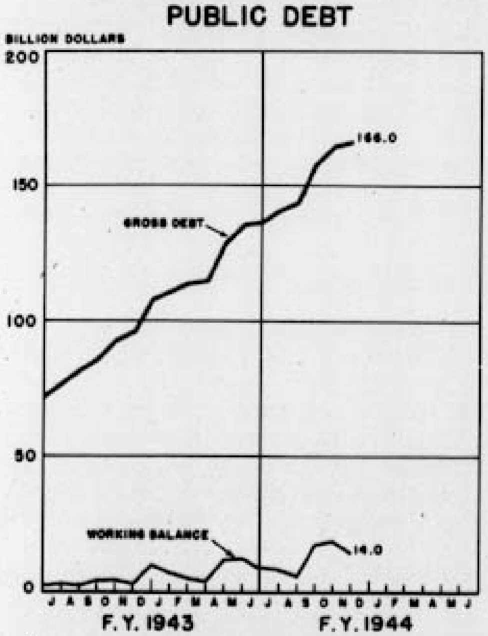
ANNUAL RATE



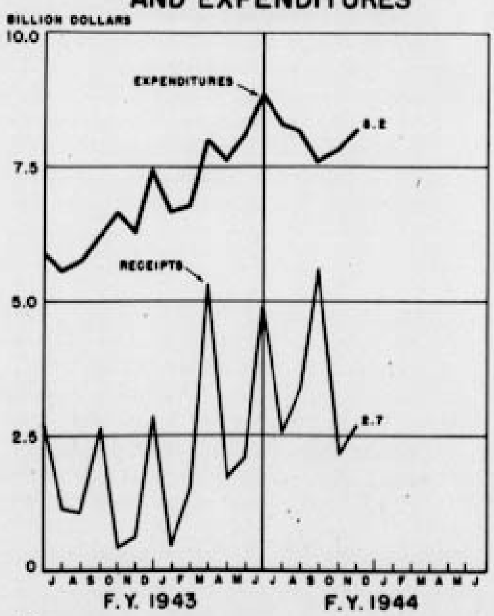
ACTUAL CUMULATIVE SINCE JUNE 30, 1940



PUBLIC DEBT



TREASURY RECEIPTS AND EXPENDITURES**



*BASED ON THE DAILY STATEMENT OF U.S. TREASURY

**EXCLUDES PUBLIC DEBT ACCOUNTS

XI. MANPOWER

The labor force again declined in November, with an increase in non-agricultural employment more than offset by a seasonal reduction in agriculture. Recent revisions in the 1944 production schedules indicate that 10.7 million employees will be required in the munitions industries by July 1944. This compares with an employment of 9.6 million in September of this year. Employee separation rates in September were practically unchanged from the previous month, but absence rates were reduced. Average hours worked declined in September, but hourly and weekly wage rates were higher. Strikes resulted in more lost time in October 1943 than in October 1942.

Labor Supply and Employment

The total labor force, reported at 51.9 million in November, continued the downward trend of the past four months and registered a decline of 700,000 workers from October. Non-agricultural employment increased 300,000 to a total of 41.5 million, and agricultural employment showed a seasonal decline of 900,000 to a total of 9.8 million. Unemployed workers dropped another 100,000 between the two months and totaled 600,000 in October. Corresponding figures for November 1942 showed a total labor force of 54.5 million, non-agricultural employment 43.0 million, agricultural employment 9.8 million, and unemployed 1.7 million.

Manpower Estimates for July 1944

The Manpower Commission has revised downward its estimates of manpower requirements for the munitions industries, from 11.6 to 10.7 million for July 1944. This reduction is predicated on recent adjustments downward in munitions production schedules. However, the total labor force must still increase 1.5 million over the July 1943 total to satisfy war production and military withdrawal requirements. Since additional manpower requirements are largely concentrated in labor shortage areas, national easing of the manpower situation is more apparent than real.

Labor Turnover and Absenteeism

Preliminary September reports of labor turnover in manufacturing industries show little change in separation rates between September and August. Separation rates totaled 8.12 and 8.18 per 100 employees, respectively, in the two months. The highest separation rates were reported by small arms and ammunition (12.98), where cutbacks resulted in considerable layoffs, and aluminum and magnesium smelting (12.39). Blast furnaces, steel works, and rolling mills again reported the lowest rate (4.20).

Employee absence rates in manufacturing industries were generally lower in September than in August. Marked improvement is reported for firearms and aircraft plants. Higher absence rates are shown for both anthracite and bituminous coal mines.

Hours, Earnings, and Wage Rates

Average weekly hours worked by factory workers stood at 44.7 in September, as compared with 45.0 in August. Average earnings, both hourly and weekly, were higher during September, largely the result of overtime payments for holidays. Hourly rates averaged 99.3 cents, a 3 percent increase over the earlier month, and weekly rates averaged $44.39, a 2 percent increase. For durable goods manufacturing, average weekly hours were 46.1, average hourly earnings 106.4 cents, and average weekly earnings $49.05. Average hourly earnings were highest in shipbuilding (133.6 cents) and aircraft engines (129.5 cents).

Strikes

Strikes totaled 290 in October and affected 215,000 workers. An estimated 975,000 man-days were lost through strikes, approximately half of these in the coal mining industry. October 1942 strikes numbered 235, affecting 60,000 workers, and resulting in 325,000 lost man-days.

XII. ADMINISTRATIVE DEVELOPMENTS

The uncertainty that was reported in October as to responsibilities for guiding economic adjustments in the coming stages of the war continued in November, with the War Production Board being most seriously affected.

War Production Board

Confusion about the future role of the War Production Board in a probable period of partial industrial demobilization continued to contribute to indecisive action and to low morale within the organization. If it is to be the policy to use the machinery of the Board in the orderly relaxation of controls and reconversion of industry in the event of partial demobilization, an authoritative statement of that policy would facilitate internal readjustments and forward planning within the Board. A corollary of this decision would be a definite instruction to the procurement agencies to collaborate with the Board in the making of detailed arrangements for action in such a period of partial demobilization. On the other hand, if it is not to be the policy to use the machinery of the Board, steps should be taken to develop the necessary machinery elsewhere in the Government.

The resignation of the Operations Vice Chairman precipitated the question of changes in the general organization of the Board. Within WPB there was contrived a general reorganization scheme based on the assumption that the Executive Vice Chairman would exercise most of the functions that had been vested in the Operations Vice Chairman. The instability of the organization, however, was indicated by the fact that during the month the Executive Vice Chairman himself resigned and then reconsidered and withdrew his resignation.

The Office of Civilian Requirements, a unit of the Board that has long had difficulty in defining the scope and techniques of its operations, was in the throes of another effort to adjust and redefine its program. The problem of the Office was also complicated by the absence of clear-cut policy as to the role of the WPB as a whole in reconversion, which made it difficult to define the role of the Office of Civilian Requirements and the related parts of the WPB.

Office of Defense Transportation

Some progress seemed to have been made in the solution of difficulties between ODT and ICC, although it was too early to tell whether the proposed arrangement would actually end the trouble between the two organizations.

Office of Price Administration

Steps were taken during the month to (1) strengthen central management controls and (2) further concentrate these controls in the OPA Administrative Management Department and the Field Operations Office.

Action was taken to further simplify rationing regulations and to reorganize the Rationing Department in line with the thinking of the new deputy administrator for rationing.

Relations with other agencies continued to improve, and Office of Price Administration officials made a conscious effort to establish close personal working relationships with the supply agencies with which the OPA must deal on a day-to-day basis. An advance was an agreement reached with the Petroleum Administrator for War on the issuance of revised Petroleum Administration Order 59, which brings the PAW distribution controls more nearly into line with the OPA rationing system.

In price control, the Office of Economic Stabilization continued to play an important role in adjudicating differences between the OPA and the supply agencies.

War Food Administration

The policy of merging War Food Administration activities with those of the Department of Agriculture continued, with the issuance of an Administrator's Memorandum which transferred most of the functions of the State and County War Boards to old-line units of the Department, chiefly the AAA.

Foreign Economic Administration

First definite steps were taken to establish a unified organization for the Foreign Economic Administration through the establishment of major organizational units.

Organizational plans were developed for constituent parts of the Bureau of Supplies and the Bureau of Areas. Determination of the internal organization of these two Bureaus is essential before the integration of the former Office of Economic Warfare, Office of Lend-Lease Administration, Office of Foreign Relief and Rehabilitation Operations, and Office of Foreign Economic Coordination can be achieved.

Arrangements for incorporating the U.S. Commercial Company into the Foreign Economic Administration, for securing funds to finance USCC activities, and for transferring Reconstruction Finance Corporation personnel to FEA were discussed but not definitely determined. Arrangements for transferring foreign food procurement activities from the Commodity Credit Corporation to FEA were agreed to by the staffs of both agencies, but the actual transfer was delayed until USCC financing is assured.

Unsuccessful efforts were made to secure a single building to accommodate the entire FEA, which would have been desirable because of the high degree of integration needed for effective operation.

The most serious problems facing the agency appear to be the absence of strong, clear direction of the policies and operations, and personnel weaknesses in some of the key positions.

Relationships of FEA to the United States allocating agencies and the Combined Boards will require redefinition at the earliest possible moment, particularly in view of the agreements reached at the Atlantic City conference on the United Nations Relief and Rehabilitation Administration.

The staff of the Bureau of the Budget continues to work with the Administrator and other FEA officials in the development of organization plans and administrative procedures, in the transfer of personnel, and in the solution of the allocating problem.

<u>United Nations Relief and Rehabilitation Administration</u>

The first Council Session of the United Nations Relief and Rehabilitation Administration, held from November 10 to December 1, 1943, in Atlantic City, made a number of decisions which have an important bearing on United States agencies and may require major adjustments during the coming months.

The major responsibility for relief and rehabilitation in areas liberated from Axis control now rests with UNRRA instead of with any single national agency. However, the UNRRA Council agreed that national agencies would be relied upon for arranging for procurement and shipment of goods. In the case of the United States, this job will rest primarily on the Foreign Economic Administration. FEA must organize itself to perform these functions for UNRRA and at the same time divest itself of those programming and field operational responsibilities heretofore carried.

At the insistence of the United States and the United Kingdom, UNRRA will present its requirements to the several Combined Boards, and the Boards will presumably make allocations of supplies to UNRRA. This procedure represents a radical departure from established methods of handling foreign requirements and bestows upon the Boards a function -- that of allocations -- they have never before exercised. In the past, all foreign requirements have flowed through one of the constituent agencies of FEA and have been presented by it to WPB and WFA allocating committees. At some point FEA will be called upon to scrutinize the validity of the requirements presented by UNRRA, since FEA will be charged with administering the funds the United States appropriates for relief and rehabilitation and will be accountable to Congress for the expenditure of those funds.

It is not clear what discretion FEA will retain on this issue, nor is it clear that the Combined Boards can easily be geared to handling the functions imposed upon them by commitments made at Atlantic City.

At the UNRRA Council meeting, the United States and the United Kingdom also agreed that relief and rehabilitation recipients who could pay for their goods would have the right to appear directly before the Combined Boards and present their requirements. This decision also raises the questions referred to above concerning the real authority of the Boards and the role of FEA in screening foreign requirements. In addition, if some paying nations are given such a favored position before the Boards, other governments, such as Mexico or Brazil which pay for their imports from the United States, may also demand the right to present their needs directly to the Boards.

The Council also recognized that UNRRA operations in any area under military control would be subject to the conditions imposed by the military. The Council urged that civilians be allowed to assume control as soon as possible. The military plans to conduct civilian affairs for at least six months, possibly longer, after occupation. The critical relief period may be passed by the time the military actually relinquishes the operational job to civilian agencies or to UNRRA. What device can be established for insuring a smooth transition from military to civilian control? How can UNRRA feed its plans to the military so that they can become effective even though UNRRA itself may not carry out those plans? These are unanswered questions which demand immediate consideration.

State Department-FEA Relations

Progress was made during the month in clarifying working relations between the Department of State and the Foreign Economic Administration. Transfer to the FEA of those positions in the State Department concerned with economic operations was completed. A relatively small staff of liaison advisers is being set up in the Department to keep it informed of FEA operations and to advise FEA about the foreign policy of the United States. They will also establish liaison with the Combined Boards and with other agencies engaged in wartime economic activities. This liaison arrangement should remove the Department from economic operational details and allow it to concentrate on policy matters.

Working agreements have been reached between the Department and FEA in respect to (1) communication facilities to and from foreign fields, and (2) the relations between representatives of the two agencies in the field.