

PRESIDENT'S SECRETARY'S FILE
Subject File
War Production Board: "War
Progress": 1/9-2/13/42
Box 171

CONTRACTS AND SCHEDULES FOR MILITARY AIRPLANES

TO MEET THE PRESIDENT'S OBJECTIVE, PRODUCTION SCHEDULES FOR AIRPLANES MUST BE STEPPED UP CONSIDERABLY AND NEW CONTRACTS FOR AIRPLANES MUST EMPHASIZE QUICKER DELIVERY IN 1942. ORDERS PLACED BETWEEN AUGUST 1 AND DECEMBER 1, 1941 TOTALLED \$1.8 BILLION BUT THE VALUE OF PLANES SCHEDULED TO BE DELIVERED BY THE END OF 1942 WAS INCREASED ONLY \$60 MILLION.

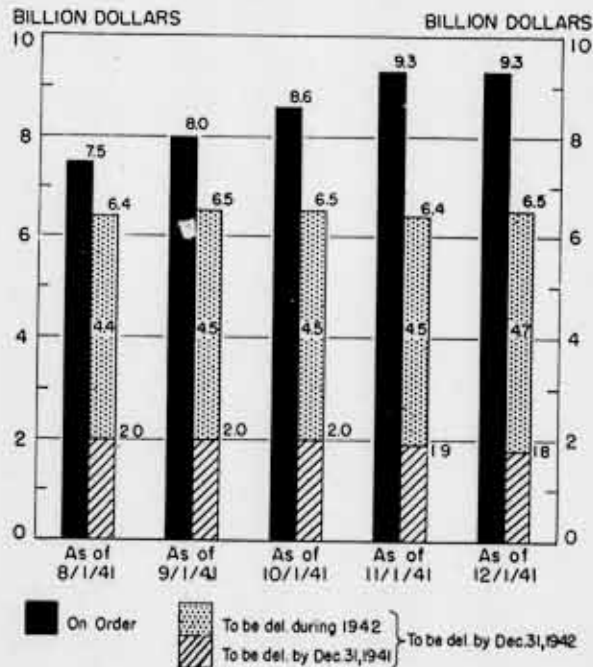
Production of military planes exceeded scheduled output for December by 10 percent. As measured by the weighted index of monthly production it stands at an all-time high of 91, i.e., 28 points higher than the November index of 63. While output of all types of tactical planes was substantially above November levels production schedules were exceeded only in the case of 2 and 4-engine bombers.

Total airplane production through December 31, 1941 stood at 59, which met the expectations of OPM Schedule 8-G.

During the five months between August 1, 1941 and December 1, 1941 orders for airplanes increased from \$7.5 billion to \$9.3 billion. During the same five months the total value of airplanes scheduled to be delivered between June 1940 and the end of 1942 increased by only \$60 million, although the value of those scheduled for delivery during 1942 increased by \$200 million. A large portion of the increased deliveries during 1942 does not reflect increased orders, but instead reflects the deflation of too optimistic schedules for 1941 with a consequent transfer of schedules into 1942.

By far the largest share of new orders placed in recent months calls for delivery after January 1, 1943. Value of orders placed up to the end of each month (black bar) and deliveries scheduled through December 31, 1942 under schedules prevailing on each of these dates are shown in the accompanying chart.

ESTIMATED VALUE OF AIRPLANES SCHEDULED TO BE DELIVERED BY DECEMBER 31, 1942 (INCLUDES COMPLETE PLANES ONLY)



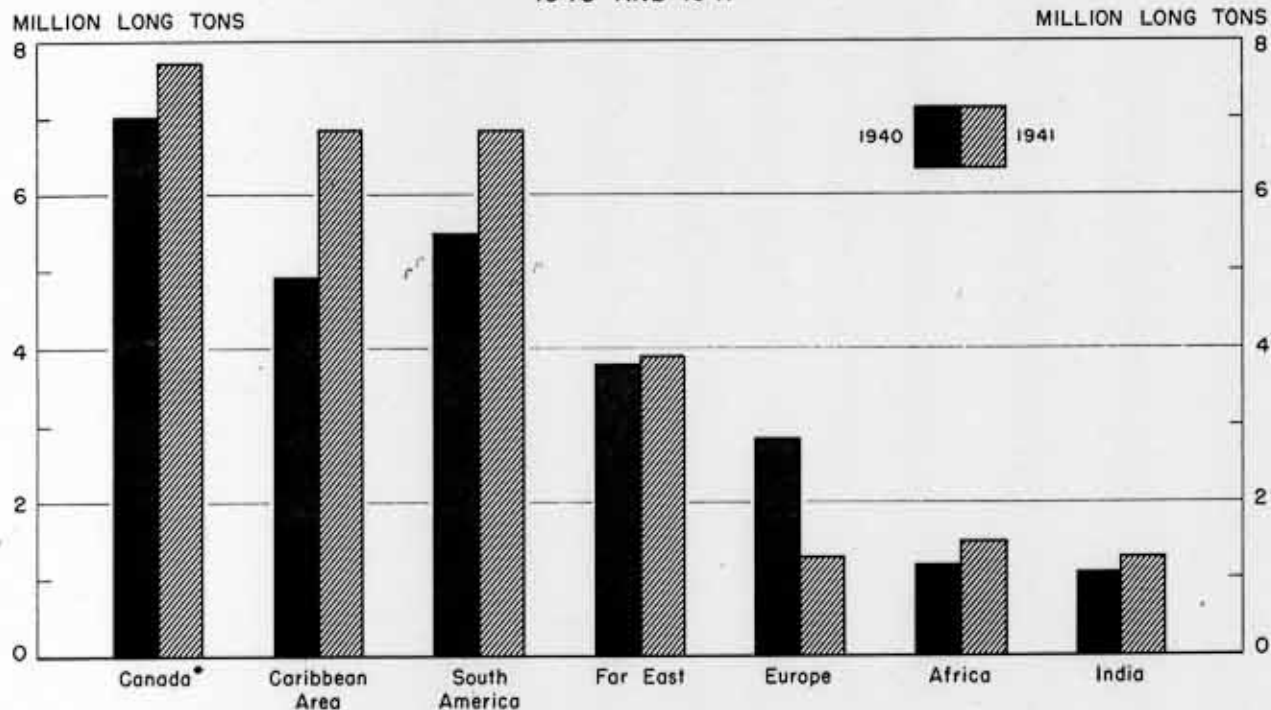
tons of rubber imported during 1941, can not be supplied from any other source and will be almost completely eliminated in 1942. Other defense materials from this general area which will be eliminated include chrome, manganese, tin, manila fiber, tungsten, and other smaller tonnage imports. If the war extends to the Indian Ocean essential imports from India, which amounted to more than a million tons in 1941, will also be seriously interrupted.

During 1942 the American Merchant Marine will be subjected to greater readjustments than in 1941,

because more ships must be used for carrying men and war equipment. The vessels engaged in purely commercial transportation will have to make adjustments to convoy service, as well as to circuitous routes. The uncertainty and stringency in ocean transportation is such that any forecast as to the supply of space for a particular purpose, or for a definite trade area, is not feasible. Judged by increased demand for space by shippers it seems clear, however, that only the most urgent requirements can be satisfied during 1942.

U. S. DRY CARGO IMPORTS BY PRINCIPAL TRADE AREAS

1940 AND 1941



* Imports from Canada include tonnage on the Great Lakes.

PLANT UTILIZATION IN SELECTED WAR INDUSTRIES JANUARY 1942

Preliminary data for selected war industries indicate increases in plant utilization since September. The increases are particularly

striking in all these industries except ammunition and explosives. Important data on these industries are shown in the following table.

PLANT UTILIZATION IN IDENTICAL PLANTS IN SELECTED INDUSTRIES
JANUARY 1942 AND SEPTEMBER 1941

	FIREARMS & GUNS	AMMUNITION & EXPLOSIVES	TANKS	MACHINE TOOLS	MACHINE TOOL ACCESSORIES
TOTAL NUMBER OF WORKERS					
JANUARY 1942	17,924	24,758	2498	1911	2695
SEPTEMBER 1941	15,749	10,634	2124	1894	2535
NUMBER OF WORKERS ON FIRST SHIFT					
JANUARY 1942	13,518	17,959	2083	1410	1821
SEPTEMBER 1941	12,046	7,473	1764	1473	1781
AVERAGE HOURS PER WORKER					
JANUARY 1942	51.6	46.4	47.0	53.5	56.1
SEPTEMBER 1941	49.4	44.4	42.7	53.6	53.1
% OF WORKERS ON 2ND & 3RD SHIFTS COMBINED					
JANUARY 1942	24.6%	27.5%	16.6%	26.2%	32.4%
SEPTEMBER 1941	23.5%	29.7%	16.9%	22.2%	29.7%
PLANT UTILIZATION HOURS					
JANUARY 1942	68.4	63.9	56.3	72.5	83.1
SEPTEMBER 1941	64.6	63.1	51.4	68.9	75.6
NUMBER OF PLANTS					
	18	24	2	8	11

NOTE: THE CLASSIFICATIONS USED ARE THOSE USED BY THE BUREAU OF LABOR STATISTICS IN THE SEPTEMBER 1941 SURVEY.

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RESEARCH NOTES AND TABLES

A wide variety of data prepared in the Economic Analysis Branch of the Bureau of Research and Statistics are not reproduced in articles. These data may be of value to those who are responsible for directing and analyzing the war progress. In order to make these data available, War Progress is introducing this week for the first time "Research Notes and Tables."

Manufacturing Production
For War Purposes

The greatest burden in the production of war munitions in 1942

will fall upon manufacturing. The distribution of the proposed war expenditures for 1942, in Table 1, indicates that manufacturing industries will be expected to turn out production valued at about \$25 billion, well over half the total expected war expenditures. The war production which will be required of manufacturing industries is concentrated in a group of those industries which before the war accounted for about half the net output of all manufacturing plants in the country. In December 1941 these "War Industries" had a net value output of \$19 billion per year, according to Table

TABLE I - DISTRIBUTION OF PROPOSED WAR EXPENDITURES
FOR CALENDAR YEAR 1942

Item	Total	Manufacturing ^a	Other industries and services
		(Billion dollars)	
TOTAL	47.0	24.7	22.3
Munitions and other industrial products	33.2	21.5	11.7
Construction and industrial facilities ^a	^b 6.8	2.7	4.1
Subsistence and other food products	1.5	0.4	1.1
Miscellaneous products and services not included in above	2.0	^c 0.1	1.9
Pay	3.5	^d	3.5

^a Net manufacturing contribution, exclusive of materials and services supplied by other industries.

^b Includes equipment in industrial facilities.

^c Largely replacement of equipment in the service industries.

^d Less than \$0.05 billion.

2, which shows the annual rates of nonwar by this group in 1940 and net manufacturing output for war and 1941.

TABLE II - ANNUAL RATE OF NET MANUFACTURING OUTPUT FOR WAR AND NON-WAR ^a
BY MAJOR INDUSTRIAL GROUPS 1940 AND 1941

Industry and Purpose	1940					1941				
	Entire Year	Mar.	June	Sept.	Dec.	Entire Year	Mar.	June	Sept.	Dec.
	(Billion dollars)									
All Industries Total	21.7	19.5	21.3	22.3	24.9	28.5	26.8	29.1	29.6	31.0
War	1.6	1.0	1.2	1.9	3.7	7.0	4.8	6.1	8.3	^p 10.5
Non-war	20.1	18.5	20.1	20.4	21.2	21.6	22.0	23.0	21.3	^p 20.5
War Industries ^b Total	12.0	10.4	11.6	12.6	14.2	16.8	15.5	17.1	17.8	19.0
War	1.3	0.9	1.0	1.6	2.9	5.8	3.8	5.0	7.0	^p 9.0
Non-war ^c	10.7	9.5	10.6	11.0	11.3	11.0	11.7	12.1	10.8	^p 10.0
Wood, stone, clay, and glass products Total	1.7	1.6	1.6	1.7	1.9	2.1	2.0	2.0	2.1	2.1
War	0.1	^d	0.1	0.1	0.4	0.6	0.5	0.6	0.6	0.7
Non-war	1.6	1.6	1.5	1.6	1.5	1.5	1.4	1.5	1.5	1.4
Textiles, leather, and paper products Total	3.8	3.4	3.7	3.9	4.5	4.9	4.8	5.2	4.9	4.9
War	0.2	0.1	0.1	0.2	0.4	0.5	0.4	0.4	0.5	0.6
Non-war	3.6	3.3	3.6	3.7	4.1	4.4	4.4	4.8	4.4	4.3
Foods and beverages, tobacco, printing and publishing, and misc. Total	4.2	4.1	4.4	4.1	4.3	4.7	4.5	4.8	4.8	5.1
War	^d	^d	^d	^d	^d	0.1	0.1	0.1	0.2	0.2
Non-war	4.2	4.1	4.4	4.1	4.3	4.6	4.4	4.7	4.6	4.9

^a Includes Government arsenals and shipyards.

^b Includes metals and machinery including iron and steel, non-ferrous metals, airplanes, shipbuilding, railroad equipment, automobiles, and metal furniture, chemicals, petroleum and coal, rubber, instruments and optics.

^c Non-war includes private investment for war production.

^d Less than \$0.05 billion.

^p Preliminary figures.

WAR PROGRESS SERIES

Pending Legislation

The net amount of war appropriations now pending is \$26.9 billion. The Fourth Supplemental National Defense Appropriation Act of 1942, which is awaiting the President's signature, contains \$12.5 billion for the War Department. Appropriations of \$13.2 billion for the Navy (Title VI, FY 1942 and Title I, FY 1943) passed the House on January 27. Funds amounting to \$1.2 billion for other war agencies are included in the Independent Offices Appropriation Act, FY 1943, which passed the House on January 22. An analysis of these appropriations by object and agency is furnished in the table below.

If these appropriations are approved in their present form, the total war program will be over \$108 billion.

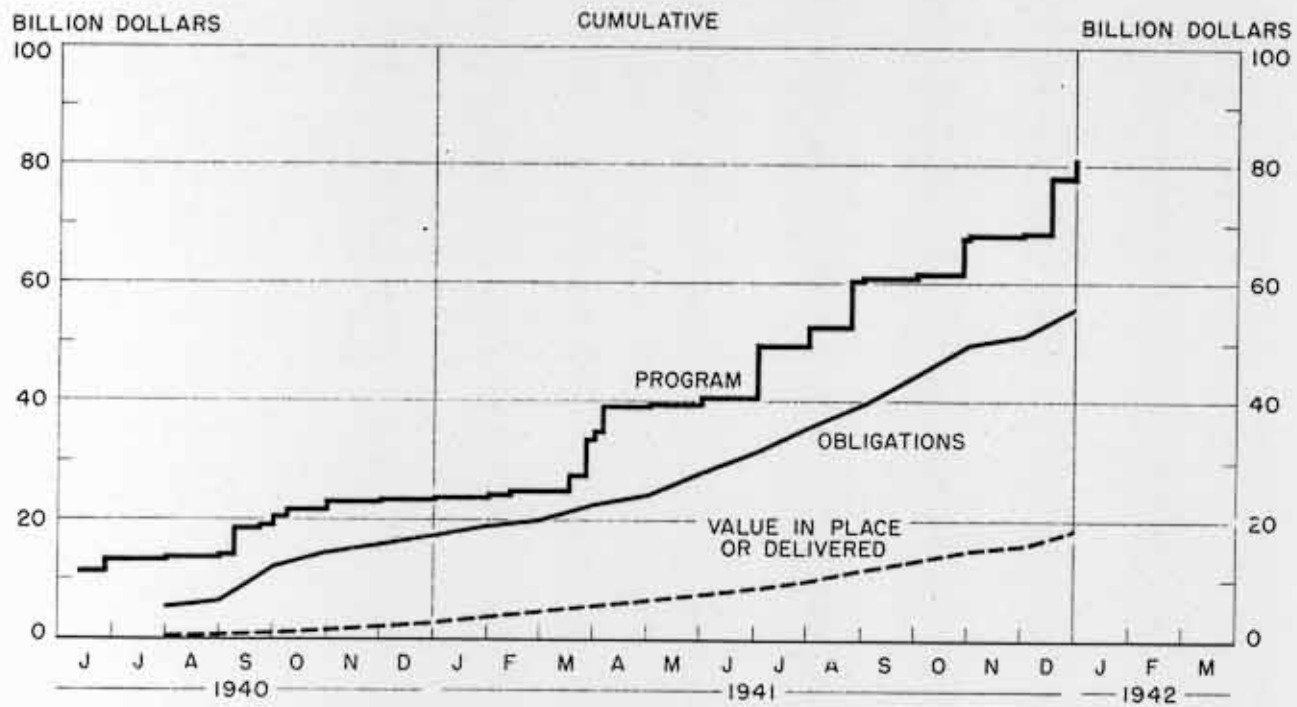
Strikes and Man-days Lost

The number of man-days lost in strikes in all industries declined from 2.45 million during November to 0.5 million during December. There were 350 strikes in progress during December, involving 65,000 workers, compared with 540 strikes and 350,000 workers in November. Plants with important war contracts lost only 14,000 man-days during December, compared with 108,000 during November.

NET APPROPRIATIONS PENDING BEFORE CONGRESS

OBJECT	War	Navy	Other agencies	Total
	(Billions of dollars)			
TOTAL	12.5	13.2	1.2	26.9
MUNITIONS PROD. & WAR CONSTR., TOTAL	12.5	11.9	1.2	25.6
MUNITIONS PRODUCTION, TOTAL	11.6	10.3	1.0	22.9
Airplanes	9.0	.6	-	9.6
Ordnance	1.6	4.4	-	6.0
Merchant ships	-	-	1.0	1.0
Naval ships	-	4.1	-	4.1
Other munitions and supplies	1.0	1.2	-	2.2
WAR CONSTRUCTION, TOTAL	.9	1.6	.2	2.7
Industrial facilities	.9	.8	.2	1.9
Posts, depots and stations	-	.8	-	.8
NON-MUNITIONS, TOTAL	-	1.3	-	1.3
Pay subsistence and travel	-	1.2	-	1.2
Miscellaneous	-	.1	-	.1

TOTAL WAR PROGRAM



WAR PROGRESS SERIES

TOTAL UNITED STATES WAR PROGRAM

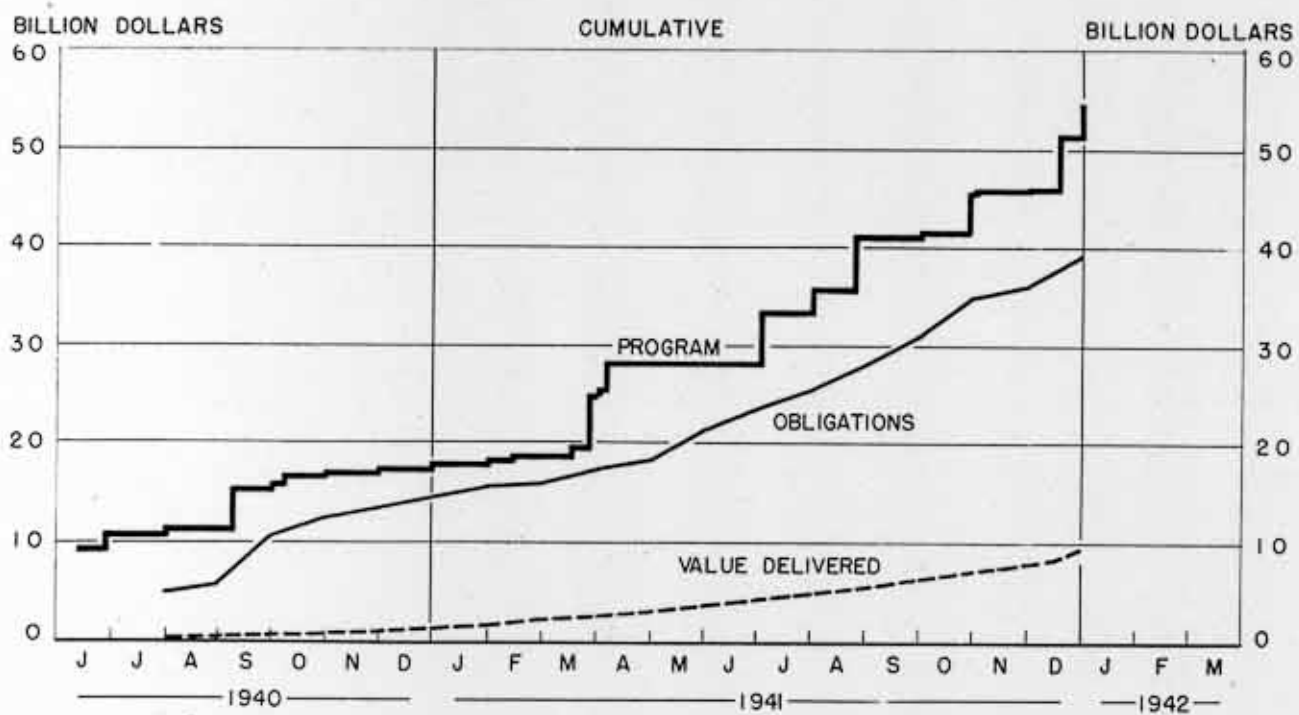
FINANCIAL PROGRAM SUMMARY	Cum. 6/11/40 to			Monthly		
	End 1st full year 6/30/41	End of November 1941	End of December 1941	December 1940	November 1941	December 1941
(Million dollars)						
● TOTAL WAR PROGRAM IN U.S. ^a						
Program	40,761	68,115	p 81,259	542	139	13,144
Unobligated balance	9,274	16,932	p 25,035	-	-	-
Obligations	31,487	51,183	56,224	1,622	1,795	5,041
Value delivered and/or in place	8,697	16,670	p 18,723	822	1,790	p 2,053
Checks paid ^d	8,504	15,739	p 17,819	670	1,603	p 2,080
U.S. FINANCED PROGRAM ^b						
Program	37,075	64,329	77,473	80	126	13,144
Unobligated balance	9,274	16,932	25,035	-	-	-
Obligations	27,801	47,397	52,438	1,160	1,782	5,041
Checks paid ^d	6,431	13,254	p 15,251	483	1,532	p 1,997
TREASURY GENERAL FUND ^c						
Program	34,452	60,286	72,343	0	131	12,057
Unobligated balance	7,802	16,049	23,474	-	-	-
Obligations	26,650	44,237	48,869	1,007	1,437	4,632
Checks paid by U. S. Treasury ^d	6,081	12,448	14,295	470	1,437	1,847
MUNITIONS PROD. AND WAR CONSTRUCTION ^e						
Program	36,927	58,542	p 69,998	534	168	p 11,456
Unobligated balance	7,597	12,279	p 19,372	-	-	-
Obligations	29,330	46,263	50,626	1,468	1,394	4,363
Value delivered and/or in place ^e	6,945	13,250	p 14,900	700	1,430	p 1,650
Value not delivered nor in place	22,385	33,013	p 35,726	-	-	-
NON-MUNITIONS ITEMS, TOTAL						
Program	3,834	9,573	p 11,261	8	-29	p 1,688
Unobligated balance	1,677	4,653	p 5,663	-	-	-
Obligations	2,157	4,920	5,598	154	401	678
Checks issued by agencies ^e	1,752	3,420	p 3,823	122	360	p 403

Table continued on page V.

For footnotes see Page X.

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MUNITIONS PRODUCTION



WAR PROGRESS SERIES
TOTAL UNITED STATES WAR PROGRAM

FINANCIAL PROGRAM SUMMARY	Cum. 6/11/40 to			Monthly		
	End 1st full year 6/30/41	End of November 1941	End of December 1941	December 1940	November 1941	December 1941
	(Million dollars)					
	BREAKDOWN OF MUNITIONS PRODUCTION					
● MUNITIONS PRODUCTION, TOTAL						
Program	28,466	45,853	P 54,458	442	136	P 8,605
Unobligated balance	4,901	9,629	P 14,929	-	-	-
Obligations	23,565	36,224	39,529	1,118	982	3,305
Value delivered and/or in place ^e	4,440	8,230	9,365	440	910	P 1,135
Value not delivered nor in place	19,125	27,994	P 30,164	-	-	-
AIRPLANES, PARTS & ACCESSORIES						
Program	8,482	13,164	P 14,946	169	-11	P 1,782
Obligations	7,281	11,735	13,172	191	690	1,437
Value delivered	1,010	1,975	P 2,265	80	215	P 290
ORDNANCE						
Program	7,778	13,448	P 17,392	71	100	P 3,944
Obligations	5,418	9,606	10,200	249	-315	594
Value delivered	700	1,435	P 1,735	35	180	P 300
NAVAL SHIPS						
Program	6,796	8,733	10,605	0	498	1,872
Obligations	6,442	7,548	7,930	301	43	382
Value delivered and/or in place	960	1,830	P 2,040	65	200	P 210
MERCHANT SHIPS						
Program	1,442	3,342	P 3,288	100	-466	P -54
Obligations	1,484	2,329	2,381	103	78	52
Value delivered and/or in place	190	370	P 455	15	60	P 85
OTHER MUNITIONS AND SUPPLIES						
Program	3,968	7,166	P 8,227	102	15	P 1,061
Obligations	2,940	5,006	5,846	274	486	840
Value delivered	1,580	2,620	P 2,870	245	255	P 250

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For footnotes see Page X.

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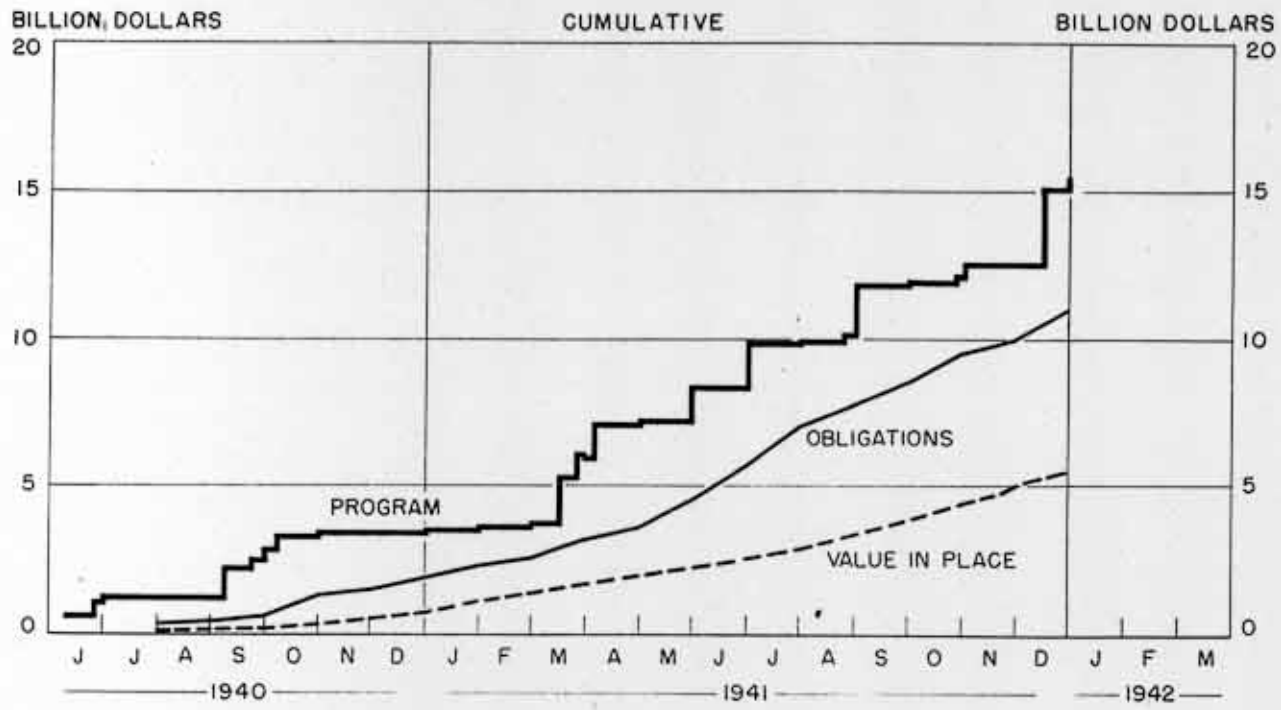
Production schedules established under existing contracts fall far short of the President's announced goal of 60 thousand planes in 1942. It is important that new orders placed under funds currently available (and under funds which are

likely to become available shortly) should be timed to increase immediate deliveries. Contracts already placed must be revised to step up output during 1942. Such scheduling will require conversion of civilian facilities into war production.

8 ... CONFIDENTIAL

JANUARY 9, 1942

WAR CONSTRUCTION



WAR PROGRESS SERIES
TOTAL UNITED STATES WAR PROGRAM

FINANCIAL PROGRAM SUMMARY	Cum. 6/11/40 to			Monthly		
	End 1st full year 6/30/41	End of November 1941	End of December 1941	December 1940	November 1941	December 1941
	(Million dollars)					
	BREAKDOWN OF WAR CONSTRUCTION					
● WAR CONSTRUCTION, TOTAL (LAND, BLDGS., EQUIP.)						
Program	8,461	12,689	15,540	92	32	2,851
Unobligated balance	2,696	2,650	4,443	-	-	-
Obligations	5,765	10,039	11,097	350	412	1,058
Value in place	2,505	5,020	P 5,535	260	520	P 515
Value not in place	3,260	5,019	P 5,562	-	-	-
INDUSTRIAL FACILITIES (LAND, BLDGS., EQUIP.)						
Program	5,120	7,557	8,085	92	11	528
Obligations	2,865	5,481	6,291	247	213	810
Value in place	960	2,400	P 2,700	60	300	P 300
INDUSTRIAL FACILITIES, BUILDINGS ONLY						
Program	1,607	2,984	n.a.	n.a.	155	n.a.
Value in place	575	1,544	n.a.	n.a.	202	n.a.
POSTS, DEPOTS, STATIONS						
Program	2,849	4,490	6,063	0	21	1,573
Obligations	2,625	4,135	4,381	74	185	246
Value in place	1,430	2,320	P 2,500	200	190	P 180
DEFENSE HOUSING						
Program	492	642	1,392	0	0	750
Obligations	275	423	425	29	14	2
Value in place	115	300	P 335	-	30	P 35
	BREAKDOWN OF NON-MUNITIONS					
NON-MUNITIONS, TOTAL						
Program	3,834	9,573	P 11,261	8	-29	P 1,688
Unobligated balance	1,677	4,653	P 5,663	-	-	-
Obligations	2,157	4,920	5,598	154	401	678
Checks issues by agencies	1,752	3,420	P 3,823	122	360	P 403
STOCKPILE						
Program	983	1,631	2,399	3	0	768
Obligations	470	960	1,050	45	50	90
Checks issued by agencies	192	405	P 488	14	42	P 83
AGRICULTURAL EXPORTS (LEND-LEASE)						
Program	625	1,522	1,522	-	7	0
Obligations	66	453	561	-	61	108
Checks issued by agencies	1	171	211	-	45	40

Table continued on following page.

For footnotes see Page X.

● Graph appears on opposite page.

WAR PROGRESS SERIES
TOTAL UNITED STATES WAR PROGRAM

FINANCIAL PROGRAM SUMMARY	Cum. 6/11/40 to			Monthly		
	End 1st full year 6/30/41	End of November 1941	End of December 1941	December 1940	November 1941	December 1941
(Million dollars)						
<u>NON-MUNITIONS (CONTINUED)</u>						
PAY, SUBSISTENCE AND TRAVEL f						
Army Military Program	944	2,563	3,013	0	0	450
Obligations	934	1,834	2,030	60	150	196
Checks issued	696	1,362	p 1,510	43	144	p 148
Navy Military Program	378	963	963	0	159	0
Obligations	334	552	610	32	62	58
Checks issued	388	597	p 640	31	43	p 43
Civilian Payroll Program	32	170	247	0	0	77
Obligations	32	127	140	6	10	13
Checks issued	356	624	p 684	28	60	p 60
MISCELLANEOUS NON-MUNITIONS						
Program	872	2,724	p 3,117	5	-195	p 393
Obligations	321	994	1,207	11	68	213
Checks issued by agencies	119	261	p 290	6	26	p 29
<u>BREAKDOWN BY AGENCIES</u>						
AGENCIES INCLUDED IN TREASURY GENERAL FUND						
U.S. ARMY Program	13,134	24,605	31,981	0	0	7,376
Obligations	11,404	21,002	23,334	491	404	2,332
Checks paid by U.S. Treasury	3,636	6,913	7,889	282	704	976
U.S. NAVY Program	12,308	17,691	21,024	0	64	3,333
Obligations	11,182	15,102	16,327	473	421	1,225
Checks paid by U.S. Treasury	2,217	4,232	4,726	178	441	494
LEND-LEASE Program	7,000	12,985	12,985	-	0	0
Allocations	5,177	9,199	11,148	-	2,415	1,949
Obligations	2,458	5,256	6,282	-	430	1,026
Checks paid by U.S. Treasury	21	654	910	-	198	256

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For footnotes see Page X.

WAR PROGRESS SERIES

TOTAL UNITED STATES WAR PROGRAM

FINANCIAL PROGRAM SUMMARY	Cum. 6/11/40 to			Monthly		
	End 1st full year 6/30/41	End of November 1941	End of December 1941	December 1940	November 1941	December 1941
	(Million dollars)					
AGENCIES INCLUDED IN TREASURY GENERAL FUND (CONT'D)						
U.S. MARITIME COMMISSION						
Program	784	2,735	2,734	0	67	-1
Obligations	886	1,721	1,724	3	86	3
Checks paid by U.S. Treasury (net) ^g	44	120	156	-3	26	36
OTHER U.S. AGENCIES						
Program	1,226	2,270	3,619	0	0	1,349
Obligations	720	1,156	1,202	40	96	46
Checks paid by U. S. Treasury	163	529	614	13	68	85
ADDITIONAL AGENCIES INCLUDED IN U. S. FINANCED PROGRAM						
R.F.C. AND SUBSIDIARIES						
Program	2,623	4,043	5,130	80	-5	1,087
Obligations	1,151	3,160	3,569	153	345	409
Checks issued by R.F.C.	350	806	P 956	13	95	P 150
ADDITIONAL INCLUDED IN TOTAL WAR PROGRAM						
FOREIGN ORDERS						
Program (orders)	3,686	3,786	P 3,786	462	13	P 0
Obligations	3,686	3,786	P 3,786	462	13	P 0
Checks issued by Purchasing Missions	2,073	2,485	P 2,568	187	71	P 83

For footnotes see Page X.

FOOTNOTES

WAR PROGRESS SERIES

Data on obligations and unobligated balances are tentative pending determination of reserves not available for immediate obligation.

n.a. Not available

R Revised

P Preliminary

^aTotal war program includes all funds and authorizations made available for war purposes by the United States Government plus foreign orders placed in this country since November 1939. The major portion of the existing program has been approved since June 11, 1940, but some authorizations (particularly portions of the naval expansion program, the merchant shipbuilding program, and the stockpile program) were made available even earlier. All funds are shown during the fiscal year in which they are available for obligation.

^bUnited States financed program includes the war activities of all United States Government agencies (including Lend-Lease) plus the war activities of government owned corporations, but does not include foreign orders.

^cUnited States Treasury General Fund includes the war activities of all United States Government agencies (including Lend-Lease). It does not include the activities of government owned corporations or foreign orders in the United States.

^dChecks paid include (1) all checks paid out of the Treasury General Fund (cf. footnote c); (2) checks issued by the Reconstruction Finance Corporation and subsidiary Government corporations; (3) checks issued by foreign purchasing commissions.

^eValue delivered and/or in place includes (1) value delivered and/or in place for ships and value of production for other munitions, (2) value in place for war construction, and (3) checks issued by finance officers for non-munitions items.

^fProgram and obligations for pay for civilians and for the Navy include only that specifically mentioned in appropriation bills, while the cash disbursement figures include, in addition, executive war pay which cannot be separately distinguished in the appropriation bills.

^gReport on checks paid by the Treasury for the account of the Maritime Commission makes allowance for receipts credited to the Construction Loan Fund.

Revisions have been made in the data on program, obligations, and checks issued, due to a reallocation of funds between "agricultural and miscellaneous exports" and "other munitions and supplies". "Agricultural commodities" now includes only the food-stuffs being purchased under the Lend-Lease Program.

WAR PROGRESS SERIES
WAR EQUIPMENT INDEXES

	Airplanes	Combat Vehicles	Army-type Guns	Ammunition	Major Combat Ships	Merchant Ships
	Sched. Actual as of Jan. 1	Sched. Actual as of Jan. 1	Sched. Actual as of Jan. 1	Sched. Actual as of Nov. 1	Sched. Actual as of Oct. 1	Sched. Actual as of Aug. 1
MONTHLY PRODUCTION RATE DURING						
Average monthly production FY 1942=100						
1940						
July	16	a { 7	a { 14	b { 11	27	9
December	26				38	18
1941						
March	34	11	30		44	25
June	45	31	41	13	55	24
September	61	73	67	20	87	33
October	68	95	84	22	71 109	49
November	63	91	71	44 32	98 109	80 74
December	91	127	130	61 66	82	93
1942						
January	93	128	110	101	109	110
February	103	146	137	135	98	126
March	117	175	154	149	115	144
June	154	235	170	244	126	161
September	190	28	152	311	148	155
December	214	16	118	396	137	148
Av. mo. prod. FY 1942	100	100	100	100	100	100
Peak month	214 (12/42)	285 (7/42)	186 (7/42)	396 (12/42)	169 (11/42)	161 (7/42)
TOTAL CUMULATIVE PRODUCTION TO:						
Total production FY 1942 = 100						
1940						
July 31	1		-		2	1
December 31	8	4	7		16	6
1941						
March 31	16	6	13	c 9	27	12
June 30	27	12	22	11	42	18
September 30	41	28	38	15	61	25
October 31	46	36	44	17	61 70	29
November 30	51	44	50	21 20	69 79	39 35
December 31	59	54	61	26 P26	76	47
1942						
January 31	67	65	70	34	85	56
February 28	75	77	82	46	93	67
March 31	85	92	95	58	103	79
June 30	121	143	134	112	133	119
September 30	166	193	177	185	167	158
December 31	218	197	210	274	204	196
Total production FY 1942	100	100	100	100	100	100
Prod. requirements, Jan. 1						
Financed	335	431	404	d 417	d 452	d 321
Pending	200	251	155	d 73	0	0
Ordered to January 1	303	195	260	d 285	d 452	d n.a.
To be ordered as of Jan. 1	32	236	144	d 132	0	n.a.
INVENTORIES						
July 1, 1940	15	e 7	n.a.	e 22	277	282
December 1, 1941	36	25	n.a.	23	337	275

P Preliminary data
 S Average July 1, 1940 - Dec. 31, 1940
 d Average July 1, 1940 - Apr. 30, 1941
 e July 1, 1941
 n.a. Data not available
 c April 30, 1941

ECONOMIC ACTIVITY RELATED TO THE WAR

	1940	1941				
	July	January	October	November	December ^r	
EMPLOYMENT IN 18 MAJOR PRIVATE DEFENSE INDUSTRIES						
	(Indexes 1939=100)					
All eighteen industries	123.3	151.4	r 203.1	r 207.0	211.5	
Blst. furn.,st.wks., etc.	116.7	128.7	145.0	r 144.9	146.0	
Foundry & mach.shop prod.	114.8	137.5	173.1	174.2	175.9	
Electr.mach., app. & supp.	115.3	143.8	r 187.6	r 188.2	189.4	
Smelting and refining	112.7	124.0	r 128.2	127.0	127.3	
Brass, bronze, copper prod.	114.5	151.5	r 170.8	r 169.0	169.4	
Aluminum manufactures	121.2	146.5	r 157.0	r 158.2	163.4	
Machine tools	155.6	189.4	239.6	r 243.1	249.2	
Machine tool accessories	139.7	167.7	246.9	r 251.1	259.1	
Abrasives	112.1	150.7	193.7	r 193.5	194.7	
Screw-machine products	115.9	156.9	207.9	r 209.3	213.9	
Airframes	222.2	355.7	647.7	r 684.9	710.6	
Aero-engines	299.2	434.1	830.3	r 902.2	974.2	
Shipbuilding	138.7	195.8	r 403.1	r 433.7	462.8	
Firearms	164.0	241.4	421.2	r 432.1	456.1	
Ammunition	144.6	245.8	413.0	r 450.9	456.9	
Explosives	142.5	176.6	r 448.3	r 453.7	457.8	
Optical goods	111.9	138.1	177.1	r 182.6	186.2	
Instruments	115.7	147.9	218.1	r 222.3	232.3	
EMPLOYMENT IN WAR INDUSTRIES						
	(Thousand workers)					
Private,18 major industries	1,660	2,038	2,733	2,781		
Private contractors; public construction	13	448	501	617		
Public	117	171	248	263		
Total	1,790	2,657	3,482	3,661		
LABOR DISPUTES IN PLANTS WITH IMPORTANT DEFENSE CONTRACTS						
Number strikes in progress	n.a.	13	p 26	p 24	p 9	
Workers involved (thous.)	n.a.	26	p 32	p 20	p 4	
Man days idle (thous.)	n.a.	146	p 192	p 108	p 14	
	Cumulative 6/11/40 through			Monthly		
	End 1st full year 6/30/41	End of November 1941	End of December 1941	October 1941	November 1941	December 1941
VALUE OF FACIL. ON APPLIC. FOR CERT.OF NECESSITY						
	(Million dollars)					
Total	1,424	p 2,400	p 3,045	340	p 16	p 645
Approved, private funds	829	p 1,166	p 1,400	52	p 120	p 234
Approved, public funds	201	n.a.	n.a.	5	n.a.	n.a.
Disapproved	7	n.a.	n.a.	3	n.a.	n.a.
Pending	387	n.a.	n.a.	280	n.a.	n.a.

^rRevised data.

^pPreliminary data.

n.a. Data not available.

ECONOMIC ACTIVITY RELATED TO THE WAR

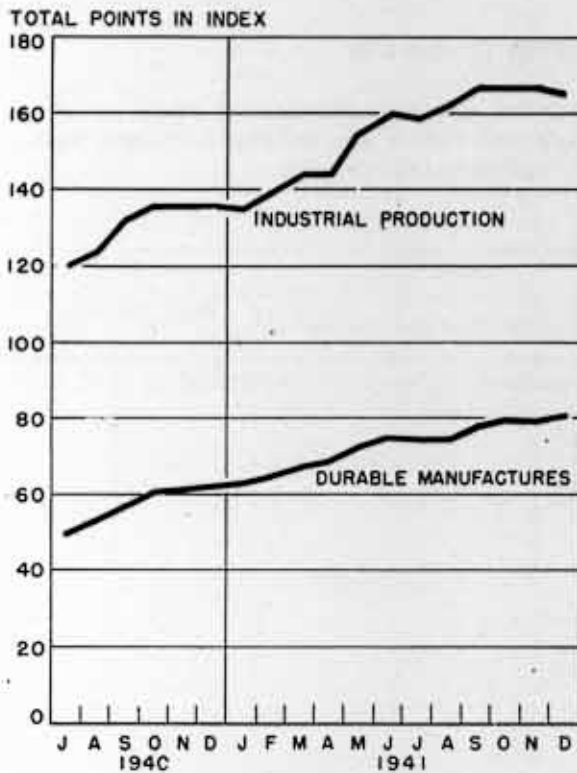
The series on these pages are included for the convenience of readers of War Progress. The data are not confidential and there are no restrictions upon their use through their inclusion in this confidential report.

	1940	1941			1942	
	July	January	November	December	Week Ending	
					Jan. 17	Jan. 24
● FED. RES. BD. PROD. INDEXES		(Unadjusted indexes 1935-39=100)				
Total industrial production	120	135	167	P 165		
Durable manufactures	131	166	209	P 212		
Nondurable manufactures	111	118	143	P 139		
Minerals	121	113	135	P 124		
BUR. FOR. & DOM. COM. MFRS. ORDERS, SHIPMENTS, INVENTORIES			(Indexes)			
New orders, total (1/39=100)	127	176	212			
Shipments, total (1/39=100)	117	148	203			
Inventories, (1939av.mo.=100)	112.2	121.8	152.7			
Durable (1939av.mo.=100)	113.9	132.5	170.3			
Nondurable (1939av.mo.=100)	110.7	112.5	137.4			
● BLS PRICE INDEXES		(Indexes)				
Strategic Materials (8/39=100)	123.6	126.1	143.1	143.9	144.3	145.0
Critical Materials (8/39=100)	107.5	111.7	116.6	118.2	118.9	120.0
Basic Commodities (8/39=100)	108.5	120.5	154.4	158.4	163.8	164.2
Machine Tools (8/39=100)	108.7	114.6	119.7	119.7	-	-
All Commodities (1926=100)	77.7	80.8	92.5	93.6	95.6	95.5
BLS COST OF LIVING INDEX	100.3	100.8	(1935-39 = 100)			
			110.2	110.5		
TRANSPORTATION & ELECTRIC POWER		(Averages)				
Freight cars						
Loadings (thous.per week)	706	684	864	762	811	818
Unloads for export (dly.)	1,502	1,352	1,704	1,834	2,007	1,703
Surplus, total (thous.dly.)	133	110	61	75	70	
Boxcars	57	43	28	27	29	
Coal cars	47	42	18	32	26	
Power prod.(mil.kwh.wkly.)	2,731	3,080	3,378	3,530	3,450	2,440
● NATIONAL INCOME		(Billion dollars, annual rate)				
Total income payments	75.2	81.7	P 96.2			
● FEDERAL DEBT		(Billion dollars, end of month)				
Net public debt	41.6	43.9	52.7	54.4		

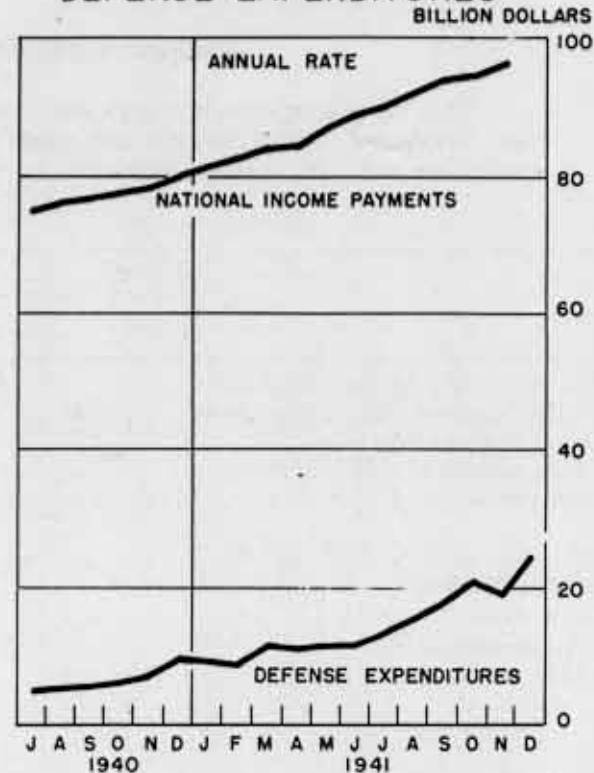
● Graph appears on following page.

P Preliminary data.

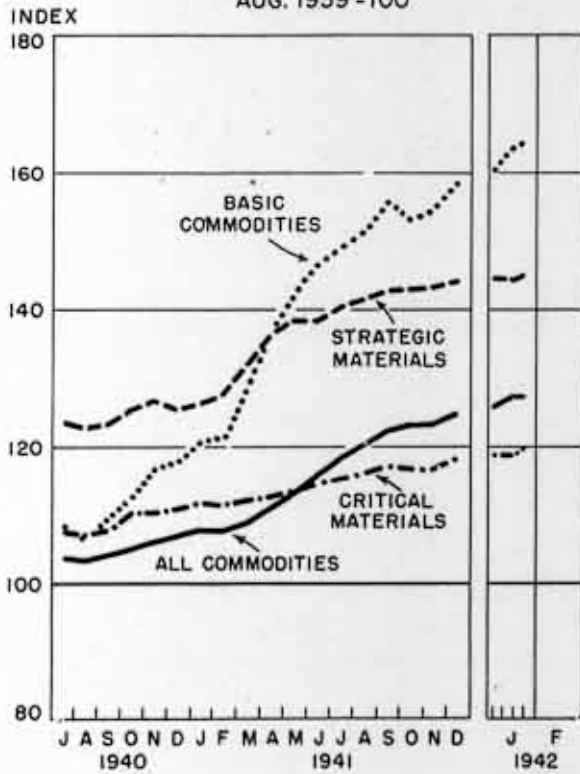
INDUSTRIAL PRODUCTION



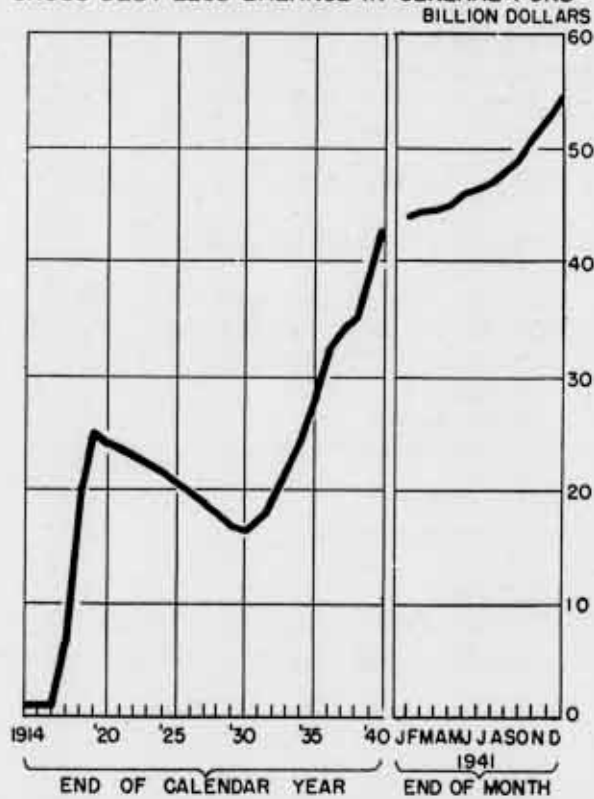
NATIONAL INCOME & DEFENSE EXPENDITURES



WHOLESALE PRICES
AUG. 1939 = 100



NET FEDERAL DEBT, 1914-41
GROSS DEBT LESS BALANCE IN GENERAL FUND



ECONOMIC ACTIVITY RELATED TO THE WAR

	1940	1941		1942		
	July	January	November	December	Week Ending Jan. 17 Jan. 24	
EMPLOYMENT						
			(Thousand workers)			
Total civil nonagricultural	35,904	37,142	40,749	40,940		
Total WPA employment	1,655	1,890	1,056	1,053	1,020	1,025
War industries	Confidential data. See page XII.					
Deep-sea merchant vessels	51	49	49	49		
UNEMPLOYMENT (WPA ESTIMATE)						
			(Million workers)			
Number of unemployed	9.3	7.6	3.9	3.8		
LABOR DISPUTES						
PLANTS WITH IMPORTANT DEFENSE CONTRACTS	Confidential data. See page XII.					
ALL INDUSTRIES						
Number strikes in progress	390	341	P 540	P 350		
Workers involved (thous.)	83	110	P 350	P 65		
Man days idle (thous.)	586	661	P 1,450	P 500		
DEFENSE HOUSING	(Number of dwelling units, cumulative to end of period)					
Fund allocations	1,460	54,083	145,655	184,867	246,394	253,163
Constr. contracts awarded	624	34,791	120,976	121,586	150,593	151,393
Construction completed	0	1,314	65,186	73,012	78,229	80,609

Ppreliminary data.

AXIS MERCHANT SHIPPING LOSSES *

AXIS MERCHANT MARINE LOSSES DURING WORLD WAR II TOTALED 5 MILLION GROSS TONS AT THE END OF 1941. CAPTURE HAS TAKEN THE HEAVIEST TOLL OF AXIS MERCHANTMEN; THE SUBMARINE HAS BEEN THE SECOND MOST FREQUENT CAUSE OF LOSS.

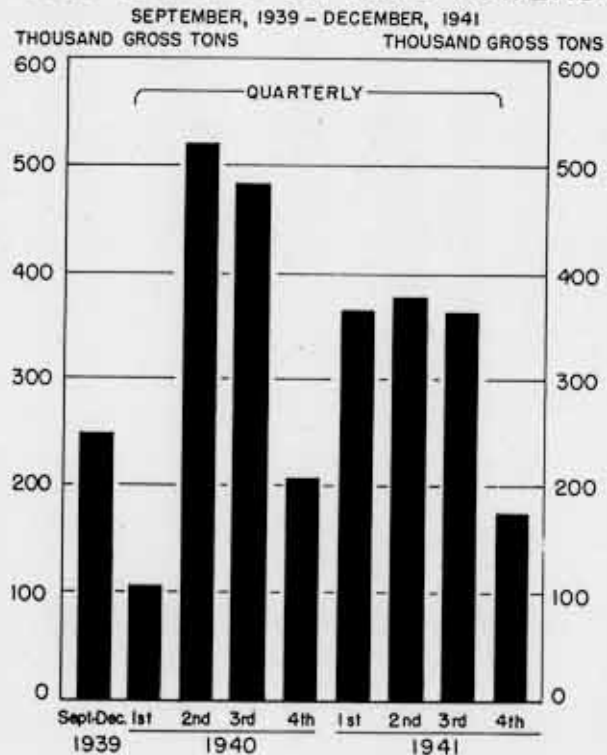
Merchant marine losses of the Axis Powers during World War II are estimated at 5 million gross tons at the end of 1941. This estimated loss equals about one-third of the 1939 Axis Merchant Marine. However, the Axis Powers have built and taken over a substantial but undetermined amount of additional tonnage since the war began.

cerning the remaining 2.2 million gross tons destroyed is less accurate; this, however, includes little, if any, captured tonnage.

Heaviest losses for any period—half a million gross tons—were sustained during the second quarter of 1940, and during the second quarter of 1941 heavy losses were again sustained. In the fourth quarter of 1941 losses were comparatively small despite the outbreak of war in the Pacific.

Axis losses from September 1939 through December 1941 are shown in Chart 1, which is based on data concerning 2.8 million gross tons of lost Axis shipping for which the name of ship, tonnage, and cause of loss are known. Information con-

CHART 1 - MERCHANT MARINE WAR LOSSES OF AXIS POWERS



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February 6, 1942

Number 73

WAR PROGRESS



BRIEFS OF CONTENTS

Page

- TO MEET 1942 MUNITIONS REQUIREMENTS OF NINE MATERIALS—rubber, hides, and selected fibers—there must be extensive reliance on stocks. Unless unexpected large imports become available or domestic production is increased serious shortages are threatened.

- WAR PROGRESS SERIES. Deliveries of military airplanes during January increased more than 10 percent over December and were nine percent above the estimates scheduled under OPM 8-H, according to the weighted index of monthly production. National income paid out during 1941 totaled \$89.4 billion, \$13.7 billion more than the total payments in 1940.

I

SUPPLIES AND REQUIREMENTS OF RUBBER, FIBERS, AND HIDES, 1942

TO MEET 1942 MUNITIONS REQUIREMENTS OF NINE MATERIALS—RUBBER, HIDES, AND SELECTED FIBERS—THERE MUST BE EXTENSIVE RELIANCE ON STOCKS. UNLESS UNEXPECTED LARGE IMPORTS BECOME AVAILABLE OR DOMESTIC PRODUCTION IS INCREASED SERIOUS SHORTAGES ARE THREATENED.

The supplies of raw materials available for the production of military equipment during 1942 will be one of the major factors determining the success of the war program. Shortages of some of these basic materials are imminent. They arise from the increased demands of the war program as well as from smaller than normal supplies, also resulting from the war. The 1942 supplies and requirements of a group of war materials including rubber, fabrics, and hides, shortages of which arise largely from the elimination of important sources of supply, are treated here. Similar estimates relative to other groups of basic materials will follow in sub-

sequent issues. Figures for military requirements are rough preliminary estimates for the \$40 billion munitions program for 1942. Particularly in the cases of manila fiber, rubber, cotton linters, and cattle hides it is to be noted that the figures do not include possible drains on our supplies to meet the needs of our allies. In general, therefore, the figures on requirements should be considered as minima and those for supplies as maxima.

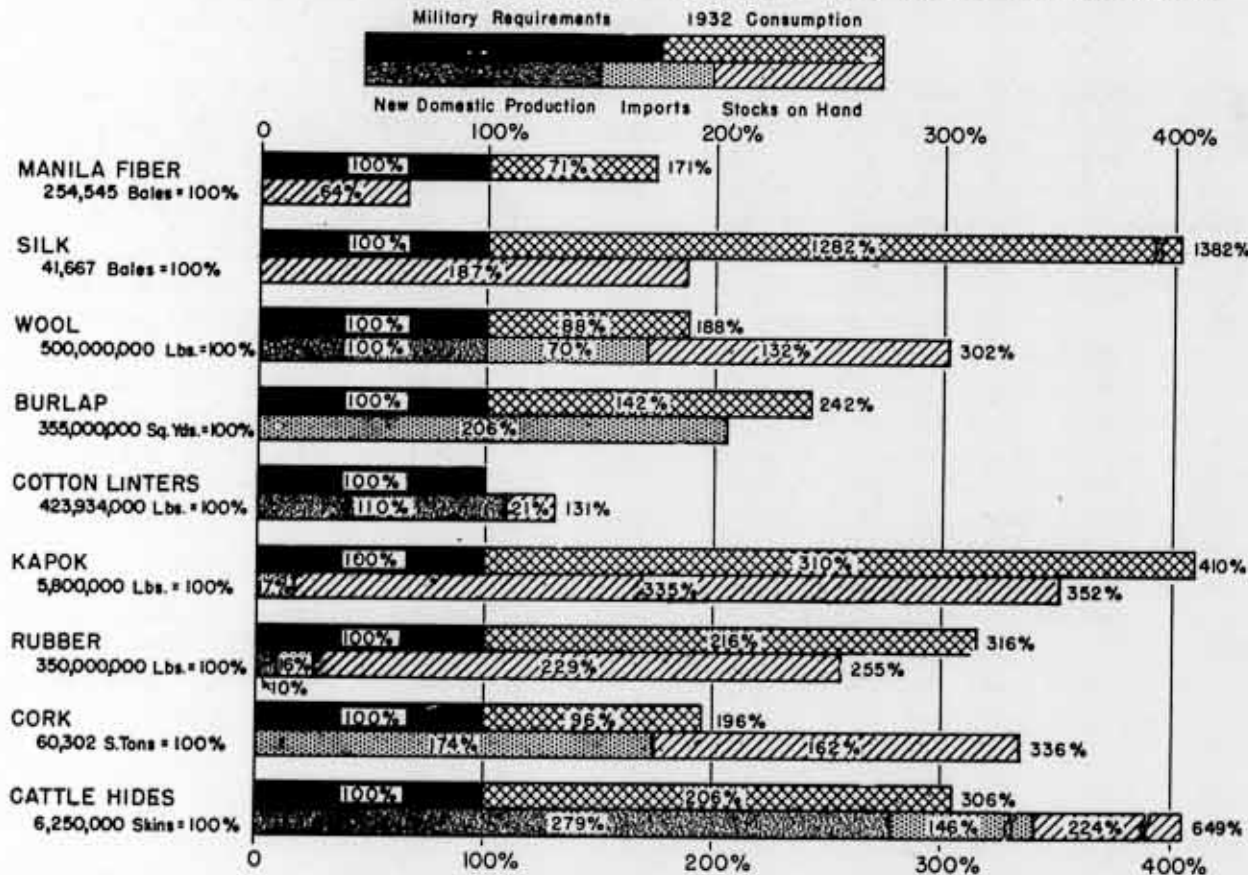
Estimated military requirements for kapok, manila fiber, rubber, and silk exceed the expected new sup-

plies during 1942. From the accompanying chart it can be seen that part of the requirements of these materials will have to be met from accumulated reserves. It is clear that in most of these cases civilian requirements cannot be met. In order to provide a rough measure of the requirements of these materials for the civilian needs of the United States, their consumption in the year 1932 has been added as an extension to the military requirements.

Shortages of manila fiber will

create one of the most serious problems in this group of materials during 1942. In the past practically the sole source of world supply of this fiber was the Philippines from which no new supplies are expected in 1942. Manila rope has been considered indispensable by both the Navy and Merchant Marine, but in view of the shortage of fiber, substitutes will have to be employed. With the elimination of the world's major source for manila fiber the requirements of the navies of our allies will also be seriously defi-

1942 SUPPLIES AND REQUIREMENTS FOR FIBERS, RUBBER AND HIDES



cient. For essential uses it is likely that even our limited supply may have to be divided so that the most essential requirements of the other United Nations may be met. The best substitute for manila fiber in rope for naval uses is sisal, the principal source of which has, in the past, been the Dutch East Indies; the principal secondary source has been British Africa. Sufficient supplies of sisal as a substitute for manila fiber in making rope can only be met by arrangements with the British who control the supplies produced in Africa. With the highly restricted supply of manila fiber and of sisal it appears clear that only the direct military requirements of these materials can be met, and that substitutes made of steel, henequen, cotton, leather, or other materials will have to be developed.

The main source of silk was cut off during the past summer when commercial relations with Japan were severed by the freezing of Japanese funds in the United States. The indicated stock of waste and raw silk, which is subject to strict governmental control, is large enough to supply the estimated military needs for some two years but there will be little silk for civilian uses. Substitutes for silk have been found for all military uses except for powder bags, although some military parachutes are still being made of this material.

The chart indicates that the present reserve of rubber will supply the estimated United States military needs for some two years. The elimination of Far Eastern sources of crude rubber, however,

will make it necessary for us to aid in meeting the military requirements of our allies which have not been included in our figures. The estimates of imports for 1942 do not include imports from Malaya and the Dutch East Indies although it is reported that 170 million pounds, or about half the military requirements for 1942, not included in the estimates of imports, came in from the Far East during January of this year. An additional one-fourth of the estimated military requirements for 1942 is expected from domestic production of synthetic rubber, production from the guayule plant from the United States and Mexico, and imports of crude rubber from Latin American countries and Africa. Output of reclaimed rubber, normally equal to about a third of the annual consumption of crude, is not included in the data on new supplies or stocks. Indirect rubber requirements of munitions production have not been classified as military requirements. They must be met, however, before stocks are diverted to other less essential civilian uses.

The chart shows a comparatively favorable balance between military requirements and new supply of cork if the expected new supply, which must come from Portugal and Spain, materializes. Current monthly imports are at a rate larger than that required to yield the estimated new supply. Reserves will more than supply the estimated military needs, which include floatation devices, lifesaving appliances, pontoon bridges, and others, during the present year. Rubber and kapok are interchangeable with cork in some uses, but cannot be considered as full substitutes.

The United States supply of kapok has come principally from the Dutch East Indies, but Latin America is the source of the estimated new supply shown on the chart. Stocks appear to be large enough to supply the estimated military requirements for about three years. Supplies in hands of importers, dealers, and manufacturers have been frozen and are subject to governmental control.

The new supply of apparel wool will be more than adequate for military requirements during 1942. It is expected that about 500 million pounds of the new supply, or more than has been grown in recent years, will be produced domestically, and the remainder, 350 million pounds, imported largely from South America. There is a stock equal to more than a year's military requirements of wool on hand, a third of which came from Australia and is being retained under the Australian wool agreement.

The estimates of the new supply of burlap, shown on the chart, are based on India as the principal source. If the supply of burlap should be cut off there is a possibility of substituting heavy cotton

cloth (osnaburgs) for the principal military uses of burlap--camouflage material and sand bags.

The new supply of purified cotton linters, important in the production of smokeless powder, exceeds estimated military requirements for the present year. United States supplies of cotton linters come from both domestic production and imports, Brazil being the principal foreign source. The quantity of cotton linters is largely determined by the size of the annual cotton crop, although a readjustment of delinting machinery may increase the supply.

The statistical balance between military requirements and supply of cattle hides indicates a favorable position, although it may be necessary for the United States to aid others of the United Nations in meeting their military requirements. The new domestic production is supplemented by imports from Latin American countries. It may become necessary, due to lack of ocean shipping, to cut down on imports of cattle hides. Civilian consumption may have to be restricted.

WAR PROGRESS SERIES

Delivery of Military Airplanes in January

Deliveries of military airplanes during January increased more than 10 percent over December and were eight percent above the estimates scheduled under OPM 8-H, according to the weighted index of monthly production. The January index of 100 is nine points above the previous high of 91 established in December. In terms of the index the delivery of all pursuit ships increased 35 percent while the delivery of transports and observations increased more than 15 percent, and trainers almost 40 percent. Total bomber deliveries in January did not equal the December figure.

The weighted index of total cumulated deliveries of airplanes as of February 1, 1942 stood at 67, more than six times the figure of 11 recorded one year ago. The index of production requirements on the first of the year was 535, 62 percent of which (335 points in the index) had been financed.

National Income

Income payments in 1941 amounted to \$89.4 billion, 18 percent above 1940. Payments in December rose 14 percent over November, due largely to increases in railroad wages which were retroactive for six weeks and were paid in December.

Capture has taken the heaviest toll of Axis merchantmen for which the cause of loss is known. These vessels have been utilized to advantage by the anti-Axis Powers. As

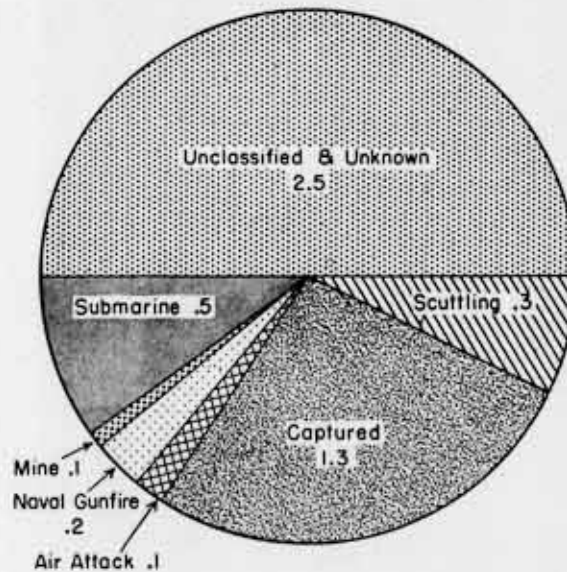
Chart 2 indicates, the submarine, the second highest cause of loss, has been a more potent instrument of destruction of Axis shipping than the airplane, mine, or naval gunfire.

* Prepared from information furnished by the Office of Naval Intelligence.

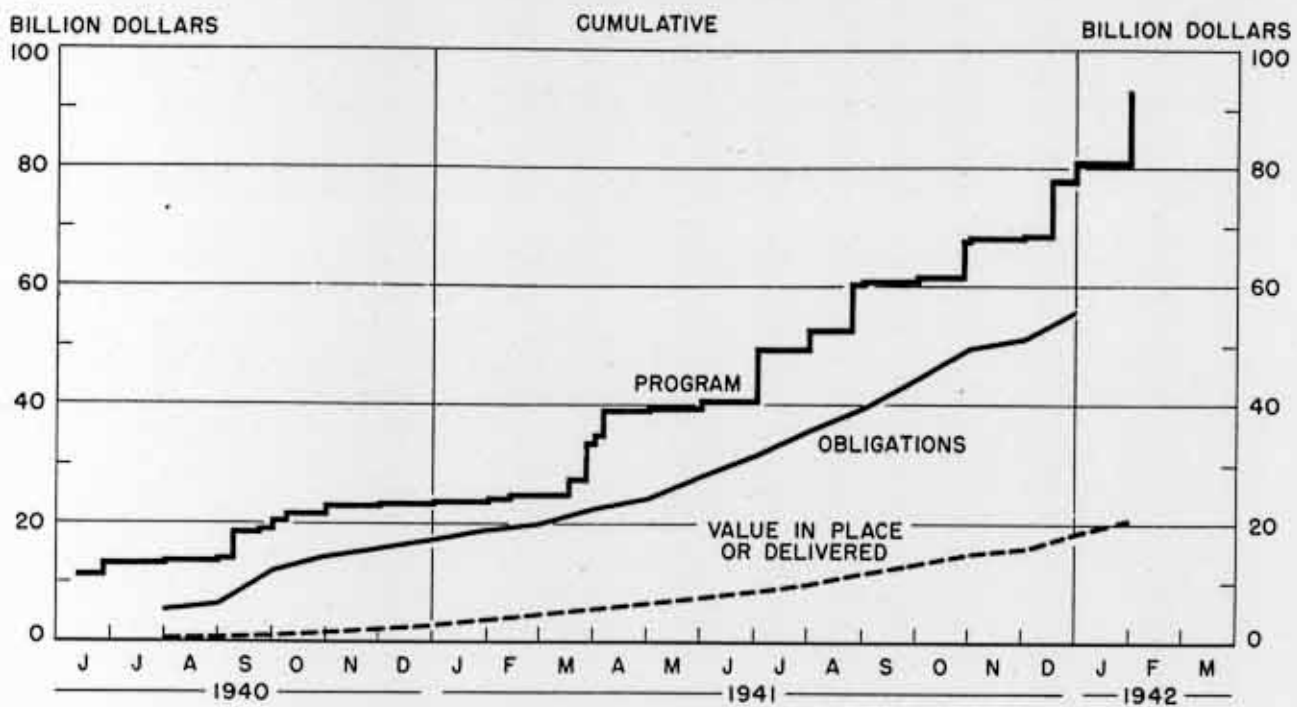
CHART 2- AXIS MERCHANT MARINE WAR LOSSES BY CAUSES

SEPT. 1939 - DEC. 1941
MILLION GROSS TONS

Total Losses = 5.0 Million Gross Tons



TOTAL WAR PROGRAM



WAR PROGRESS SERIES

TOTAL UNITED STATES WAR PROGRAM

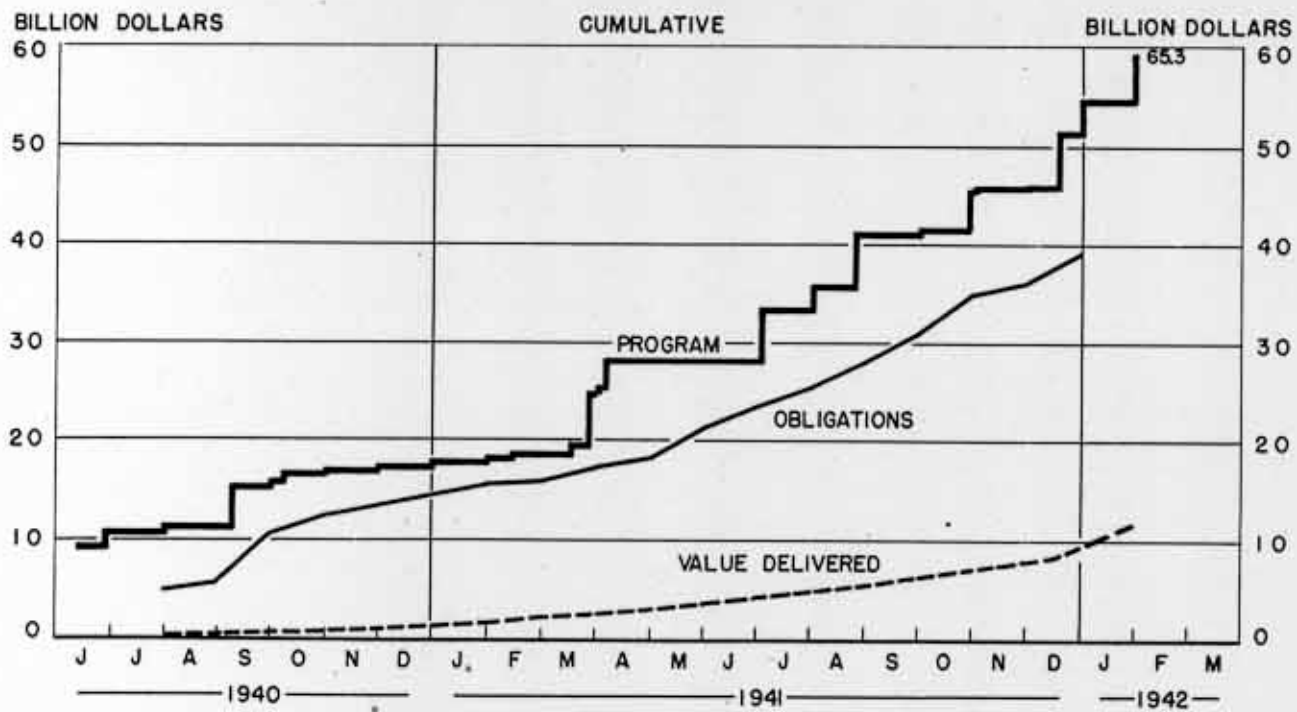
FINANCIAL PROGRAM SUMMARY	Cum. 6/11/40 to		Monthly			
	End 1st full year 6/30/41	End of December 12/31/41	December 1940	November 1941	December 1941	January 1942
(Million dollars)						
● TOTAL WAR PROGRAM IN U.S. ^a						
Program	r 40,861	P 80,539	542	r 166	P 12,166	P 12,556
Unobligated balance	9,274	P 24,035	-	-	-	-
Obligations	r 31,587	P 56,504	1,622	r 1,822	P 5,063	n. a.
Value delivered and/or in place	r 8,547	18,388	r 817	P 1,750	2,083	P 2,370
Checks paid	r 8,535	17,895	r 671	P 1,611	P 2,100	n. a.
U. S. FINANCED PROGRAM ^b						
Program	37,075	r 76,473	80	126	r 12,144	P 12,556
Unobligated balance	9,274	r 24,035	-	-	-	-
Obligations	27,801	52,438	1,160	1,782	5,041	n. a.
Checks paid ^d	6,431	15,251	483	P 1,532	P 1,997	n. a.
TREASURY GENERAL FUND ^c						
Program	34,452	r 71,343	0	131	r 11,057	P 12,556
Unobligated balance	7,802	r 22,479	-	-	-	-
Obligations	26,650	48,869	1,007	1,437	4,632	n. a.
Checks paid by U. S. Treasury ^d	6,081	14,295	470	1,437	1,847	1,771 ^e
MUNITIONS PROD. & WAR CONSTRUCTION						
Program	r 37,027	P 69,278	534	r 195	P 10,478	P 12,556
Unobligated balance	7,597	P 18,372	-	-	-	-
Obligations	r 29,430	P 50,906	1,468	r 1,421	P 4,385	n. a.
Value delivered and/or in place ^e	r 6,795	14,565	r 695	r 1,390	1,680	P 1,960
Value not delivered nor in place	r 22,635	P 36,341	-	-	-	-
NON-MUNITIONS ITEMS, TOTAL						
Program	3,834	P 11,261	8	-29	P 1,688	P 0
Unobligated balance	1,677	P 5,663	-	-	-	-
Obligations	2,157	P 5,598	154	401	P 678	n. a.
Checks issued by agencies ^e	1,752	P 3,823	122	P 360	P 403	P 410

Table continued on page V.

● Graph appears on opposite page.

For footnotes see Page X.

MUNITIONS PRODUCTION



WAR PROGRESS SERIES
TOTAL UNITED STATES WAR PROGRAM

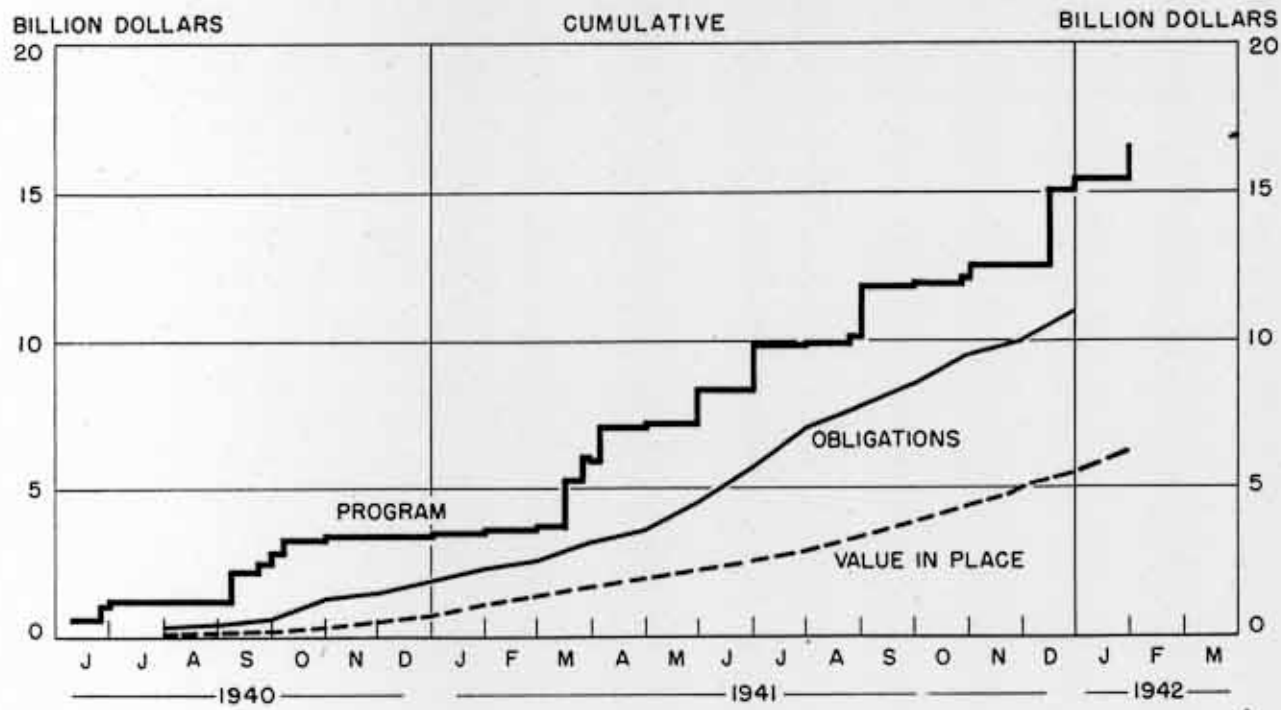
FINANCIAL PROGRAM	Cum. 6/11/40 to		Monthly			
	End 1st full year 6/30/41	End of December 12/31/41	December 1940	November 1941	December 1941	January 1942
(Million dollars) BREAKDOWN OF MUNITIONS PRODUCTION						
●MUNITIONS PRODUCTION, TOTAL						
Program	r 28,566	P 53,738	442	r 163	P 7,627	P 11,593
Unobligated balance	4,901	P 13,929	-	-	-	-
Obligations	r 23,665	P 39,809	1,118	r 1,009	P 3,327	n. a.
Value delivered an/or in place ^e	r 4,290	8,915	r 435	r 870	1,050	P 1,270
Value not delivered nor in place	r 19,375	P 30,894	-	-	-	-
AIRPLANES, PARTS & ACCESSORIES						
Program	r 8,582	P 15,072	169	r -9	P 1,788	P 9,041
Obligations	r 7,381	P 13,298	191	r 692	P 1,443	n. a.
Value delivered	1,010	2,265	80	215	290	P 345
ORDNANCE						
Program	7,778	P 17,488	71	r 125	P 3,902	P 1,548
Obligations	5,418	P 10,354	249	r -290	P 610	n. a.
Value delivered	700	1,675	35	180	240	P 275
NAVAL SHIPS						
Program	6,796	r 9,605	0	498	r 872	P 0
Obligations	6,442	7,930	301	43	382	n. a.
Value delivered an/or in place	r 810	1,650	r 60	r 160	185	P 200
MERCHANT SHIPS						
Program	1,442	P 3,288	100	-466	P -54	P 0
Obligations	1,484	P 2,381	103	78	P 52	n. a.
Value delivered an/or in place	190	455	15	60	85	P 85
OTHER MUNITIONS AND SUPPLIES						
Program	3,968	P 8,285	102	15	P 1,119	P 1,004
Obligations	2,940	P 5,846	274	486	P 840	n. a.
Value delivered	1,580	2,870	245	255	250	P 365

Table continued on page VII.

For footnotes see Page X.

●Graph appears on opposite page.

WAR CONSTRUCTION



WAR PROGRESS SERIES
TOTAL UNITED STATES WAR PROGRAM

FINANCIAL PROGRAM	Cum. 6/11/40 to		Monthly			
	End 1st full year 6/30/41	End of December 12/31/41	December 1940	November 1941	December 1941	January 1942
(Million dollars)						
BREAKDOWN OF WAR CONSTRUCTION						
● WAR CONSTRUCTION, TOTAL (LAND, BLDGS., EQUIP.)						
Program	8,461 ^P	15,540	92	32 ^P	2,851 ^P	963 ^P
Unobligated balance	2,696 ^P	4,443	-	-	-	-
Obligations	5,765 ^P	11,097	350	412 ^P	1,058 ^P	n. a.
Value in place	2,505	5,650	260	520	630	690 ^P
Value not in place	3,260 ^P	5,447	-	-	-	-
INDUSTRIAL FACILITIES (LAND, BLDGS., EQUIP.)						
Program	5,120 ^P	8,085	92	11 ^P	528 ^P	963 ^P
Obligations	2,865 ^P	6,291	247	213 ^P	810 ^P	n. a.
Value in place	960	2,800	60	300	400	450 ^P
INDUSTRIAL FACILITIES, BUILDINGS ONLY						
Program	1,607	3,137	n. a.	155	153	n. a.
Value in place	575	1,753	n. a.	202	209	n. a.
POSTS, DEPOTS, STATIONS						
Program	2,849	6,063	0	21	1,573	0 ^P
Obligations	2,625	4,381	74	185	246	n. a.
Value in place	1,430	2,510	200	190	190	200 ^P
DEFENSE HOUSING						
Program	492	1,392	0	0	750	0 ^P
Obligations	275	425	29	14	2	-
Value in place	115	340	0	30	40	40 ^P
BREAKDOWN OF NON-MUNITIONS						
NON-MUNITIONS, TOTAL						
Program	3,834 ^P	11,261	8	-29 ^P	1,688 ^P	0 ^P
Unobligated balance	1,677 ^P	5,663	-	-	-	-
Obligations	2,157 ^P	5,598	154	401 ^P	678 ^P	n. a.
Checks issued by agencies	1,752 ^P	3,823	122	360 ^P	403 ^P	410 ^P
STOCKPILE						
Program	983	2,399	3	0	768	0 ^P
Obligations	470	1,050	45	50	90	n. a.
Checks issued by agencies	192 ^P	488	14	42 ^P	83 ^P	80 ^P
AGRICULTURAL EXPORTS (LEND-LEASE)						
Program	625	1,522	-	7	0	0 ^P
Obligations	66	561	-	61	108	n. a.
Checks issued by agencies	1	211	-	45	40	45 ^P

Table continued on following page.
● Graph appears on opposite page.

For footnotes see Page X.

WAR PROGRESS SERIES
TOTAL UNITED STATES WAR PROGRAM

FINANCIAL PROGRAM	Cum. 6/11/40 to		Monthly			
	End 1st full year 6/30/41	End of December 12/31/41	December 1940	November 1941	December 1941	January 1942
(Million dollars)						
NON-MUNITIONS (CONTINUED)						
PAY, SUBSISTENCE & TRAVEL ^f						
Army Military						
Program	944	3,013	0	0	450	0
Obligations	934	2,030	60	150	196	n. a.
Checks issued	696	1,510	43	144	148	150
Navy Military						
Program	378	963	0	159	0	0
Obligations	334	610	32	62	58	n. a.
Checks issued	388	640	31	43	43	45
Civilian Payroll						
Program	32	247	0	0	77	0
Obligations	32	140	6	10	13	n. a.
Checks issued	356	684	28	60	60	60
MISCELLANEOUS NON-MUNITIONS						
Program	872	3,117	5	-195	393	0
Obligations	321	1,207	11	68	213	n. a.
Checks issued by agencies	119	290	6	26	29	30

BREAKDOWN BY AGENCIES

AGENCIES INCLUDED IN TREASURY GENERAL FUND

U. S. ARMY						
Program	13,134	31,981	0	0	7,376	12,526
Obligations	11,404	23,334	491	404	2,332	n. a.
Checks paid by U. S.						
Treasury	3,636	7,889	282	704	976	906 ^B
U. S. NAVY						
Program	12,308	20,024	0	64	2,333	0
Obligations	11,182	16,327	473	421	1,225	n. a.
Checks paid by U. S.						
Treasury	2,217	4,726	178	441	494	456 ^B
LEND-LEASE						
Program	7,000	12,985	-	0	0	0
Allocations	5,177	11,148	-	2,415	1,949	n. a.
Obligations	2,458	6,282	-	430	1,026	n. a.
Checks Paid by U. S.						
Treasury	21	910	-	198	256	299 ^B

Table continued on following page.

For footnotes see Page X.

WAR PROGRESS SERIES
TOTAL UNITED STATES WAR PROGRAM

FINANCIAL PROGRAM	Cum. 6/11/40 to		December 1940	Monthly		January 1942
	End 1st full year 6/30/41	End of December 12/31/41		November 1941	December 1941	
(Million dollars)						
AGENCIES INCLUDED IN TREASURY GENERAL FUND (CONT'D)						
U. S. MARITIME COMMISSION						
Program	784	2,734	0	67	-1	0 ^P
Obligations	886	1,724	3	86	3	n. a.
Checks paid by U. S. Treasury (net)	44	156	-3	26	36	43 ^E
OTHER U. S. AGENCIES						
Program	1,226	3,619	0	0	1,349	30
Obligations	720	1,202	40	96	46	n. a.
Checks paid by U. S. Treasury	163	614	13	68	85	67 ^E
ADDITIONAL AGENCIES INCLUDED IN U. S. FINANCED PROGRAM						
R. F. C. AND SUBSIDIARIES						
Program	2,623	5,130	80	-5	1,087	0 ^P
Obligations	1,151	3,569	153	345	409	n. a.
Checks issued by R.F.C.	350 ^P	956	13	95 ^P	150 ^P	n. a.
ADDITIONAL AGENCIES INCLUDED IN TOTAL WAR PROGRAM						
FOREIGN ORDERS						
Program (Orders)	^F 3,786	^P 4,066	462	^F 40	^P 22	0 ^P
Obligations	^F 3,786	^P 4,066	462	^F 40	^P 22	n. a.
Checks issued by Purchasing Missions	^F 2,104	^P 2,644	^F 188	^F 79	^P 103	n. a.

For footnotes see Page X.

FOOTNOTES

WAR PROGRESS SERIES

Data on obligations and unobligated balances are tentative pending determination of reserves not available for immediate obligation.

n.a. Not available

^r Revised

^p Preliminary

^aTotal war program includes all funds and authorizations made available for war purposes by the United States Government plus foreign orders placed in this country since November 1939. The major portion of the existing program has been approved since June 11, 1940, but some authorizations (particularly portions of the naval expansion program, the merchant shipbuilding program, and the stockpile program) were made available even earlier. All funds are shown during the fiscal year in which they are available for obligation.

^bUnited States financed program includes the war activities of all United States Government agencies (including Lend-Lease) plus the war activities of government owned corporations, but does not include foreign orders.

^cUnited States Treasury General Fund includes the war activities of all United States Government agencies (including Lend-Lease). It does not include the activities of government owned corporations or foreign orders in the United States.

^dChecks paid include (1) all checks paid out of the Treasury General Fund (cf. footnote c); (2) checks issued by the Reconstruction Finance Corporation and subsidiary Government corporations; (3) checks issued by foreign purchasing commissions.

^eValue delivered and/or in place includes (1) value delivered and/or in place for ships and value of production for other munitions, (2) value in place for war construction, and (3) checks issued by finance officers for non-munitions items.

^fProgram and obligations for pay for civilians and for the Navy include only that specifically mentioned in appropriation bills, while the cash disbursement figures include, in addition, executive war pay which cannot be separately distinguished in the appropriation bills.

^gReport on checks paid by the Treasury for the account of the Maritime Commission makes allowance for receipts credited to the Construction Loan Fund.

^rData on foreign orders (program, obligations, and cash disbursements) have been revised to include purchases made by the Netherlands, China, and other nations in this country through their own funds. These additions have necessitated revisions in the data on munitions production, and consequently, in the data on Total Munitions Production and War Construction and the Total War Program.

Revisions have been made in the data on program, obligations, and checks issued, due to a reallocation of funds between "agricultural and miscellaneous exports" and "other munitions and supplies". "Agricultural commodities" now includes only the foodstuffs being purchased under the Lend-Lease Program.

WAR PROGRESS SERIES

WAR EQUIPMENT INDEXES

	● Airplanes		Combat Vehicles		Army-type Guns		Ammunition		Major Combat Ships		Merchant Ships	
	SCHED. AS OF JAN. 1	ACTUAL AS OF JAN. 1	SCHED. AS OF JAN. 1	ACTUAL AS OF JAN. 1	SCHED. AS OF JAN. 1	ACTUAL AS OF JAN. 1	SCHED. AS OF JAN. 1	ACTUAL AS OF JAN. 1	SCHED. AS OF OCT. 1	ACTUAL AS OF OCT. 1	SCHED. AS OF AUG. 1	ACTUAL AS OF AUG. 1
MONTHLY PRODUCTION RATE DURING												
Average monthly production FY 1942=100												
1940												
July		16	a {		a {		b {			27		9
December		26	7		14		11			38		18
1941												
March		34	11		30					44		25
June		45	31		41		13			55		24
September		61	73		67		20			87		33
October		68	95		84		22	71	109			49
November		63	91		71		32	98	109		80	74
December		91	127		130		66	82			93	
1942												
January	93	P100	128		110		101	90	109		110	
February	103		146		137		135	125	98		126	
March	117		175		154		149	161	115		144	
June	154		235		170		244	300	126		161	
September	190		28		152		311	439	148		155	
December	214		16		118		396	590	137		148	
Av. mo. prod. FY 1942	100		100		100		100		100		100	
Peak month	214 (12/42)		285 (7/42)		186 (7/42)		590 (12/42)		169 (11/42)		161 (7/42)	
TOTAL CUMULATIVE PRODUCTION TO:												
Total production FY 1942 = 100												
1940												
July 31		1								2		1
December 31		8	4		7					16		6
1941												
March 31		16	6		13		c 9			27		12
June 30		27	12		22		11			42		18
September 30		41	28		38		15			61		25
October 31		46	36		44		17	61	70			29
November 30		51	44		50		20	69	79		39	35
December 31		59	54		61		26	76		47		
1942												
January 31	67	P 67	65		70		33		85		56	
February 28	75		77		82		43		93		67	
March 31	85		92		95		57		103		79	
June 30	121		143		134		117		133		119	
September 30	166		193		177		216		167		158	
December 31	218		197		210		350		204		196	
Total production FY 1942	100		100		100		100		100		100	
Prod. requirements, Jan. 1												
Financed	335		431		404		451		d 452		d 321	
Pending	200		251		155		318		0		0	
Ordered to January 1	303		195		260		305		d 452		d n.a.	
To be ordered as of Jan. 1	32		236		144		146		0		n.a.	
INVENTORIES												
July 1, 1940		15	e 7		n.a.		e 22		277		282	
January 1, 1942		47	31		n.a.		24		d 337		d 275	

P Preliminary data
 a Average July 1, 1940 - Dec. 31, 1940
 December 1, 1941

n.a. Data not available
 b Average July 1, 1940 - Apr. 30, 1941
 e July 1, 1941 c April 30, 1941
 ● Graph appears on following page.

WAR PROGRESS SERIES

The Presidential Budget and the War Program

In his annual message to Congress on January 6, 1942, the President estimated that war expenditures during fiscal year 1943 would be \$56 billion.

At the present time the total war program, including the Reconstruction Finance Corporation and foreign orders, is over \$78 billion. The President has made an initial request for a war appropriation of \$13.6 billion. This will add only \$8 billion to the program, since \$5.6 billion is for liquidation of prior contract authorizations. The President's 1943 budget carries in addition a total of \$17 billion for supplemental items. Total funds for the war program will thus shortly exceed \$100 billion.

Combat Vehicle Production in December

The December index^a of production for combat vehicles reached an all-time high of 117, according to preliminary data. This was 26 points higher than the November figure of 91 and only 5 percent below the scheduled output for December established on November 1, 1941.

An encouraging aspect of the production picture is the steadily increasing monthly output of tanks since the beginning of 1941. December output was almost 30 percent higher than the November figure. Production of personnel carriers in December was 35 percent over November.

The weighted index of total production as of December 31, 1941 stood at 53. While this was 13 times greater than the index of 4 recorded one year ago, it was only 25 percent of the production requirements financed up to December 1, 1941.

December Production of Army-type Guns and Ammunition

Preliminary figures indicate that production of Army-type guns for December will be far in excess of the November output, and go beyond the monthly schedule. On the basis of preliminary figures, the index of monthly production has increased 47 points over the November figure of 71 to reach a new high of 118. This is 17 points ahead of scheduled output for December.

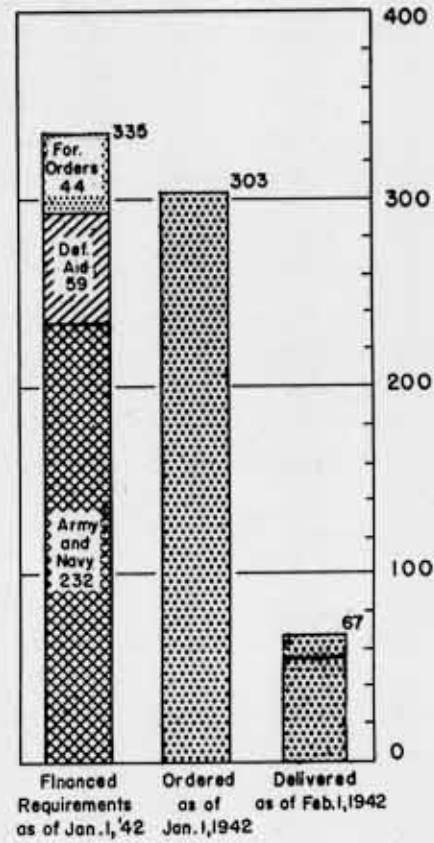
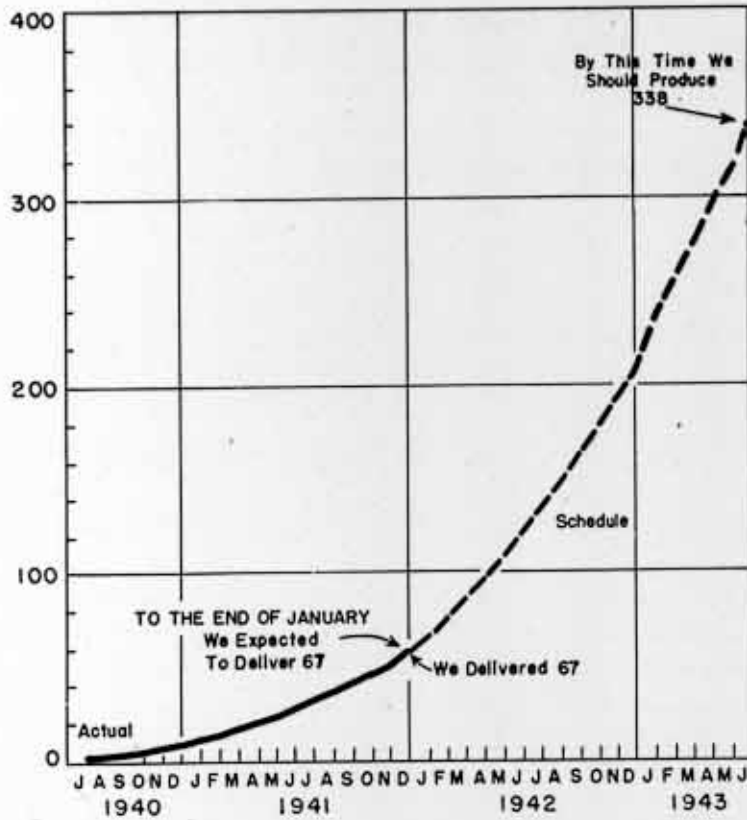
December output in all the major gun categories recorded substantial gains over November. As measured by the indexes, production of field artillery guns almost quadrupled and output of antiaircraft cannon and airplane armament doubled.

The December index of production for ammunition reached a new high of 66, according to preliminary figures. This represented a 34 point increase over the November index of 32, and was 8 percent ahead of the scheduled December output estimated on November 1, 1941.

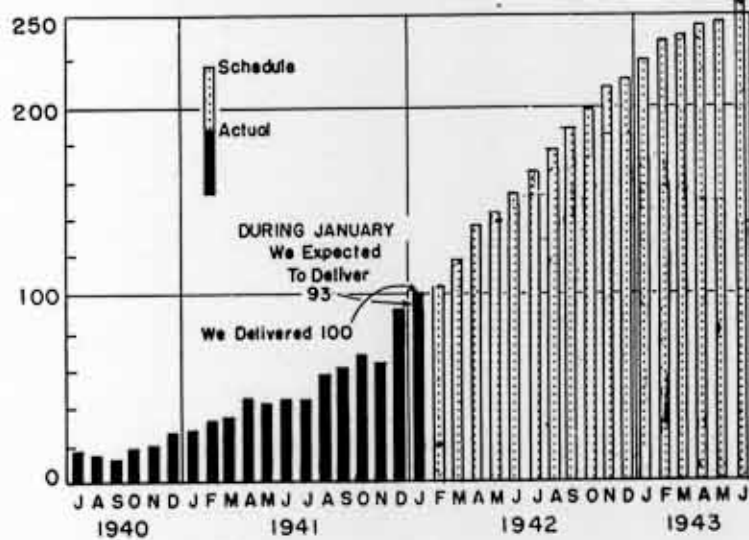
The chief source of this gain was the highly accelerated output of ammunition for antiaircraft and field artillery guns. In both in-

MILITARY AIRPLANES

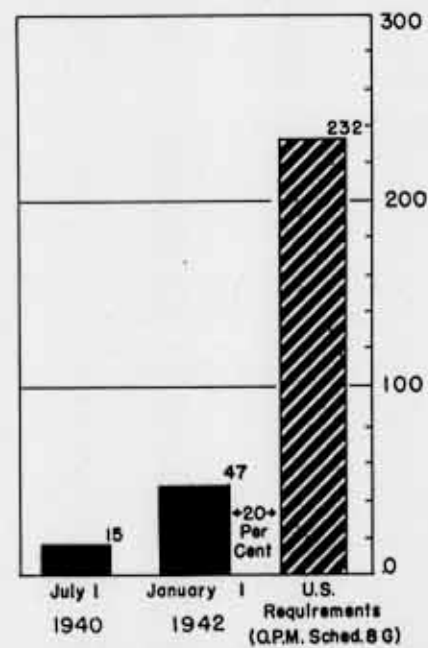
INDEX OF CUMULATIVE TOTAL PRODUCTION
TOTAL PRODUCTION F.Y. 1942=100



INDEX OF PRODUCTION DURING MONTH
AVGE MONTHLY PRODUCTION, F.Y. 1942=100



U.S. INVENTORIES
TOTAL PROD, F.Y. 1942 = 100



ECONOMIC ACTIVITY RELATED TO THE WAR

	1940	1941				
	July	January	October	November	December	P
EMPLOYMENT IN WAR INDUSTRIES						
		(Thousand workers)				
Private, 18 major industries	1,660	2,038	2,733	2,781		
Private contractors; public construction	13	448	501	617		
Public	117	171	248	263		
Total	1,790	2,657	3,482	3,661		
		Cumulative 6/11/40 through			Monthly	
	End 1st full year 6/30/41	End of November 1941	End of December 1941	October 1941	November 1941	December 1941
VALUE OF FACIL. ON APPLIC. FOR CERT. OF NECESSITY						
		(Million dollars)				
Total	1,424	P 2,640	P 3,285	340	P 256	P 645
Approved, private funds	829	P 1,166	P 1,400	52	P 120	P 234
Approved, public funds	201	n. a.	n. a.	5	n. a.	n. a.
Disapproved	7	n. a.	n. a.	3	n. a.	n. a.
Pending	387	n. a.	n. a.	280	n. a.	n. a.

Preliminary data.

n. a. Data not available.

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ECONOMIC ACTIVITY RELATED TO THE WAR

The series on these pages are included for the convenience of readers of War Progress. The data are not confidential and there are no restrictions upon their use through their inclusion in this confidential report.

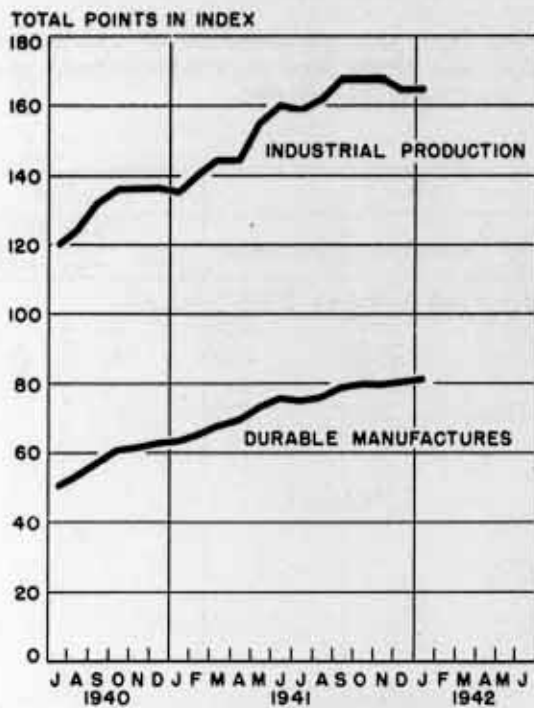
	1940	1941			1942	
	July	January	November	December	Week Ending Jan. 24	Jan. 31
(Unadjusted indexes 1935-39=100)						
FED. RES. BD. PROD. INDEXES						
Total industrial production	120	135	167	164	-	P 164
Durable manufactures	131	166	209	211	-	P 213
Nondurable manufactures	111	118	143	139	-	P 137
Minerals	121	113	135	124	-	P 127
(Indexes)						
BUR. FOR. & DOM. COM. MFRS. ORDERS, SHIPMENTS, INVENTORIES						
New orders, total (1/39=100)	127	176	212			
Shipments, total (1/39=100)	117	148	203			
Inventories, (1939av.mo.=100)	112.2	121.8	152.7			
Durable (1939av.mo.=100)	113.9	132.5	170.3			
Nondurable (1939av.mo.=100)	110.7	112.5	137.4			
(Indexes)						
BLS PRICE INDEXES						
Strategic Materials (8/39=100)	123.6	126.1	143.1	143.9	145.0	145.1
Critical Materials (8/39=100)	107.5	111.7	116.6	118.2	120.0	120.0
Basic Commodities (8/39=100)	108.5	120.5	154.4	158.4	164.2	164.9
Machine Tools (8/39=100)	108.7	114.6	119.7	119.7	-	-
All Commodities (1926=100)	77.7	80.8	92.5	93.6	95.5	95.9
(1935-39 = 100)						
BLS COST OF LIVING INDEX	100.3	100.8	110.2	110.5		
(Averages)						
TRANSPORTATION & ELECTRIC POWER						
Freight cars						
Loadings (thous. per week)	706	684	864	762	818	816
Unloads for export (dly.)	1,502	1,352	1,704	1,834	1,703	1,962
Surplus, total (thous. dly.)	133	110	61	75	63	
Boxcars	57	43	28	27	26	
Coal cars	47	42	18	32	21	
Power prod. (mil. kwh. wkly.)	2,731	3,080	3,378	3,530 ^F	3,440	3,468
(Billion dollars, annual rate)						
NATIONAL INCOME						
Total income payments	75.2	81.7	96.3 ^P	99.9		
(Billion dollars, end of month)						
FEDERAL DEBT						
Net public debt	41.6	43.9	52.7	54.4	-	Jan. 56.8

Graph appears on following page.

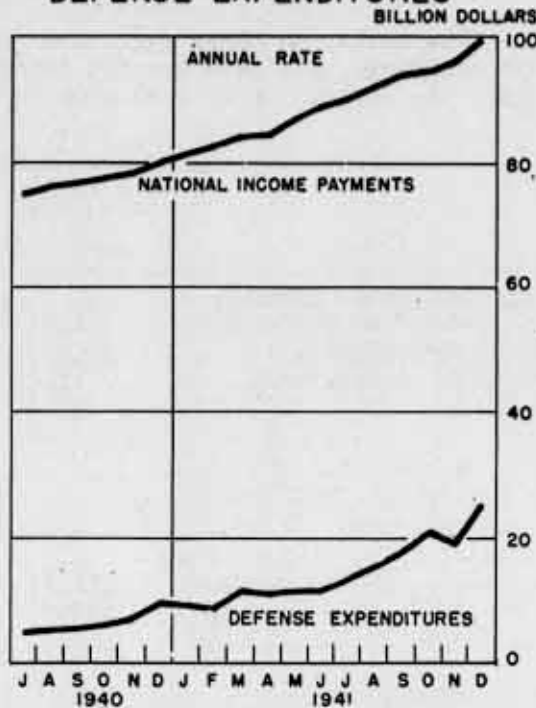
^PPreliminary data.

Revised data.

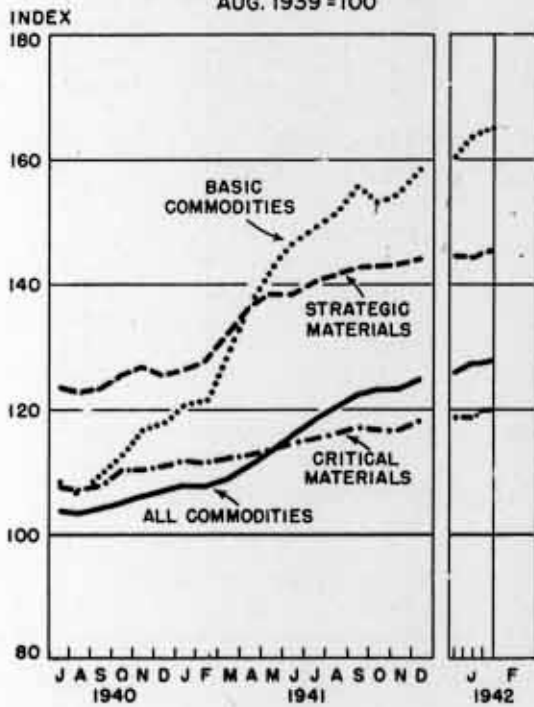
INDUSTRIAL PRODUCTION



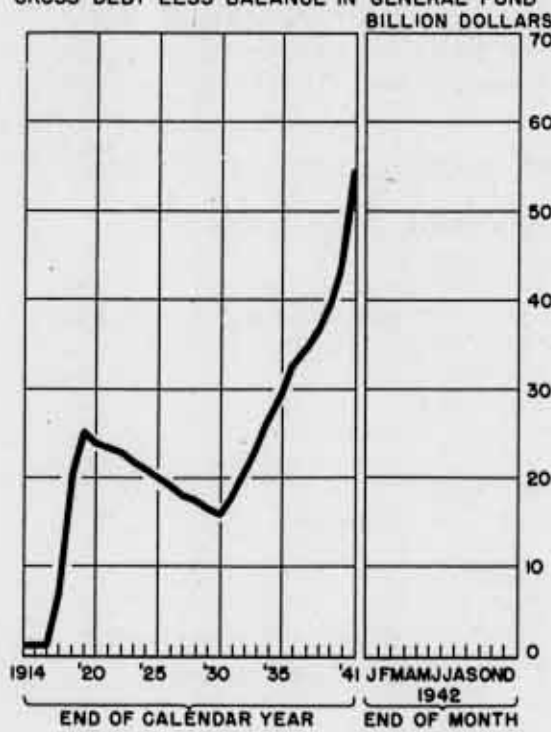
NATIONAL INCOME & DEFENSE EXPENDITURES



WHOLESALE PRICES
AUG. 1939 = 100



NET FEDERAL DEBT, 1914-1942
GROSS DEBT LESS BALANCE IN GENERAL FUND



ECONOMIC ACTIVITY RELATED TO THE WAR

	1940	1941			1942	
	July	January	November	December	Week Ending Jan. 24	Jan. 31
EMPLOYMENT						
			(Thousand workers)			
Total civil nonagricultural	35,904	37,142	40,749	^P 40,940		
Total WPA employment	1,655	1,890	1,056	1,053	1,020	1,025
War industries	Confidential data. See page XII.					
Deep-sea merchant vessels	51	49	49	49		
UNEMPLOYMENT¹ (WPA ESTIMATE)						
			(Million workers)			
Number of unemployed	9.3	7.6	3.9	3.8		Jan. 4.2
DEFENSE HOUSING						
	(Number of dwelling units, cumulative to end of period)					
Fund allocations	1,460	54,083	145,655	184,867	253,163	256,743
Constr. contracts awarded	624	34,791	120,976	121,586	151,393	153,410
Construction completed	0	1,314	65,186	73,012	80,609	83,433

^PPreliminary data.

The President

1

WAR PROGRESS

Statistical Supplement

DECLASSIFIED
E.O. 11652, Sec. 3(E) and 4(D) or (G)
Commanco Dept. Letter, 11-18-78
By RHP, Bsq MAR 29 1973

~~Confidential~~

February 6, 1942

Number 73

(Supplement)

WAR PROGRESS

**Semi - Annual
Statistical Supplement**



WAR PRODUCTION BOARD

WASHINGTON, D. C.

IN REPLY REFER TO:

FOREWORD

This Statistical Supplement contains a recapitulation of the series of data which have been regularly presented in War Progress, as indicators of the development of the war effort from July 1, 1940 to December 31, 1941. It thus brings up to date the series first summarized in the Annual Review, Defense Progress, Number 50 Part B, which covered the first 12 months of our arms program.

It is our hope that this Statistical Supplement will prove useful since it provides in compact form a statistical retrospect of the distance we have gone in mobilizing our resources for war production. It also indicates to some extent the distance we have yet to go before we can be said to have completely mobilized our resources for the war effort. We propose, while the war lasts, to issue these semiannual supplements.

To all those in the various government agencies who have generously cooperated with us we extend our thanks.

Stacy May

Stacy May

FOR DEFENSE



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stances, production exceeded schedules. There was a decline in the production of airplane armament ammunition, largely because loadings of these shells were neglected in favor of field artillery and anti-aircraft ammunition.

Foreign Trade, October 1941

United States exports were valued at \$666 million during October 1941, exceeding those for the previous month by about \$250 million and almost double the value of exports in October 1940. Lend-Lease Aid accounted for \$225 million in October 1941, more than a third the total value of exports for the month. Foodstuffs have become a substantial proportion of Lend-Lease Aid to Great Britain. Exports during October were \$160 million greater than the average monthly value of exports during 1918 and only slightly less than the monthly average for 1920 when the price level of exported commodities was about twice as high as it is today.

Exports under license were valued at an estimated 85 percent of the total for October 1941, more than double the August figure. The latter, however, did not include licensed exports under Lend-Lease.

October imports of \$292 million exceeded September's by about 10

percent and were 38 percent higher than in October 1940. Substantial decreases in the value of imports of rubber, tin, and wool partly account for the percentage decline in imports of strategic and critical materials from September to October. The war in the Pacific has further reduced the imports of several strategic and critical materials.

Data on the tonnage of United States exports and imports carried by American and foreign flag vessels are shown for the first time with the data on foreign trade in this issue.

^a The individual items included in the indexes of production are weighted to indicate their relative importance (primarily as reflected by their dollar value). Scheduled output for FY 1942, is used as the base, and the latest available delivery schedules are measured against this base. The production rate index measures output during the month, in terms of the average scheduled monthly output during FY 1942, which is the base or 100 percent. The total production index measures cumulated production since the start of the program, and scheduled total output during FY 1942 equals 100 percent.

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GROWTH OF THE ARMED FORCES

During the first 18 months of the war effort, from June 30, 1940 to December 31, 1941, the armed forces of the United States more than quadrupled, increasing from nearly 500 thousand to more than 2 million men. Under existing plans, total armed forces of the United States should number about 4.2 million men by the end of 1942.

The Army of the United States has grown more rapidly than the Navy, increasing from 268 thousand on June 30, 1940 to 1,705 thousand on December 31, 1941, or almost 500 percent. The main increase in Army strength has been due to the inclusion of Selective Service Trainees. These numbered 784 thousand on December 31, 1941 and accounted for 46 percent of Army forces. The regular Army ^b on December 31, 1941 was more than double its June 30, 1940 size having increased from 268 thousand to 688 thousand. It is now more than 40 percent of the Army of the United States. By mid-September 1941 the National Guard had been completely federalized and as of December 31 numbered 233 thousand, or about 14 percent of the total land forces.

Between June 30, 1940 and April 30, 1941 the average rate of growth of the Army was 102 thousand men per month. In the next eight months the average rate of growth was almost cut

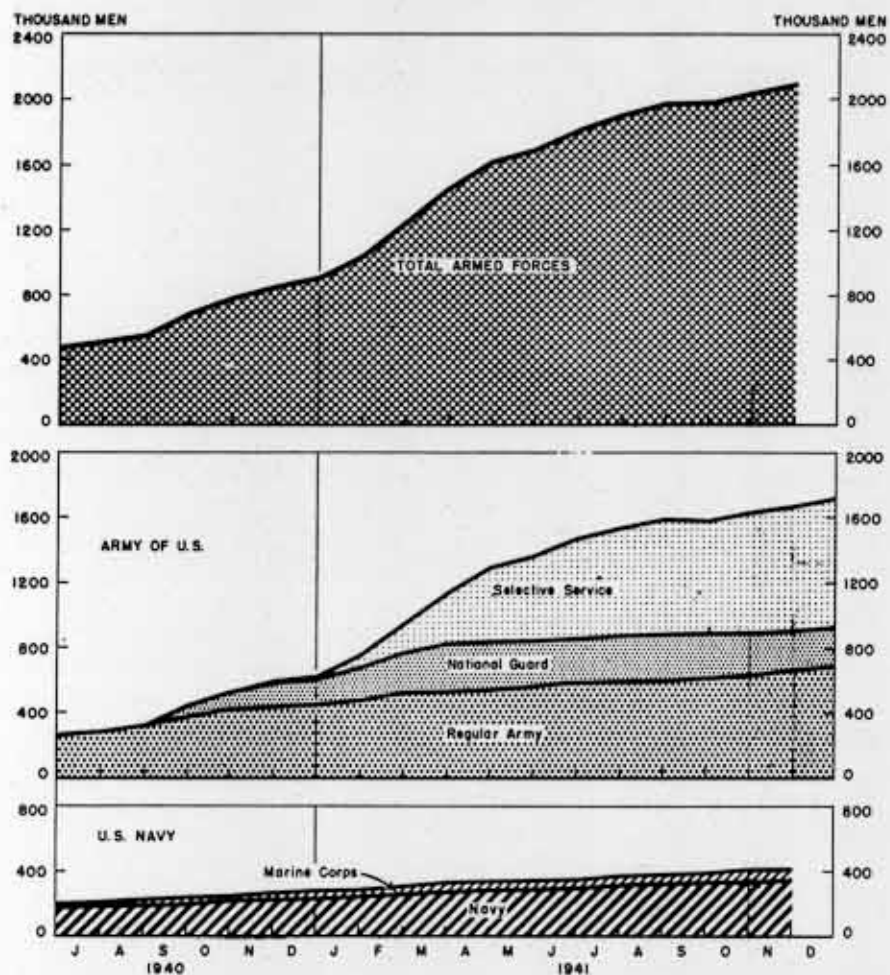
in half to 52 thousand per month, as the number of men in training under the Selective Service Act approached the statutory limit of 800 thousand and as men were discharged because of age, responsibilities, and National Guard releases. To achieve the 3.6 million man army recently announced as the goal by the end of 1942, a monthly rate of more than 155 thousand inductions will have to be maintained throughout this year. This number is well below the World War I peak rate of over 400 thousand men per month for the Army in July 1918.

The number of men in the Navy and in the Marine Corps was 414 thousand on November 30, 1941,^a consisting of 348 thousand in the Navy, including the Coast Guard, and 66 thousand in the Marine Corps. The number of men in the Navy and Marine Corps has more than doubled since June 30, 1940 with an average monthly rate of accessions of more than 13 thousand. The Navy is now authorized to increase its strength to 500 thousand men, an increase of about 150 thousand; the Marine Corps has been authorized to increase its strength to 104 thousand, an increase of nearly 40 thousand.

^a Navy figures for December 31, 1941 are not available for this report.

^b The regular Army includes reserve officers.

UNITED STATES ARMED FORCES



UNITED STATES ARMED FORCES

	1940			1941			
	June 30	Sept. 30	Dec. 31	Mar. 31	June 30	Sept. 30	Dec. 31
	(Thousand men)						
ARMED FORCES ON ACTIVE DUTY							
TOTAL	468	670	896	1,459	1,810	1,977	*2,091
ARMY - TOTAL	268	438	621	1,148	1,462	1,587	1,705
Regular	265	354	426	486	510	535	603
Nat'l. Guard in Fed. Serv.	-	73	156	289	284	273	233
Reserve Officers	3	11	22	43	61	79	85
Selective Service Trainees	-	-	17	330	607	700	784
NAVY - TOTAL	172	195	227	261	293	328	* 348
Regular	151	165	186	208	221	236	* 242
Reserve	7	14	24	35	53	69	* 81
Coast Guard	14	16	17	18	19	23	* 25
MARINE CORPS - TOTAL	28	37	48	50	55	62	* 66

* As of November 30, 1941.

GROWTH OF THE WAR PROGRAM

The total War Program in the United States amounted to \$80.5 billion on December 31, 1941. Since that date the program has grown rapidly and is now over \$110 billion. The \$80.5 billion as of December 31, 1941 represented an increase of almost \$40 billion since June 30, 1941, the end of the first year of the war effort. By December 31, 1941, \$56.5 billion of the \$80.5 billion program had been obligated, an increase of \$25 billion since June 30, 1941.

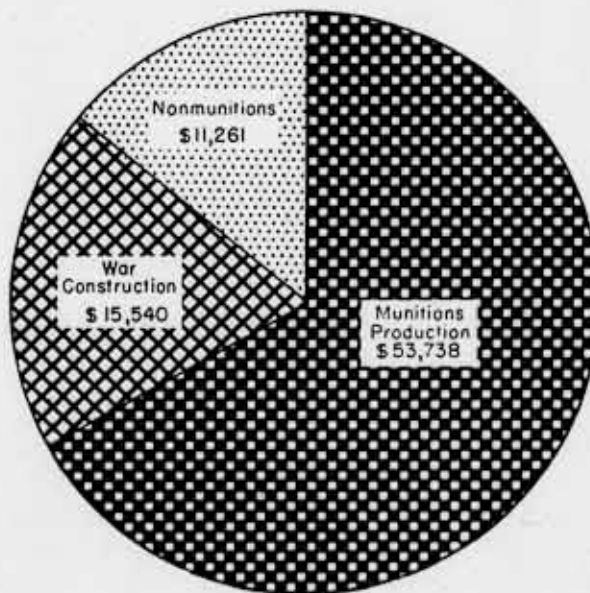
From a level of \$8.5 billion worth of war output at the end of June, 1941, the value of output had increased to \$18.6 billion by the end of December 1941. However, the value of the program yet to be delivered at the year end was \$62.0 billion and today because of the continued growth of the program is substantially more than this amount. The \$62.0 billion value to be delivered as of December 31, 1941 may be compared with the present objective of some \$50 billion to be delivered in 1942. To achieve this objective nearly 50 percent of the estimated national income in 1942 will have to be devoted to war purposes.

Of the total amount appropriated and authorized as of December

31, 1941, \$53.7 billion was for munitions, \$15.5 billion for war construction and equipment, and \$11.3 billion for nonmunitions items. Thus, the great bulk, \$69.2 billion, is for munitions production and war construction.

TOTAL WAR PROGRAM

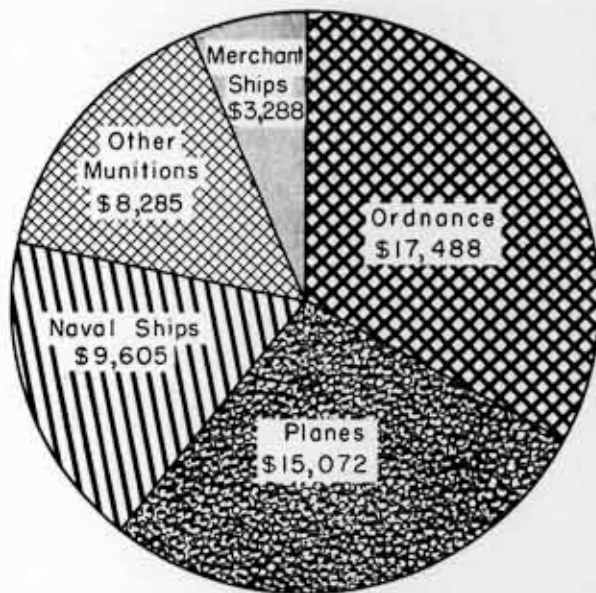
BY OBJECTS
As of Dec. 31, 1941
in Million Dollars



TOTAL \$80,539

MUNITIONS PROGRAM

As of Dec. 31, 1941
In Million Dollars



TOTAL \$53,738

Of the \$53.7 billion munitions production program on December 31, 1941, \$17.5 billion was for ordnance, \$15.0 billion for planes, \$9.6 billion for naval ships, \$3.3 billion for merchant ships and over \$8.3 billion for other munitions items.

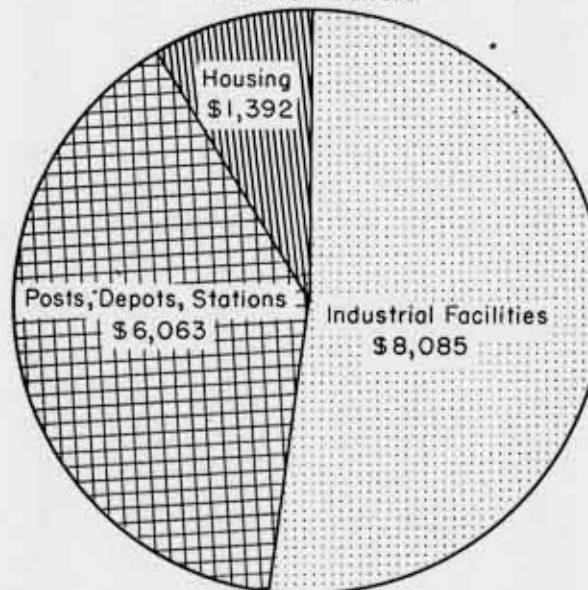
The value of munitions delivered in the first 18 months of the War effort amounted to \$8.9 billion or 17 percent of the program. Of the \$8.9 billion value delivered, \$2.3 billion represented airplanes, \$1.7 billion ordnance, \$1.6 billion naval ships, \$0.5 billion merchant ships and \$2.8 billion other munitions and supplies.

The greatest part of the war construction program of \$15.5 billion on December 31, 1941, or \$8.1 billion, was earmarked for constructing and equipping industrial facilities. Six billion dollars were allocated for posts, depots, and stations and the program for housing war workers accounts for the remaining \$1.4 billion. Over \$5.8 billion or more than one-third of the construction program represented value in place at the end of 1941.

The nonmunitions program of \$11.3 billion consisted of \$4.2 billion for pay, subsistence and travel, \$2.4 billion for stock-pile, \$1.5 billion for Lend-Lease agricultural exports and about \$3.2 billion for miscellaneous nonmunitions.

WAR CONSTRUCTION PROGRAM

As of Dec. 31, 1941
In Million Dollars



TOTAL \$15,540

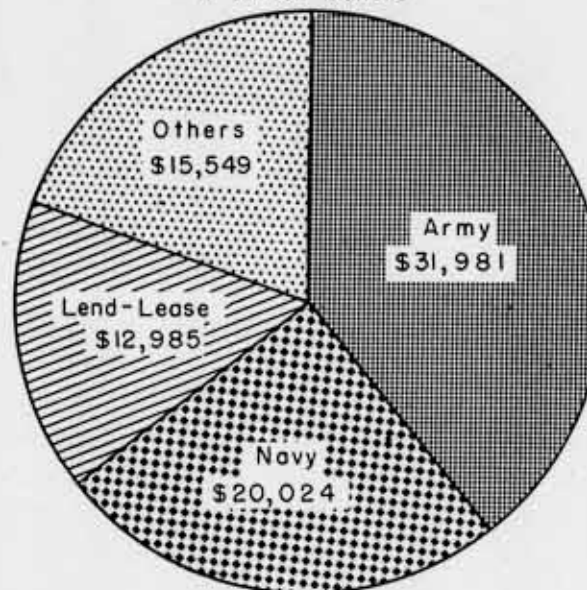
The United States financed program amounted to \$76.5 billions. The remainder (\$4.0 billion) was accounted for by Foreign Government orders. Of the total United States financed program, the Reconstruction Finance Corporation and subsidiaries account for \$5.1 billion. The \$80.5 billion total program was divided as follows:

	Program	Percent of total
Army	\$32.0	40
Navy	20.0	25
Lend-Lease	13.0	16
Maritime Com.	2.7	3
RFC & Subsidiaries	5.1	6
Other U.S. Agencies	3.6	5
Foreign	4.1	5
	\$80.5	100

Since December 31, 1941 more than \$30 billion has been added to the total program. There are no signs as yet that the program has reached its peak.

TOTAL WAR PROGRAM

BY AGENCIES
As of Dec. 31, 1941
In Million Dollars



TOTAL \$ 80,539

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FUNDS AND NET CONTRACT AUTHORIZATIONS FOR THE UNITED STATES WAR PROGRAM
BY AGENCY, DATE OF LEGISLATION, AND OBJECT

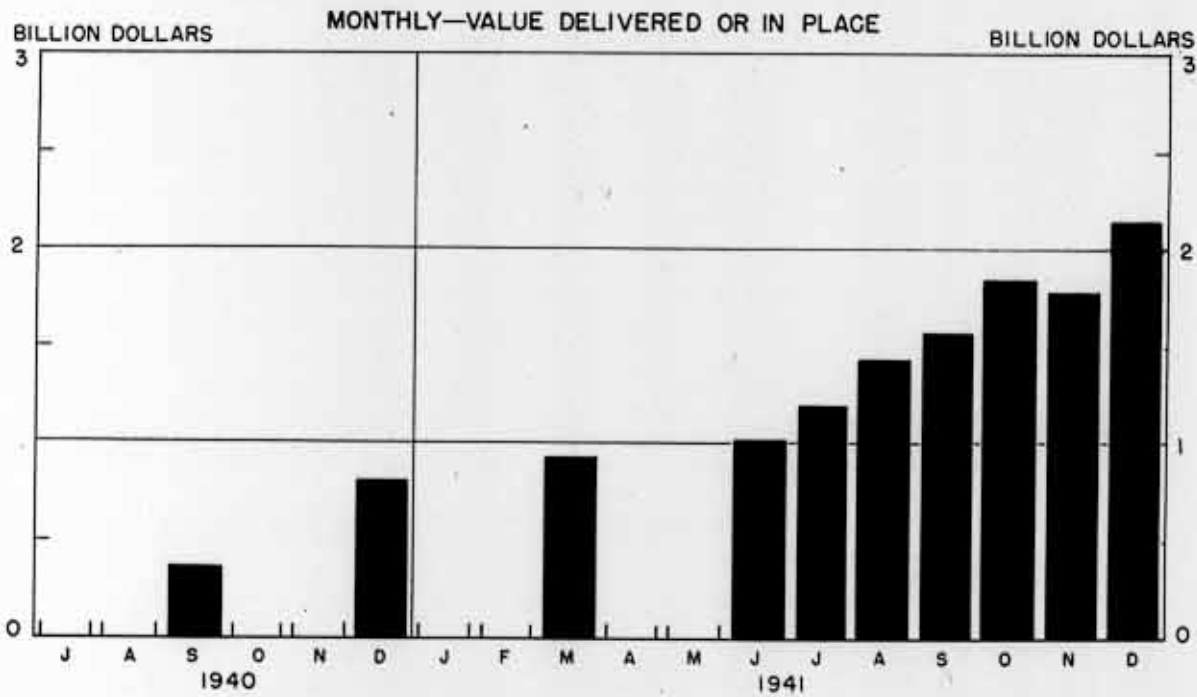
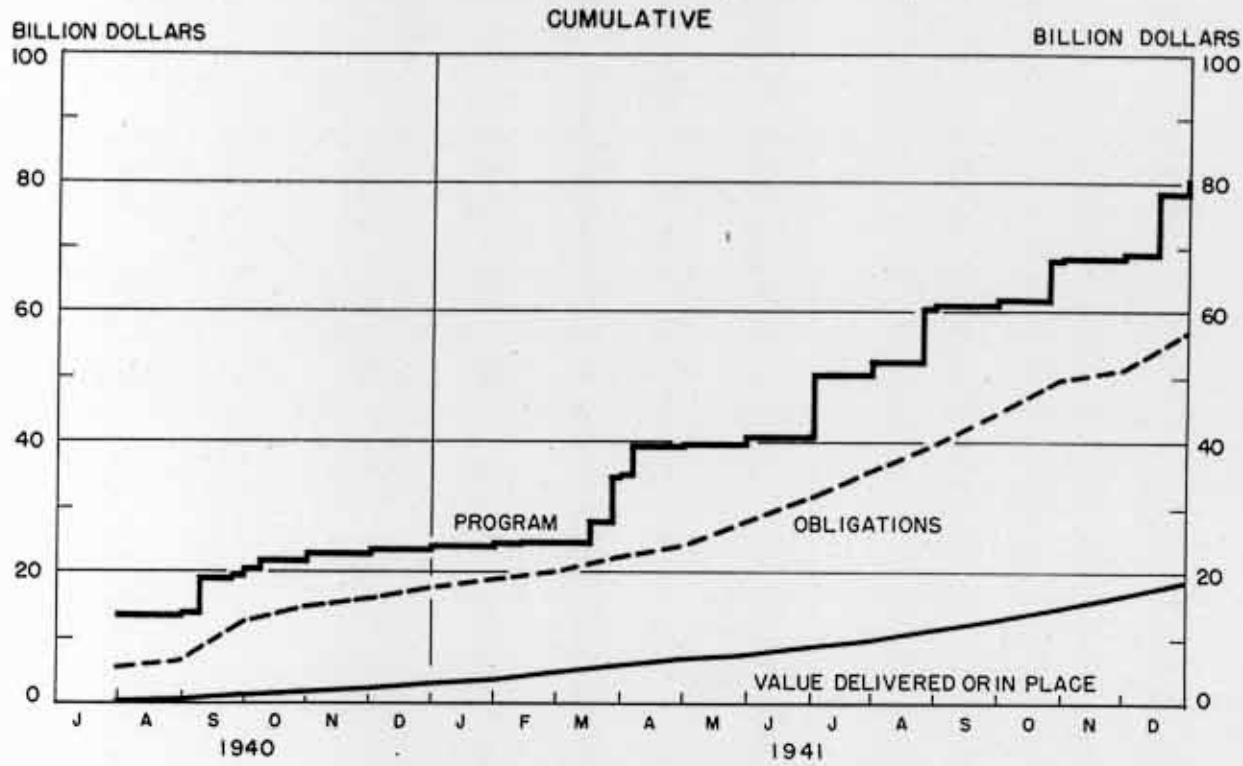
Agency and Date	Airplanes, Parts, and Accessories	Ordnance	Naval and Merchant Ships	Other Munitions and Supplies	Industrial Facilities	Nonindustrial Construction	Non-Munitions	Total
(Million dollars)								
UNITED STATES ARMY								
PNo. 611, June 13, 1940	290	151	-	354	242	143	362	1,542
PNo. 667, June 26, 1940	403	194	-	96	200	85	97	1,075
PNo. 781, Sept. 9, 1940	1,524	1,442	-	495	325	259	-	4,045
PR 99, Sept. 2, 1940	-	-	-	-	-	338	-	338
PNo. 800, Oct. 8, 1940	171	38	-	400	178	65	521	1,373
PNo. 812, Oct. 9, 1940	-	-	-	-	-	3	-	3
PL 6, Feb. 13, 1941	-	-	-	175	-	-	-	175
PL 13, Mar. 17, 1941	-	-	-	-	-	687	-	687
PL 29, April 5, 1941	1,505	913	-	296	761	419	-	3,896
PL 139, June 30, 1941	3,244	293	-	925	500	522	1,727	7,211
PL 150, July 3, 1941	-	-	-	-	-	6	-	6
PL 247, Aug. 25, 1941	204	2,889	-	988	-	173	-	4,254
PL 353, Dec. 17, 1941	782	3,720	-	1,041	388	850	585	7,376
Total Army	8,124	9,640	-	4,770	2,594	3,560	3,293	31,981
UNITED STATES NAVY								
PNo. 588, June 11, 1940	211	1,736	5,580	130	7	105	329	8,098
PNo. 667, June 26, 1940	22	165	240	44	14	203	-	688
PNo. 781, Sept. 9, 1940	480	76	229	13	190	90	-	1,078
PNo. 800, Oct. 8, 1940	15	27	11	1	9	18	3	84
PL 9, March 1, 1941	-	-	-	-	-	-	1	1
PL 13, March 17, 1941	111	490	522	21	662	202	56	2,064
PL 29, April 5, 1941	-	133	60	85	-	17	-	295
PL 48, May 6, 1941	3	153	131	221	-	147	478	1,133
PL 150, July 3, 1941	482	348	930	51	10	54	8	1,883
PL 247, Aug. 25, 1941	90	248	385	224	160	308	170	1,585
PL 282, Oct. 28, 1941	-	121	-	-	-	-	-	121
PL 353, Dec. 17, 1941	950	120	309	1	-	335	9	1,724
Adjustment ^a	-51	44	405	-320	622	275	295	1,270
Total Navy	2,313	3,661	8,802	471	1,674	1,754	1,349	20,024
LEND-LEASE								
PL 23, March 27, 1941	2,054	1,705	629	935	752	-	925	7,000
PL 282, Oct. 28, 1941	685	1,575	850	1,093	375	-	1,407	5,985
Reallocations through Dec. 1941	71	12	162	-3	-118	-	-124	-
Total Lend-Lease	2,810	3,292	1,641	2,025	1,009	-	2,208	12,985
MARITIME COMMISSION								
PNo. 459, Apr. 18, 1940 ^b	-	-	324	-	-	-	5	329
PR 94, July 18, 1940	-	-	-	-	-	-	40	40
PL 5, Feb. 6, 1941	-	-	375	-	36	-	4	415
PL 28, April 5, 1941 ^c	-	-	180	-	-	-	5	185
PL 247, Aug. 25, 1941	-	-	1,289	-	58	-	352	1,699
Adjustment ^a	-	-	55	-	11	-	-	66
Total Maritime Commission	-	-	2,223	-	105	-	406	2,734
RECONSTRUCTION FINANCE CORP. & SUBSIDIARIES, Dec. 31, 1941	-	-	-	-	2,315	-	2,815	5,130
FOREIGN ORDERS, Dec. 31, 1941	1,823	895	159	1,007	154	-	28	4,066
ALL OTHER AGENCIES	2	-	68	12	234	2,141	1,162	3,619
TOTAL	15,072	17,488	12,893	8,285	8,085	7,455	11,261	80,539

^a Adjustment due mainly to changes in estimated cost of tonnage authorization and reallocations of funds.

^b Includes unobligated balance June 30, 1940.

^c Fiscal year 1942 appropriation, not available for obligation until July 1, 1941.

TOTAL WAR PROGRAM



TOTAL WAR PROGRAM A					
Year and Month	Program	Unobligated balance ^a	Obligations	Value delivered and/or in place ^b	Checks paid ^c
MONTHLY					
(Million dollars)					
1940					
July and earlier	13,662	8,299	5,363	337	606
August	175	-775	950	341	416
September	6,580	688	5,892	361	434
October	2,600	122	2,478	475	493
November	287	-1,009	1,296	603	570
December	542	-1,080	1,622	817	671
1941					
January	460	-1,144	1,604	778	772
February	634	-201	835	843	740
March	9,992	7,419	2,573	933	958
April	4,486	3,064	1,422	1,040	929
May	1,420	-2,434	3,854	1,004	973
June	23	-3,675	3,698	1,015	973
July	11,647	7,686	3,961	1,197	1,107
August	8,410	4,308	4,102	1,435	1,286
September	745	-3,889	4,634	1,594	1,507
October	6,544	1,209	5,335	1,847	1,749
November	166	-1,656	1,822	P 1,795	P 1,611
December	P 12,166	P 7,103	P 5,063	P 2,158	P 2,100
CUMULATIVE					
1940					
July 31	13,662	8,299	5,363	337	606
August 31	13,837	7,524	6,313	678	1,022
September 30	20,417	8,212	12,205	1,039	1,456
October 31	23,017	8,334	14,683	1,514	1,949
November 30	23,304	7,325	15,979	2,117	2,519
December 31	23,846	6,245	17,601	2,934	3,190
1941					
January 31	24,306	5,101	19,205	3,712	3,962
February 28	24,940	4,900	20,040	4,555	4,702
March 31	34,932	12,319	22,613	5,488	5,660
April 30	39,418	15,383	24,035	6,528	6,589
May 31	40,838	12,949	27,889	7,532	7,562
June 30	40,861	9,274	31,587	8,547	8,535
July 31	52,508	16,960	35,548	9,744	9,642
August 31	60,918	21,268	39,650	11,179	10,928
September 30	61,563	17,379	44,284	12,773	12,435
October 31	68,207	18,588	49,619	14,620	14,184
November 30	P 68,373	16,932	P 51,441	P 16,415	P 15,795
December 31	P 80,539	P 24,035	P 56,504	P 18,573	P 17,895

For footnotes see page 45.

WAR PROGRESS SERIES

TOTAL UNITED STATES WAR PROGRAM

FINANCIAL PROGRAM SUMMARY	Cumulative 6/11/40 through			Monthly		
	End 1st full year 6/30/41	End of November 1941	December 15, 1941 h	November 1940	October 1941	November 1941
(Million dollars)						
TOTAL WAR PROGRAM IN U.S. ^a						
Program	r 40,761	r 68,115	P 77,956	r 291	r 6,532	r 139
Unobligated balance	r 9,264	r 16,932	P 25,912	-	-	-
Obligations	r 31,497	r 51,183	P 52,054	r 1,300	r 5,323	r 1,795
Value delivered and/or in place	r 8,697	P 16,532	P 17,496	608	P 1,744	P 1,770
Checks paid ^d	8,503	P 15,803	P 16,863	567	P 1,737	P 1,674
U. S. FINANCED PROGRAM ^b						
Program	r 37,075	r 64,329	P 74,180	r -19	r 6,471	r 126
Unobligated balance	r 9,264	r 16,932	P 26,912	-	-	-
Obligations	r 27,811	r 47,397	P 48,268	r 990	r 5,262	r 1,782
Checks paid ^d	6,430	P 13,299	P 14,313	391	P 1,657	P 1,578
TREASURY GENERAL FUND ^c						
Program	r 34,452	r 60,286	r 70,137	0	6,116	r 131
Unobligated balance	r 7,792	16,049	P 25,029	-	-	-
Obligations	26,660	44,237	P 45,108	980	4,984	1,437
Checks paid by U. S. Treasury ^d	6,080	12,448	13,382	379	1,526	1,438
MUNITIONS PROD. & WAR CONSTRUCTION						
Program	r 36,927	r 58,542	67,622	r 283	r 4,980	r 168
Unobligated balance	r 7,587	r 12,279	P 20,572	-	-	-
Obligations	r 29,340	r 46,263	P 47,050	r 1,175	r 4,942	r 1,394
Value delivered and/or in place ^e	6,945	P 13,135	P 13,890	495	P 1,370	P 1,395
Value not delivered nor in place	r 22,395	P 33,128	P 33,160	-	-	-
NON-MUNITIONS ITEMS, TOTAL						
Program	r 3,834	r 9,573	10,344	r 8	r 1,552	r -29
Unobligated balance	r 1,677	r 4,653	P 5,340	-	-	-
Obligations	r 2,157	r 4,920	P 5,004	r 125	r 381	r 401
Checks issued by agencies ^e	r 1,752	P 3,397	P 3,606	113	P 374	P 375

Table continued on page V.

For footnotes see Page X.

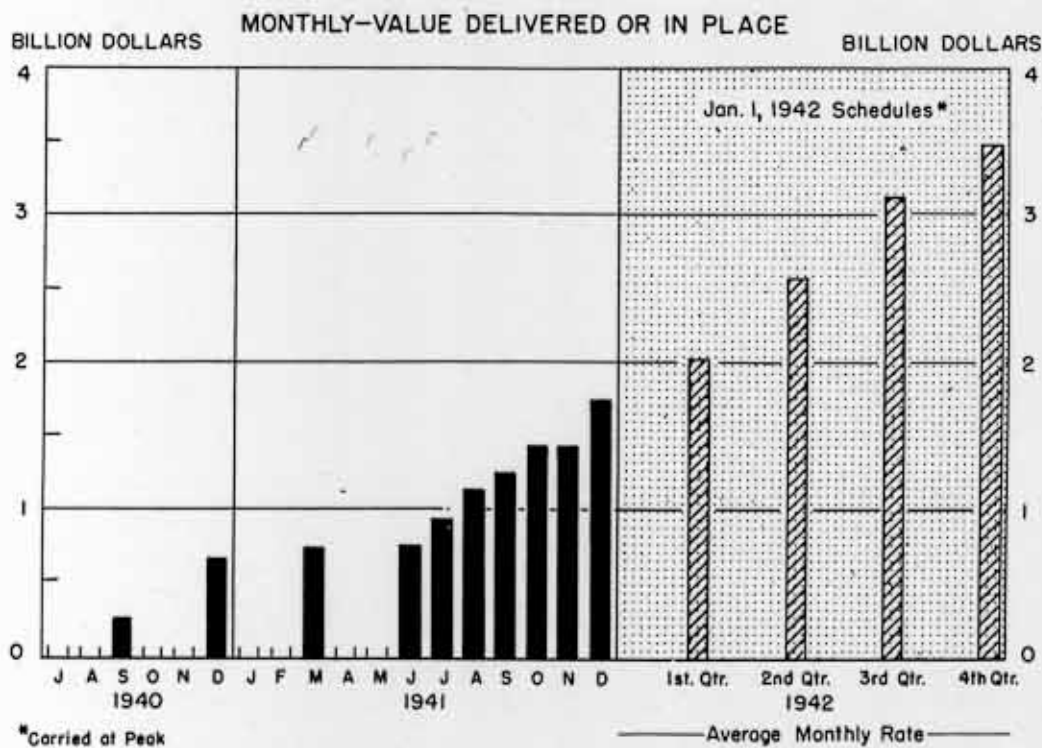
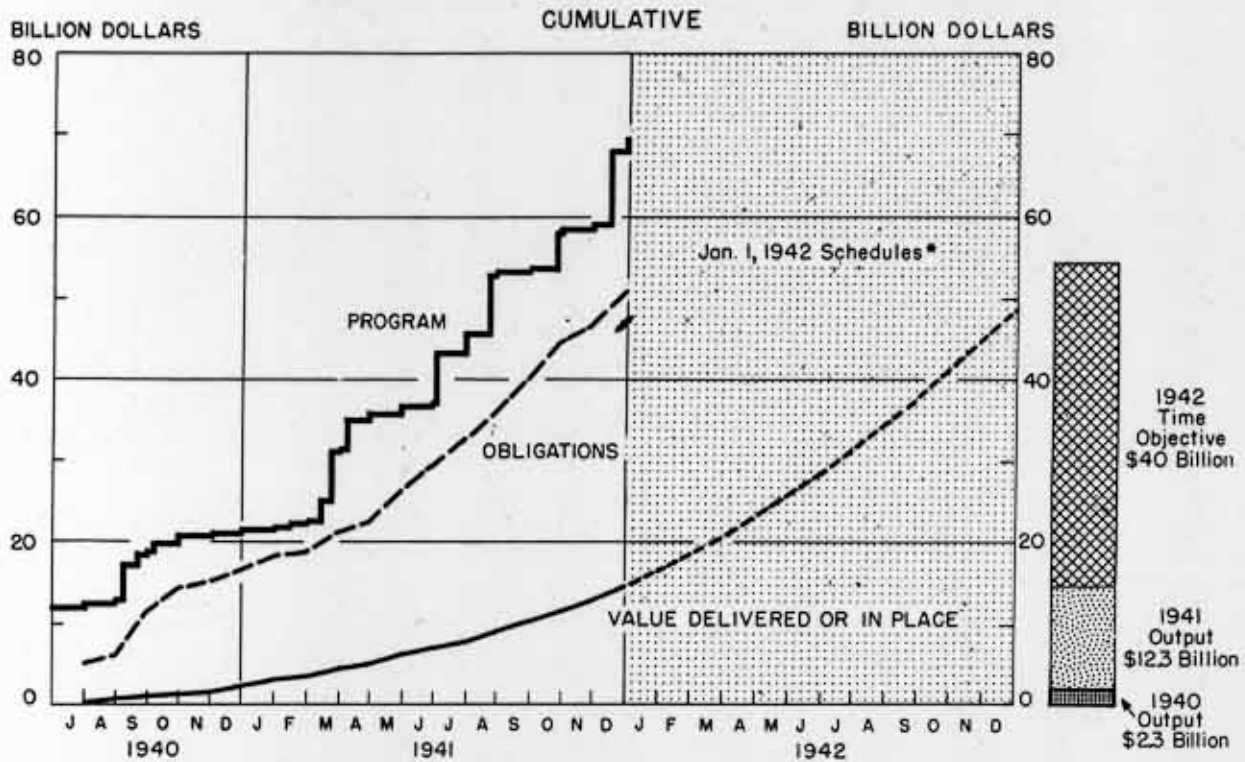
● Graph appears on following page.

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Year and Month	U. S. FINANCED PROGRAM ^d				TREASURY GENERAL FUNDS			
	Program	Unobligated balance _d	Obligations	Checks paid _f	Program	Unobligated balance	Obligations	Checks paid by U. S. Treasury
MONTHLY								
(Million dollars)								
1940								
July and earlier	12,325	8,299	4,026	187	12,325	8,299	4,026	186
August	0	-775	775	213	0	-775	775	210
September	6,155	688	5,467	234	5,561	292	5,269	225
October	2,054	122	1,932	312	1,841	76	1,765	298
November	-19	-1,009	990	390	0	-980	980	378
December	80	-1,080	1,160	483	0	-1,007	1,007	470
1941								
January	228	-1,144	1,372	589	0	-1,308	1,308	569
February	544	-201	745	607	554	-88	642	584
March	9,891	7,419	2,472	797	9,758	7,365	2,393	748
April	4,413	3,064	1,349	823	4,245	2,935	1,310	763
May	1,404	-2,434	3,838	904	168	-3,586	3,754	837
June	0	-3,675	3,675	892	0	-3,421	3,421	813
July	11,653	7,686	3,967	1,019	11,431	8,248	3,183	959
August	8,392	4,308	4,084	1,191	7,982	4,199	3,783	1,124
September	612	-3,889	4,501	1,423	174	-4,026	4,200	1,320
October	6,471	1,209	5,262	1,658	6,116	1,132	4,984	1,527
November	126	-1,656	1,782	1,532	131	-1,306	1,437	1,437
December	12,144	7,103	5,041	1,997	11,057	6,425	4,632	1,847
CUMULATIVE								
1940								
July 31	12,325	8,299	4,026	187	12,325	8,299	4,026	186
August 31	12,325	7,524	4,801	400	12,325	7,524	4,801	396
September 30	18,480	8,212	10,268	634	17,886	7,816	10,070	621
October 31	20,534	8,334	12,200	946	19,727	7,892	11,835	919
November 30	20,515	7,325	13,190	1,336	19,727	6,912	12,815	1,297
December 31	20,595	6,245	14,350	1,819	19,727	5,905	13,822	1,767
1941								
January 31	20,823	5,101	15,722	2,408	19,727	4,597	15,130	2,336
February 28	21,367	4,900	16,467	3,015	20,281	4,509	15,772	2,920
March 31	31,258	12,319	18,939	3,812	30,039	11,874	18,165	3,668
April 30	35,671	15,383	20,288	4,635	34,284	14,809	19,475	4,431
May 31	37,075	12,949	24,126	5,539	34,452	11,223	23,229	5,268
June 30	37,075	9,274	27,801	6,431	34,452	7,802	26,650	6,081
July 31	48,728	16,960	31,768	7,450	45,883	16,050	29,833	7,040
August 31	57,120	21,268	35,852	8,641	53,865	20,249	33,616	8,164
September 30	57,732	17,379	40,353	10,064	54,039	16,223	37,816	9,484
October 31	64,203	18,588	45,615	11,722	60,155	17,355	42,800	11,011
November 30	64,329	16,932	47,397	13,254	60,286	16,049	44,237	12,448
December 31	76,473	24,035	52,438	15,251	71,343	22,474	48,869	14,295

For footnotes see page 45.

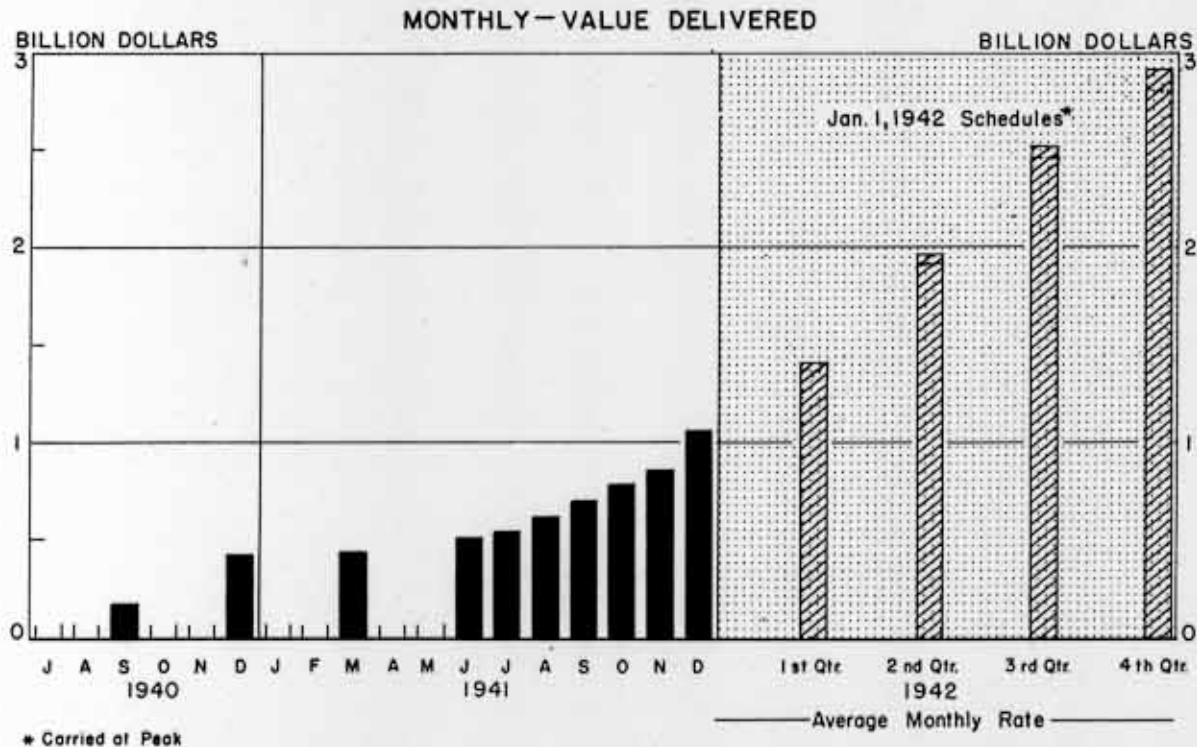
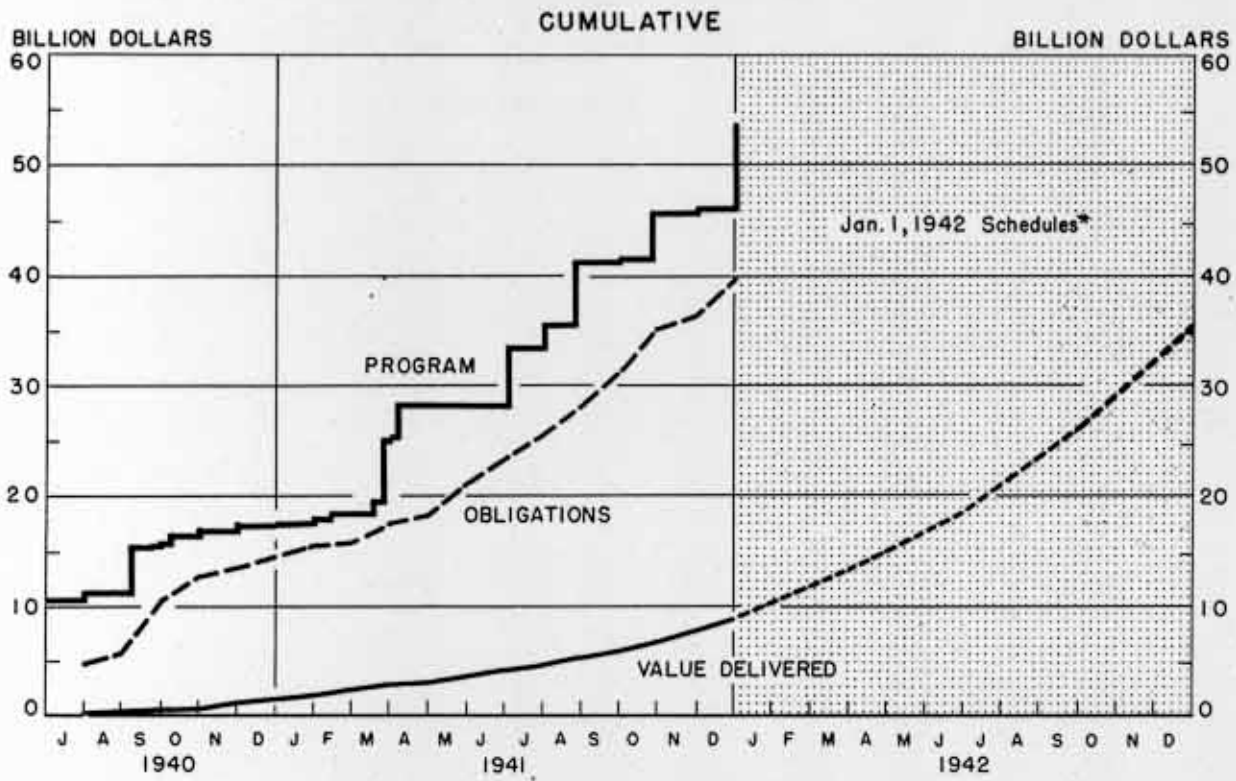
MUNITIONS PRODUCTION AND WAR CONSTRUCTION



MUNITIONS PRODUCTION & WAR CONSTRUCTION					
Year and Month	Program	Unobligated balance ^d	Obligations	Value delivered and/or in place ^e	Value not delivered nor in place ^f
MONTHLY					
(Million dollars)					
1940					
July and earlier	12,479	7,211	5,268	260	5,008
August	174	-688	862	255	607
September	6,179	561	5,618	280	5,338
October	1,851	-512	2,363	360	2,003
November	279	-892	1,171	490	681
December	534	-934	1,468	695	773
1941					
January	369	-1,083	1,452	640	812
February	666	70	596	680	-84
March	8,838	6,444	2,394	750	1,644
April	4,372	3,172	1,200	825	375
May	1,253	-2,377	3,630	795	2,835
June	33	-3,375	3,408	765	2,643
July	8,819	5,656	3,163	955	2,208
August	7,369	3,849	3,520	1,140	2,380
September	398	-3,635	4,033	1,235	2,798
October	4,992	38	4,954	1,435	3,519
November	195	-1,226	1,421	1,435	-14
December	P 10,478	P 6,093	P 4,385	P 1,755	P 2,630
CUMULATIVE					
1940					
July 31	12,479	7,211	5,268	260	5,008
August 31	12,653	6,523	6,130	515	5,615
September 30	18,832	7,084	11,748	795	10,953
October 31	20,683	6,572	14,111	1,155	12,956
November 30	20,962	5,680	15,282	1,645	13,637
December 31	21,496	4,746	16,750	2,340	14,410
1941					
January 31	21,865	3,663	18,202	2,980	15,222
February 28	22,531	3,733	18,798	3,660	15,138
March 31	31,369	10,177	21,192	4,410	16,782
April 30	35,741	13,349	22,392	5,235	17,157
May 31	36,994	10,972	26,022	6,030	19,992
June 30	37,027	7,597	29,430	6,795	22,635
July 31	45,846	13,253	32,593	7,750	24,843
August 31	53,215	17,102	36,113	8,890	27,223
September 30	53,613	13,467	40,146	10,125	30,021
October 31	58,605	13,505	45,100	11,560	33,540
November 30	58,800	12,279	46,521	12,995	33,526
December 31	P 69,278	P 18,372	P 50,906	P 14,750	P 36,156
1942					
March 31	Forecast based on January 1, 1942 schedules carried at peak.			20,770	
June 30				28,490	
September 30				37,860	
December 31				48,390	

For footnotes see page 45.

MUNITIONS PRODUCTION

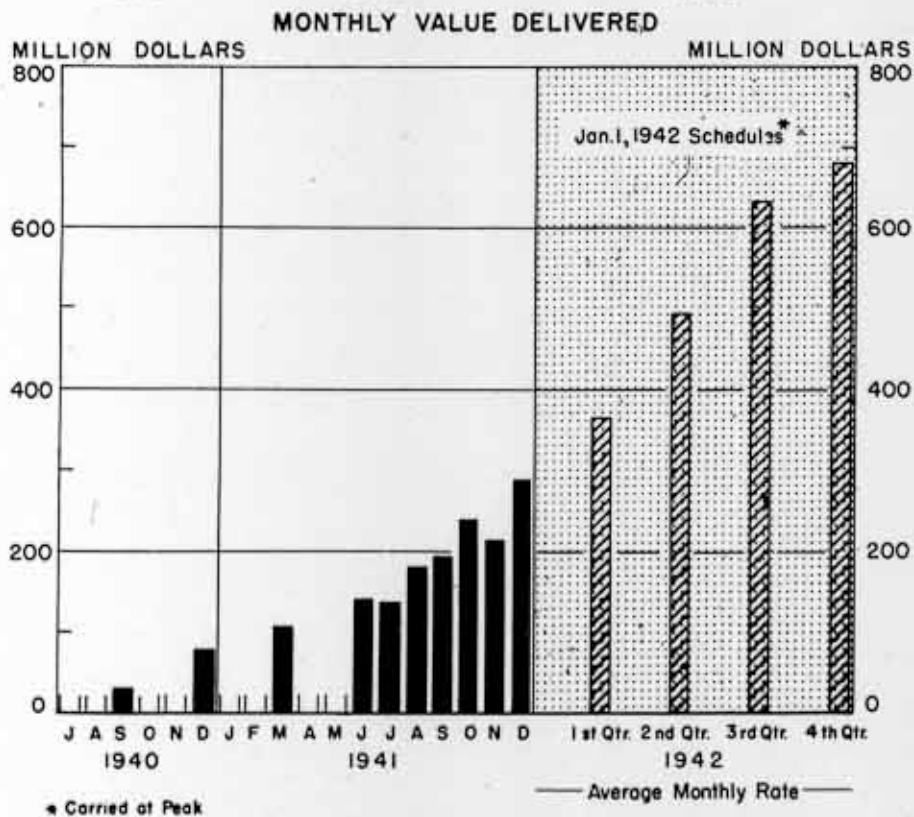
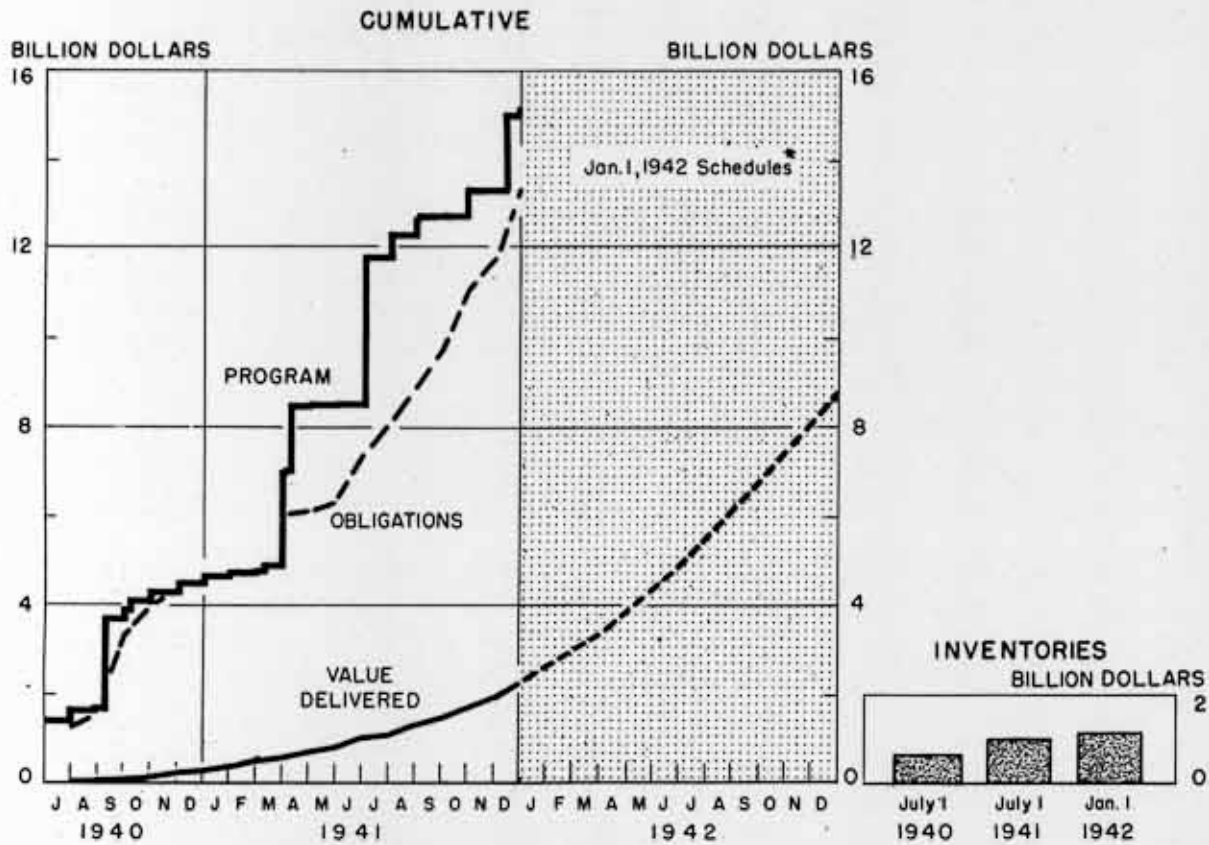


MUNITIONS PRODUCTION

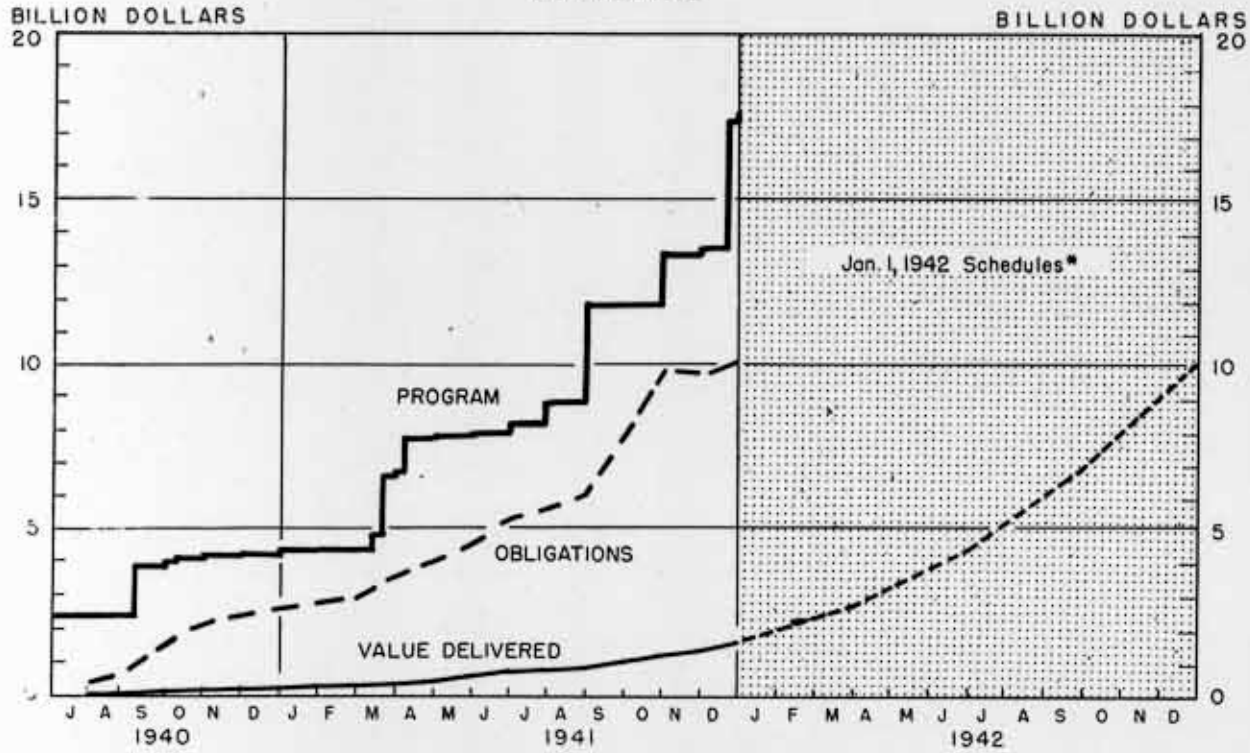
Year and Month	TOTAL					AIRPLANES, PARTS & ACCESSORIES		
	Program	Unobligated balance ^d	Obligations	Value delivered and/or in place	Value not delivered nor in place ^e	Program	Obligations	Value delivered
MONTHLY (Million dollars)								
1940								
July and earlier	11,208	6,280	4,928	200	4,728	1,689	1,288	50
August	149	-629	778	195	583	32	317	45
September	4,657	-596	5,253	195	5,058	2,194	1,778	30
October	1,200	-610	1,810	235	1,575	405	618	50
November	299	-637	936	300	636	179	434	60
December	442	-676	1,118	435	683	169	191	80
1941								
January	222	-781	1,003	360	643	81	152	85
February	631	272	357	390	-33	35	49	100
March	6,594	4,956	1,638	450	1,188	2,204	238	105
April	3,069	2,234	835	525	310	1,556	79	140
May	26	-2,683	2,709	495	2,214	5	1,199	125
June	69	-2,231	2,300	510	1,790	33	1,038	140
July	7,288	5,369	1,919	555	1,364	3,743	717	135
August	5,458	2,911	2,547	630	1,917	305	846	180
September	313	-3,178	3,491	725	2,766	8	826	195
October	4,323	472	3,851	795	3,056	655	1,393	240
November	163	-846	1,009	870	139	-9	692	215
December	Ⓟ 7,627	Ⓟ 4,300	Ⓟ 3,327	1,075	Ⓟ 2,252	Ⓟ 1,788	Ⓟ 1,443	290
CUMULATIVE								
1940								
July 31	11,208	6,280	4,928	200	4,728	1,689	1,288	50
August 31	11,357	5,651	5,706	395	5,311	1,721	1,605	95
September 30	16,014	5,055	10,959	590	10,369	3,915	3,383	125
October 31	17,214	4,445	12,769	825	11,944	4,320	4,001	175
November 30	17,513	3,808	13,705	1,125	12,580	4,499	4,435	235
December 31	17,955	3,132	14,823	1,560	13,263	4,668	4,626	315
1941								
January 31	18,177	2,351	15,826	1,920	13,906	4,749	4,778	400
February 28	18,808	2,625	16,183	2,310	13,873	4,784	4,827	500
March 31	25,402	7,581	17,821	2,760	15,061	6,988	5,065	605
April 30	28,471	9,815	18,656	3,285	15,371	8,544	5,144	745
May 31	28,497	7,132	21,365	3,780	17,585	8,549	6,343	870
June 30	28,566	4,901	23,665	4,290	19,375	8,582	7,381	1,010
July 31	35,854	10,270	25,584	4,845	20,739	12,325	8,098	1,145
August 31	41,312	13,181	28,131	5,475	22,656	12,630	8,944	1,325
September 30	41,625	10,003	31,622	6,200	25,422	12,638	9,770	1,520
October 31	45,948	10,475	35,473	6,995	28,478	13,293	11,163	1,760
November 30	46,111	9,629	36,482	7,865	28,617	13,284	11,855	1,975
December 31	Ⓟ 53,738	Ⓟ 13,929	39,809	8,940	Ⓟ 30,869	Ⓟ 15,072	Ⓟ 13,298	2,265
1942								
March 31				13,140				3,365
June 30				19,040				4,850
September 30				26,590				6,750
December 31				35,300				8,800

For footnotes see page 45.

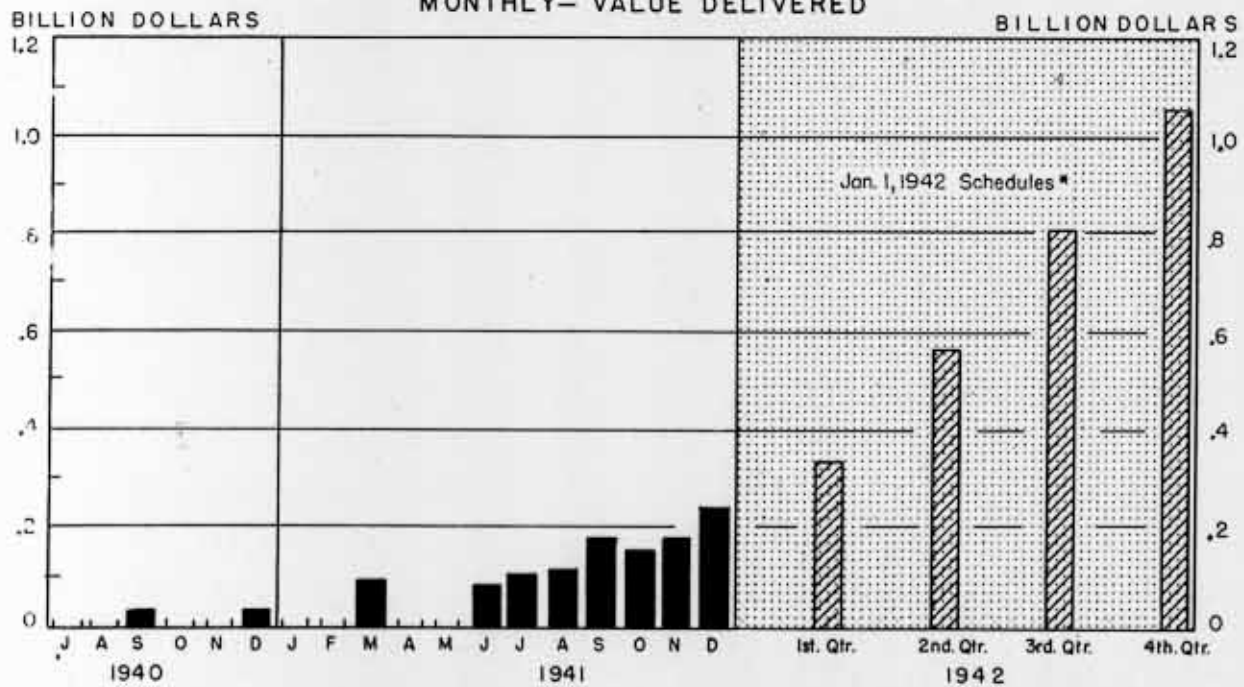
AIRPLANES, PARTS AND ACCESSORIES



ORDNANCE CUMULATIVE



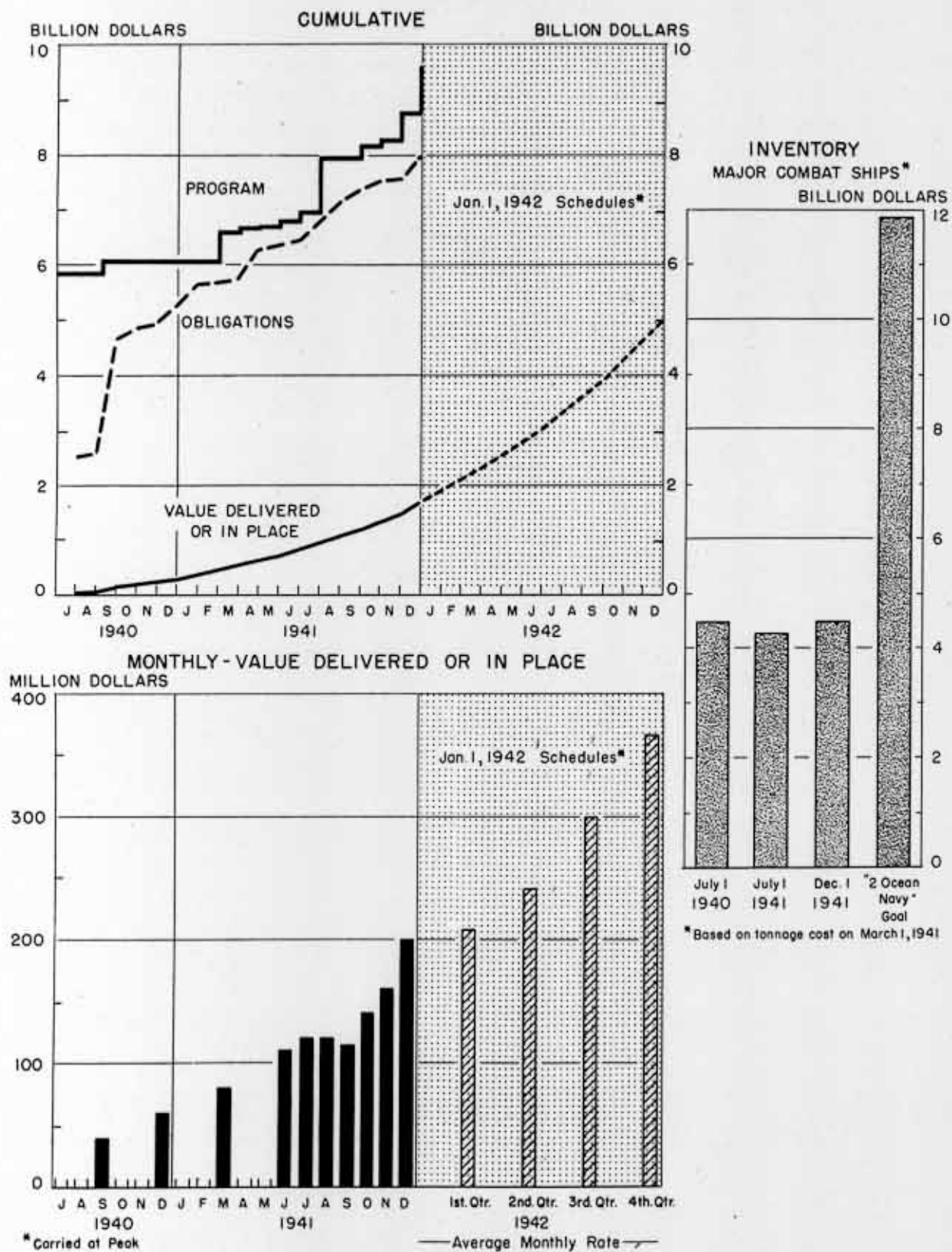
MONTHLY- VALUE DELIVERED



* Carried at Peak

— Average Monthly Rate —

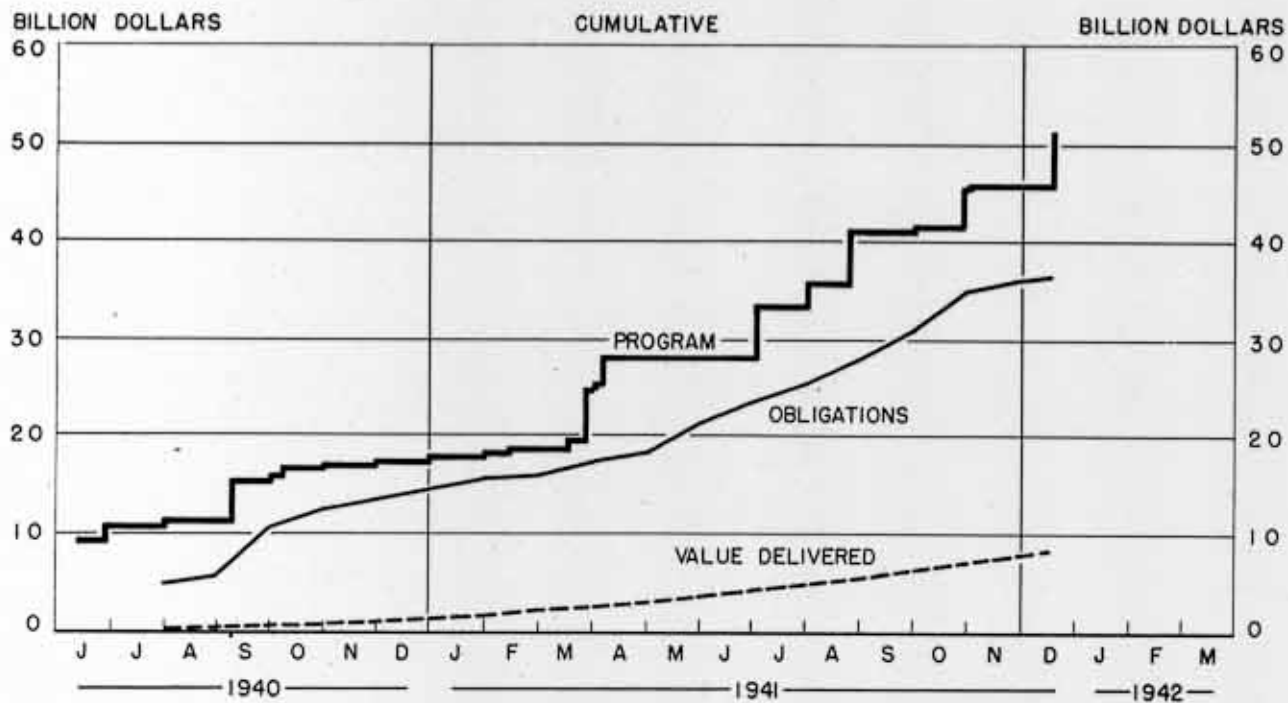
NAVAL SHIPS



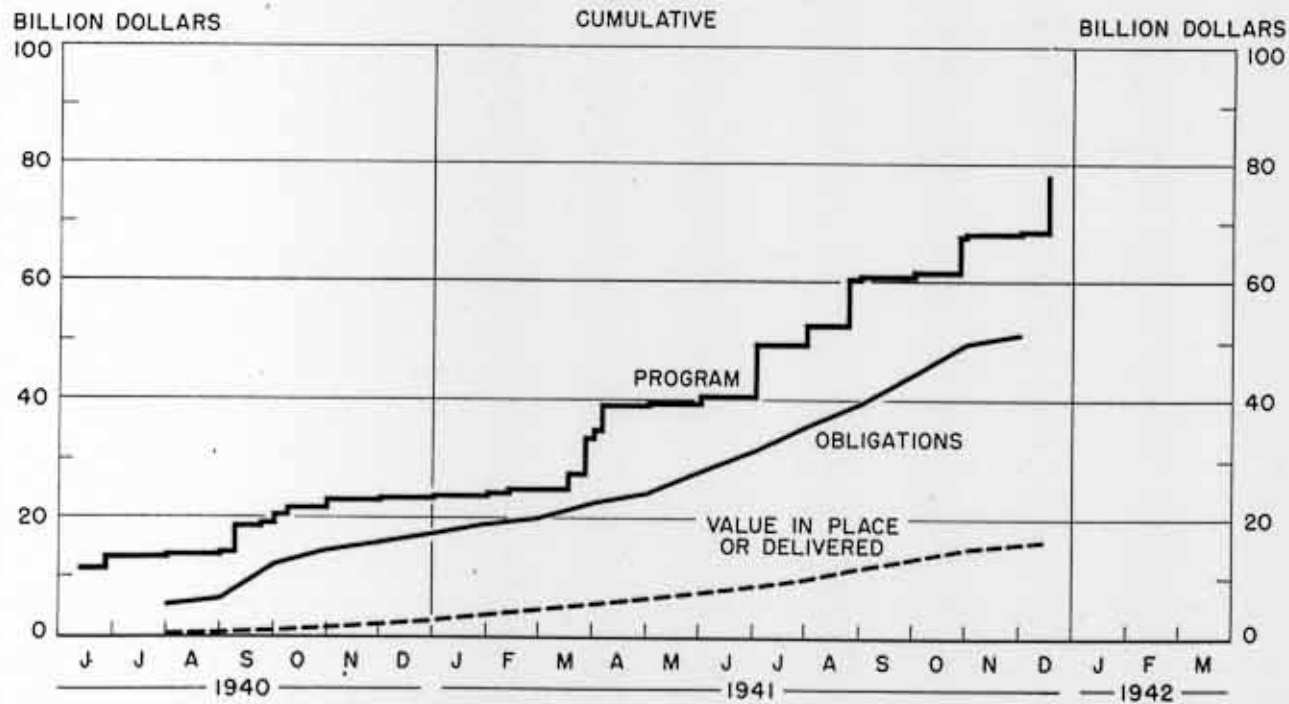
MUNITIONS PRODUCTION						
Year and Month	Ordnance			Naval Ships		
	Program	Obligations	Value delivered	Program	Obligations	Value delivered
MONTHLY (Million dollars)						
1940						
July and earlier	2,379	396	35	5,820	2,509	40
August	20	154	35	0	64	40
September	1,623	1,116	35	229	2,073	40
October	198	359	30	21	191	55
November	67	245	55	0	101	60
December	71	249	35	0	301	60
1941						
January	70	200	45	0	388	65
February	42	156	50	0	41	70
March	2,252	883	95	525	57	80
April	1,056	320	115	60	552	90
May	6	572	85	43	51	100
June	-6	768	85	98	114	110
July	1,023	340	105	1,121	348	120
August	3,062	428	115	-98	363	120
September	-18	1,716	180	315	210	115
October	1,616	2,132	155	101	142	140
November	125	-290	180	498	43	160
December	P 3,902	P 610	250	872	382	200
CUMULATIVE						
1940						
July 31	2,379	396	35	5,820	2,509	40
August 31	2,399	550	70	5,820	2,573	80
September 30	4,022	1,666	105	6,049	4,646	120
October 31	4,220	2,025	135	6,070	4,837	175
November 30	4,287	2,270	190	6,070	4,938	235
December 31	4,358	2,519	225	6,070	5,239	295
1941						
January 31	4,428	2,719	270	6,070	5,627	360
February 28	4,470	2,875	320	6,070	5,668	430
March 31	6,722	3,758	415	6,595	5,725	510
April 30	7,778	4,078	530	6,655	6,277	600
May 31	7,784	4,650	615	6,698	6,328	700
June 30	7,778	5,418	700	6,796	6,442	810
July 31	8,801	5,758	805	7,917	6,790	930
August 31	11,863	6,186	920	7,819	7,153	1,050
September 30	11,845	7,902	1,100	8,134	7,363	1,165
October 31	13,461	10,034	1,255	8,235	7,505	1,305
November 30	13,586	9,744	1,435	8,733	7,548	1,465
December 31	P 17,488	P 10,354	1,685	9,605	7,930	1,665
1942						
March 31			2,675			2,275
June 30			4,375			3,000
September 30			6,825			3,900
December 31			10,000			5,000

For footnotes see page 45.

MUNITIONS PRODUCTION

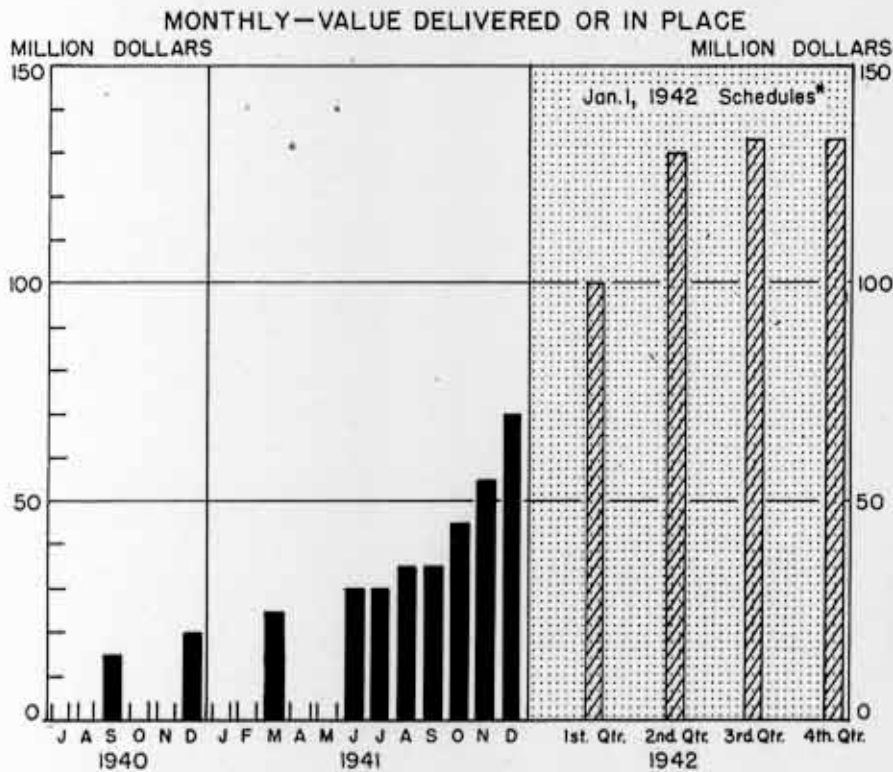
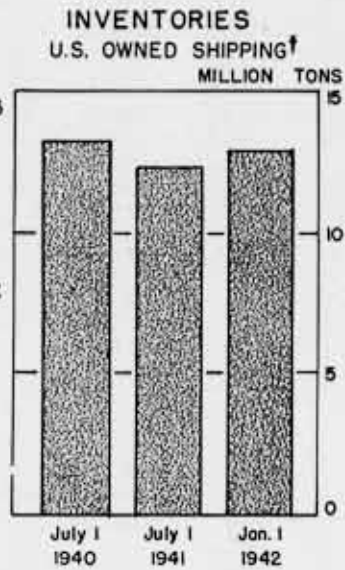
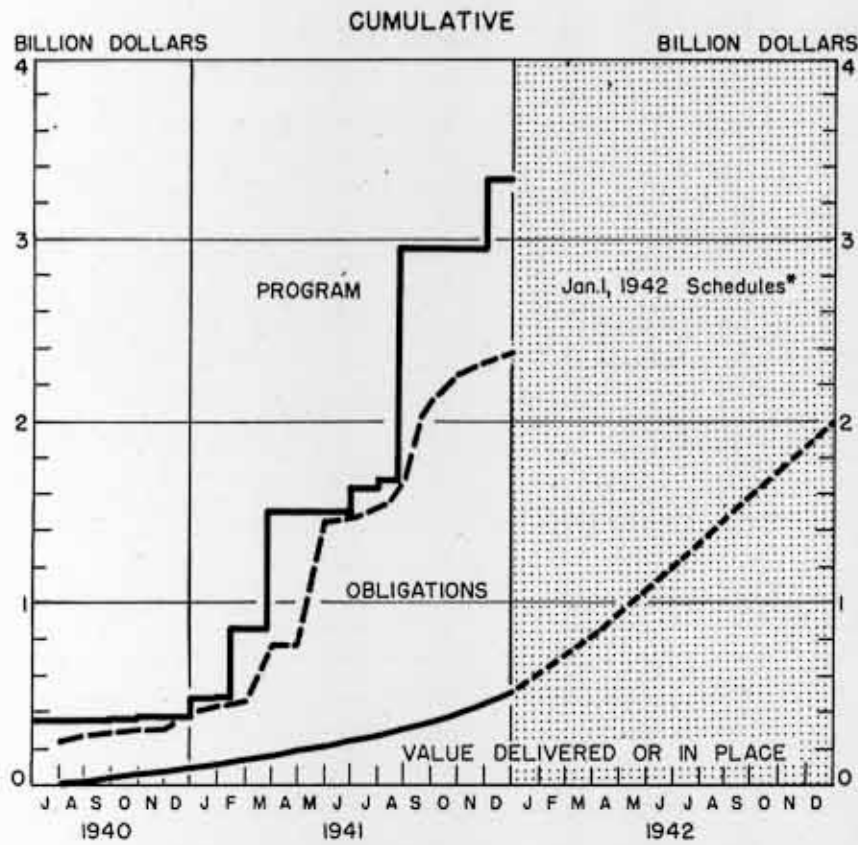


TOTAL WAR PROGRAM



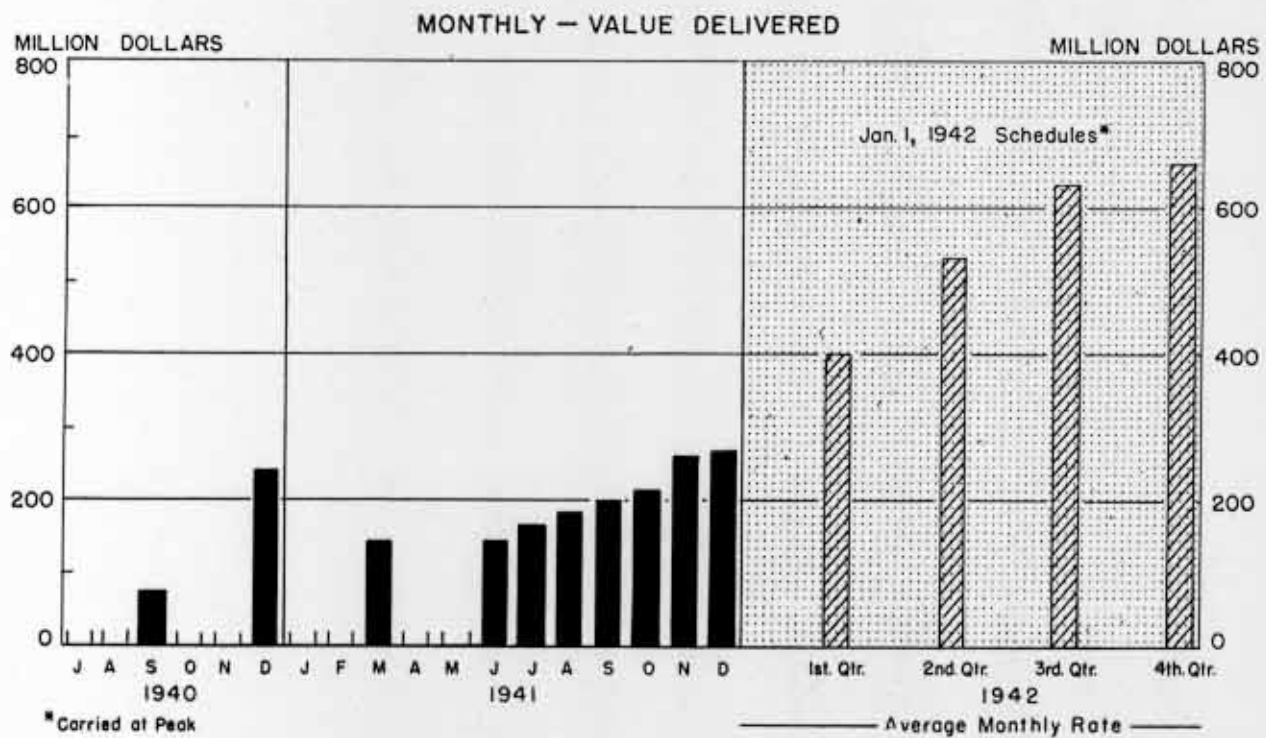
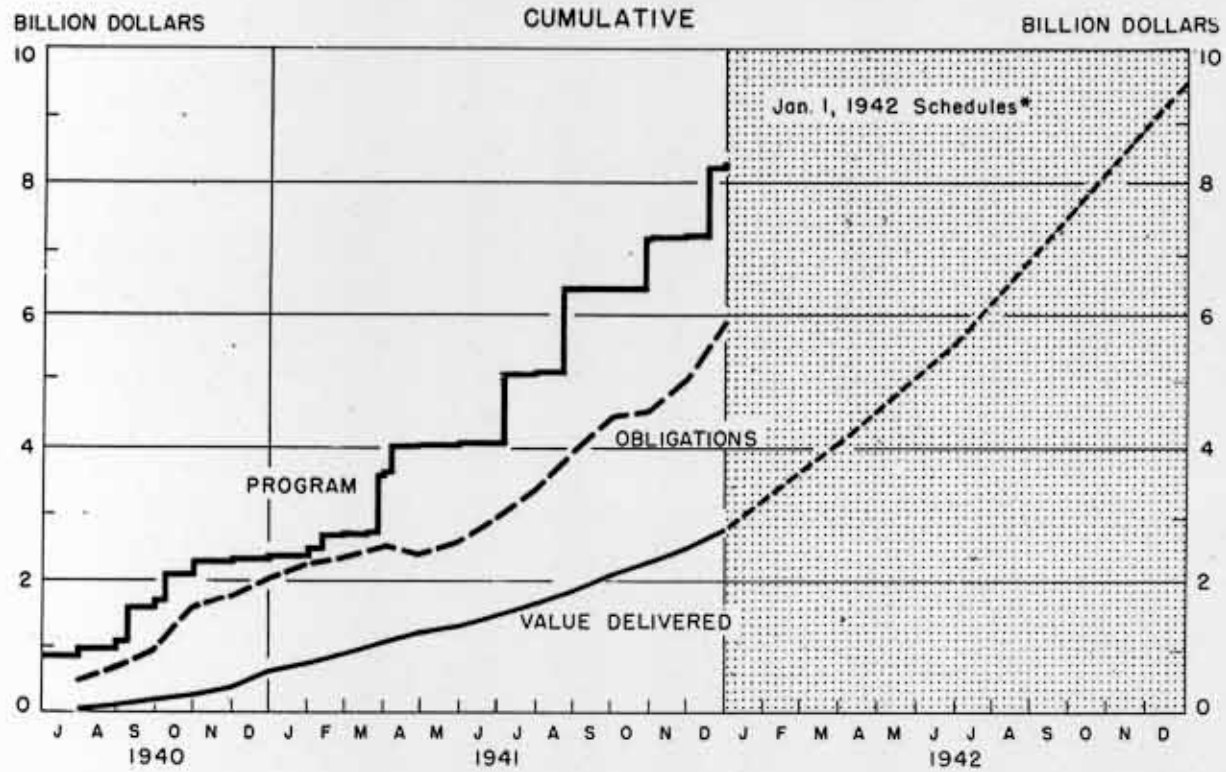
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MERCHANT SHIPS



* Carried at Peak
† Includes foreign owned ships under control of Maritime Commission.

OTHER MUNITIONS AND SUPPLIES

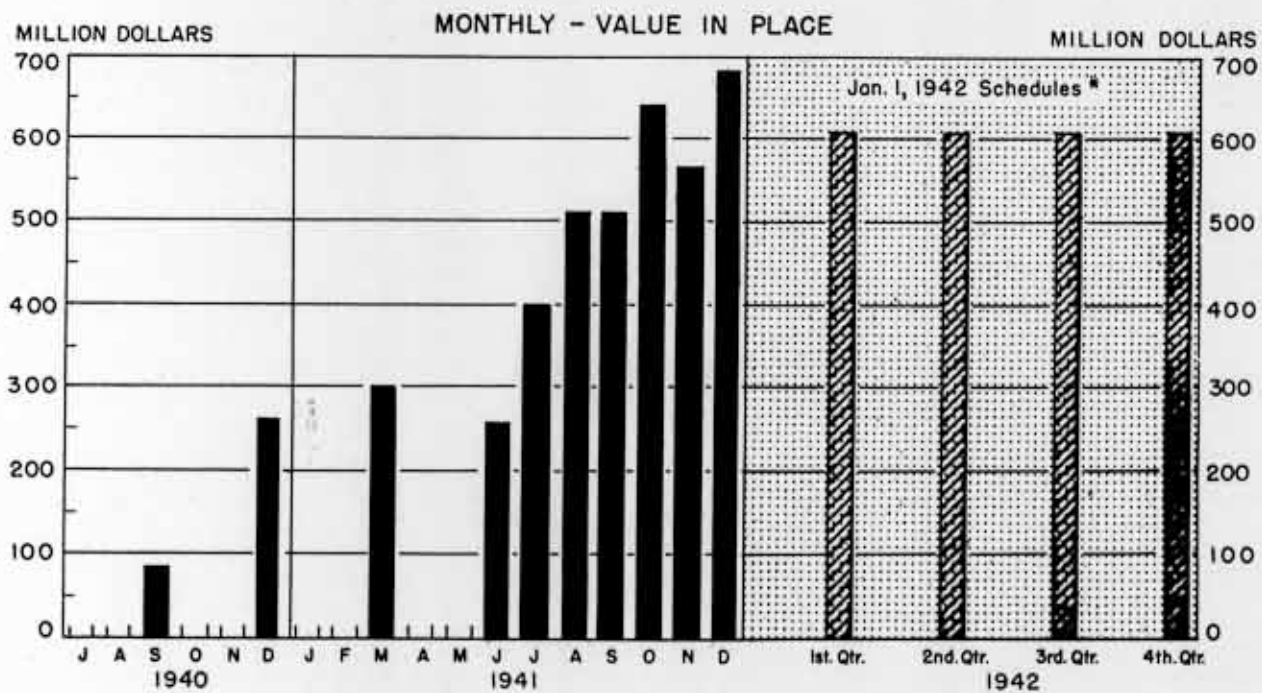
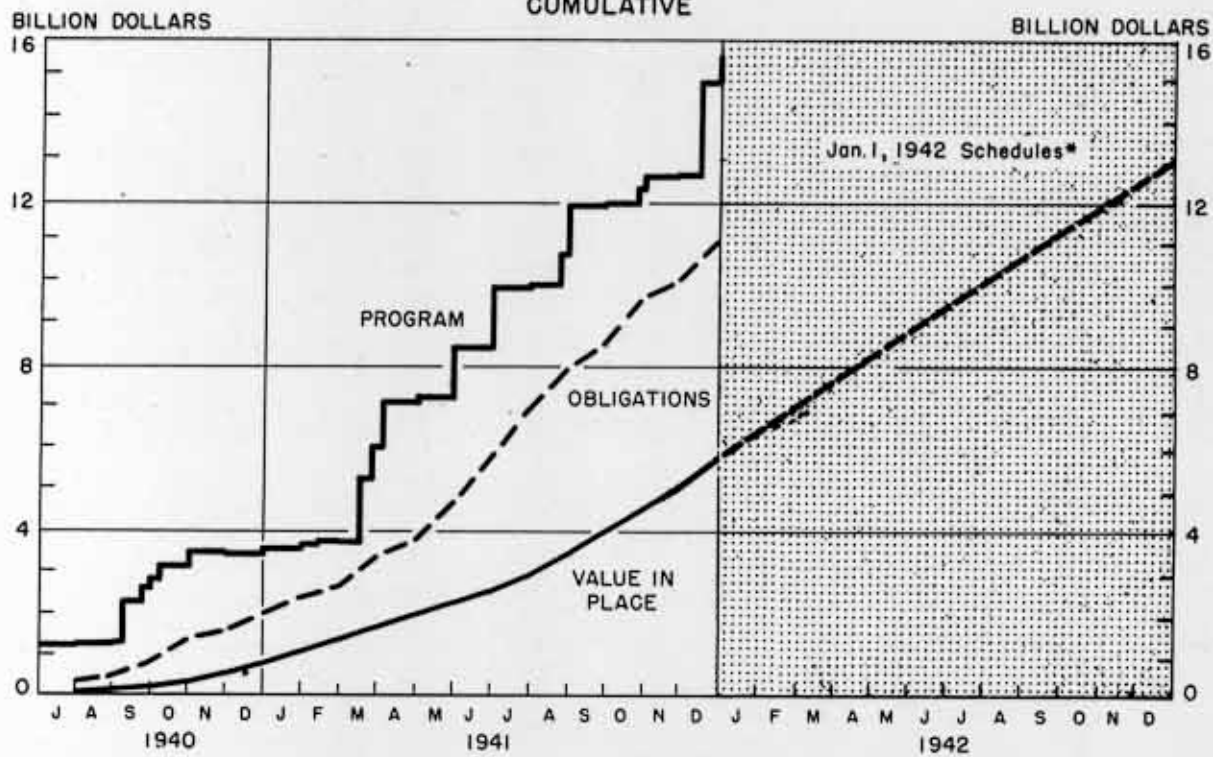


MUNITIONS PRODUCTION

Year and Month	MERCHANT SHIPS			OTHER MUNITIONS & SUPPLIES		
	Program	Obligations	Value delivered and/or in place	Program	Obligations	Value delivered and/or in place
MONTHLY						
(Million dollars)						
1940						
July and earlier	353	235	10	967	500	65
August	1	37	15	96	206	60
September	4	13	15	607	273	75
October	10	16	15	566	626	85
November	2	2	15	51	154	110
December	100	103	20	102	274	240
1941						
January	7	29	20	64	234	145
February	377	24	25	177	87	145
March	630	314	25	983	146	145
April	-1	-1	25	398	-115	155
May	-43	692	25	15	195	160
June	2	20	30	-58	360	145
July	232	49	30	1,169	465	165
August	1,289	364	35	900	546	180
September	-4	222	35	12	517	200
October	849	132	45	1,102	52	215
November	-466	78	55	15	486	260
December	P -54	P 52	70	P 1,119	P 840	265
CUMULATIVE						
1940						
July 31	353	235	10	967	500	65
August 31	354	272	25	1,063	706	125
September 30	358	285	40	1,670	979	200
October 31	368	301	55	2,236	1,605	285
November 30	370	303	70	2,287	1,759	395
December 31	470	406	90	2,389	2,033	635
1941						
January 31	477	435	110	2,453	2,267	780
February 28	854	459	135	2,630	2,354	925
March 31	1,484	773	160	3,613	2,500	1,070
April 30	1,483	772	185	4,011	2,385	1,225
May 31	1,440	1,464	210	4,026	2,580	1,385
June 30	1,442	1,484	240	3,968	2,940	1,530
July 31	1,674	1,533	270	5,137	3,405	1,695
August 31	2,963	1,897	305	6,037	3,951	1,875
September 30	2,959	2,119	340	6,049	4,468	2,075
October 31	3,808	2,251	385	7,151	4,520	2,290
November 30	3,342	2,329	440	7,166	5,006	2,550
December 31	P 3,288	P 2,381	510	P 8,285	P 5,846	2,815
1942						
March 31	Forecast based on January 1, 1942 schedules carried at peak.			810		4,015
June 30				1,200		5,615
September 30				1,600		7,515
December 31				2,000		9,500

For footnotes see page 45.

WAR CONSTRUCTION CUMULATIVE



* Carried at Peak

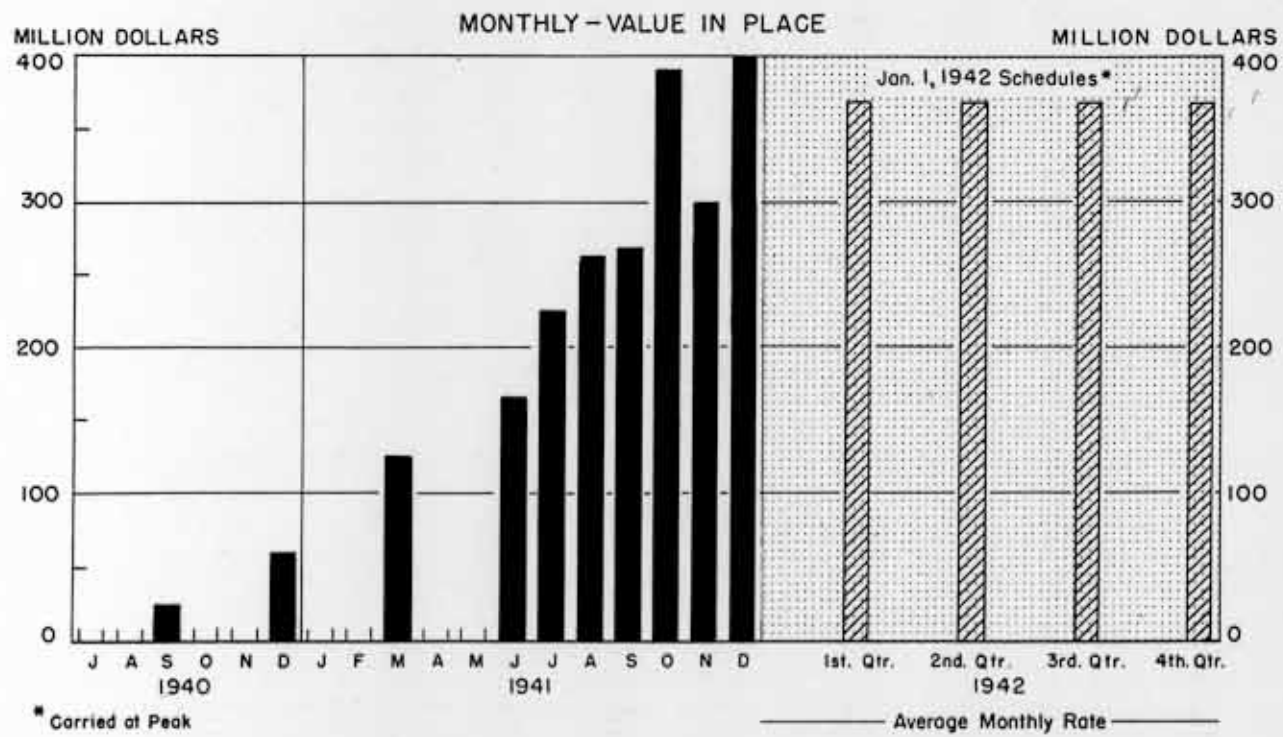
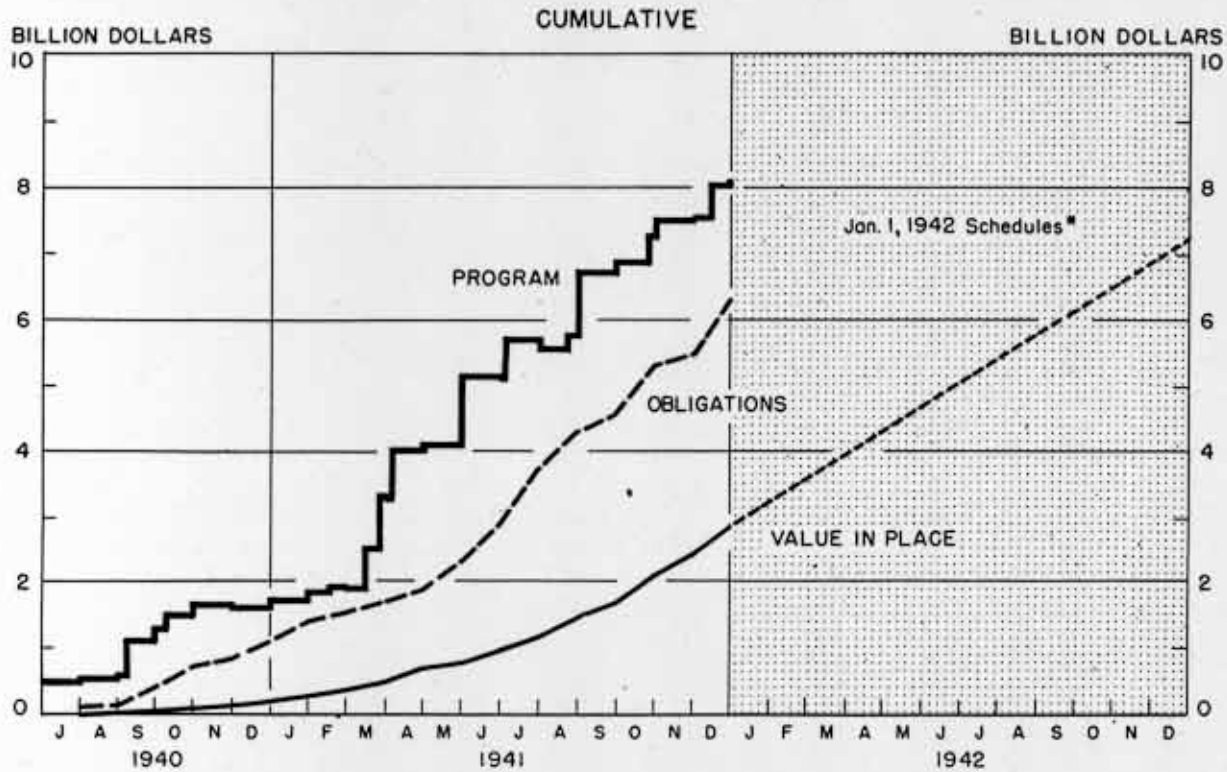
— Average Monthly Rate —

WAR CONSTRUCTION, TOTAL (LAND, BUILDINGS, EQUIPMENT)

Year and Month	Program	Unobligated balance ^d	Obligations	Value in place	Value not in place ^e
MONTHLY (Million dollars)					
1940					
July and earlier	1,271	931	340	60	280
August	25	-59	84	60	24
September	1,522	1,157	365	85	280
October	651	98	553	125	428
November	-20	-255	235	190	45
December	92	-258	350	260	90
1941					
January	147	-302	449	280	169
February	35	-204	239	290	-51
March	2,244	1,488	756	300	456
April	1,303	938	365	300	65
May	1,227	306	921	300	621
June	-36	-1,144	1,108	255	853
July	1,531	287	1,244	400	844
August	1,911	938	973	510	463
September	85	-457	542	510	32
October	669	-434	1,103	640	463
November	32	-380	412	P 565	P -153
December	P 2,851	P 1,793	P 1,058	P 680	P 378
CUMULATIVE					
1940					
July 31	1,271	931	340	60	280
August 31	1,296	872	424	120	304
September 30	2,818	2,029	789	205	584
October 31	3,469	2,127	1,342	330	1,012
November 30	3,449	1,872	1,577	520	1,057
December 31	3,541	1,614	1,927	780	1,147
1941					
January 31	3,688	1,312	2,376	1,060	1,316
February 28	3,723	1,108	2,615	1,350	1,265
March 31	5,967	2,596	3,371	1,650	1,721
April 30	7,270	3,534	3,736	1,950	1,786
May 31	8,497	3,840	4,657	2,250	2,407
June 30	8,461	2,696	5,765	2,505	3,260
July 31	9,992	2,983	7,009	2,905	4,104
August 31	11,903	3,921	7,982	3,415	4,567
September 30	11,988	3,464	8,524	3,925	4,599
October 31	12,657	3,030	9,627	4,565	5,062
November 30	12,689	2,650	10,039	P 5,130	P 4,909
December 31	P 15,540	P 4,443	P 11,097	P 5,810	P 5,287
1942					
March 31	} Forecast based on January 1, 1942 schedules carried at peak.			7,630	
June 30				9,450	
September 30				11,270	
December 31				13,090	

For footnotes see page 45.

INDUSTRIAL FACILITIES (Land, Buildings, and Equipment)



WAR CONSTRUCTION					
Year and Month	INDUSTRIAL FACILITIES (LAND, BLDGS., EQUIPMENT)			INDUSTRIAL FACILITIES, BUILDINGS ONLY	
	Program	Obligations	Value in place	Program	Value in place
MONTHLY (Million dollars)					
1940					
July and earlier	557	110	25	n.a.	n.a.
August	25	30	25	n.a.	n.a.
September	735	269	25	n.a.	n.a.
October	322	360	30	n.a.	n.a.
November	-20	92	35	n.a.	n.a.
December	92	247	60	n.a.	n.a.
1941					
January	147	335	80	n.a.	n.a.
February	35	131	90	n.a.	n.a.
March	1,350	206	125	1,213	276
April	851	63	150	27	91
May	1,062	473	150	189	39
June	-36	549	165	178	169
July	458	919	225	358	151
August	1,221	534	260	69	183
September	75	280	265	492	195
October	672	670	390	334	238
November	11	213	300	124	202
December	528	810	400	153	209
CUMULATIVE					
1940					
July 31	557	110	25	n.a.	n.a.
August 31	582	140	50	n.a.	n.a.
September 30	1,317	409	75	n.a.	n.a.
October 31	1,639	769	105	n.a.	n.a.
November 30	1,619	861	140	n.a.	n.a.
December 31	1,711	1,108	200	n.a.	n.a.
1941					
January 31	1,858	1,443	280	n.a.	n.a.
February 28	1,893	1,574	370	n.a.	n.a.
March 31	3,243	1,780	495	1,213	276
April 30	4,094	1,843	645	1,240	367
May 31	5,156	2,316	795	1,429	406
June 30	5,120	2,865	960	1,607	575
July 31	5,578	3,784	1,185	1,965	726
August 31	6,799	4,318	1,445	2,034	909
September 30	6,874	4,598	1,710	2,526	1,104
October 31	7,546	5,268	2,100	2,860	1,342
November 30	7,557	5,481	2,400	2,984	1,544
December 31	8,085	6,291	2,800	3,137	1,753
1942					
March 31	Forecast based on January 1, 1942 schedules carried at peak.		3,900		
June 30			5,000		
September 30			6,100		
December 31			7,200		

For footnotes see page 45.

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WAR CONSTRUCTION						
Year and Month	POSTS, DEPOTS, STATIONS			DEFENSE HOUSING		
	Program	Obligations	Value in place	Program	Obligations	Value in place
MONTHLY						
(Million dollars)						
1940						
July and earlier	682	230	35	432	-	-
August	0	54	35	0	-	-
September	687	86	60	100	10	-
October	139	158	95	190	35	-
November	0	112	155	0	31	-
December	0	74	200	0	29	-
1941						
January	0	88	190	0	26	10
February	0	85	190	0	23	10
March	889	530	155	5	20	20
April	452	248	130	0	54	20
May	0	424	125	165	24	25
June	0	536	60	0	23	30
July	923	300	135	150	25	40
August	690	415	210	0	24	40
September	10	218	205	0	44	40
October	-3	392	215	0	41	35
November	21	185	235	0	14	30
December	1,573	246	240	750	2	40
CUMULATIVE						
1940						
July 31	682	230	35	32	-	-
August 31	682	284	70	32	-	-
September 30	1,369	370	130	132	10	-
October 31	1,508	528	225	322	45	-
November 30	1,508	640	380	322	76	-
December 31	1,508	714	580	322	105	-
1941						
January 31	1,508	802	770	322	131	10
February 28	1,508	887	960	322	154	20
March 31	2,397	1,417	1,115	327	174	40
April 30	2,849	1,665	1,245	327	228	60
May 31	2,849	2,089	1,370	492	252	85
June 30	2,849	2,625	1,430	492	275	115
July 31	3,772	2,925	1,565	642	300	155
August 31	4,462	3,340	1,775	642	324	195
September 30	4,472	3,558	1,980	642	368	235
October 31	4,469	3,950	2,195	642	409	270
November 30	4,490	4,135	2,430	642	423	300
December	6,063	4,381	2,670	1,392	425	340
1942						
March 31			* 3,730			
June 30			* 4,450			
September 30			* 5,170			
December 31			* 5,890			

For footnotes see page 45.

* Value in place for "Posts, Depots and Stations" and "Defense Housing."



WAR PROGRESS SERIES

TOTAL UNITED STATES WAR PROGRAM

FINANCIAL PROGRAM	Cumulative 6/11/40 through			Monthly		
	End 1st full year 6/30/41	End of November 1941	December 15, 1941 ^h	November 1940	October 1941	November 1941
(Million dollars)						
BREAKDOWN OF MUNITIONS PRODUCTION						
● MUNITIONS PRODUCTION, TOTAL						
Program	r 28,466	r 45,853	52,776	303	r 4,311	r 136
Unobligated balance	r 4,891	r 9,629	P 16,025	-	-	-
Obligations	r 23,575	r 36,224	P 36,751	940	r 3,839	r 982
Value delivered and/or in place ^e	4,440	P 8,230	P 8,765	305	P 855	P 910
Value not delivered nor in place	r 19,135	P 27,994	P 27,986	-	-	-
AIRPLANES, PARTS&ACCESSORIES						
Program	r 8,482	r 13,164	14,876	183	645	r -11
Obligations	7,281	r 11,735	P 11,843	438	1,383	r 690
Value delivered	1,010	1,975	P 2,105	60	240	215
ORDNANCE						
Program	r 7,778	r 13,448	17,346	67	1,614	r 100
Obligations	5,418	r 9,606	P 9,614	245	2,130	r -315
Value delivered	700	1,435	P 1,570	55	155	180
NAVAL SHIPS						
Program	r 6,796	r 8,733	9,042	0	101	r 498
Obligations	6,452	7,548	P 7,868	101	142	43
Value delivered and/or in place	960	1,830	P 1,935	65	200	200
MERCHANT SHIPS						
Program	r 1,442	r 3,342	3,342	2	849	r -466
Obligations	1,484	r 2,329	P 2,349	2	132	r 78
Value delivered and/or in place	190	370	P 410	10	40	60
OTHER MUNITIONS AND SUPPLIES						
Program	r 3,968	r 7,166	8,150	51	r 1,102	r 15
Obligations	r 2,940	r 5,006	P 5,077	154	r 52	r 486
Value delivered	1,580	P 2,620	P 2,745	115	P 220	P 255

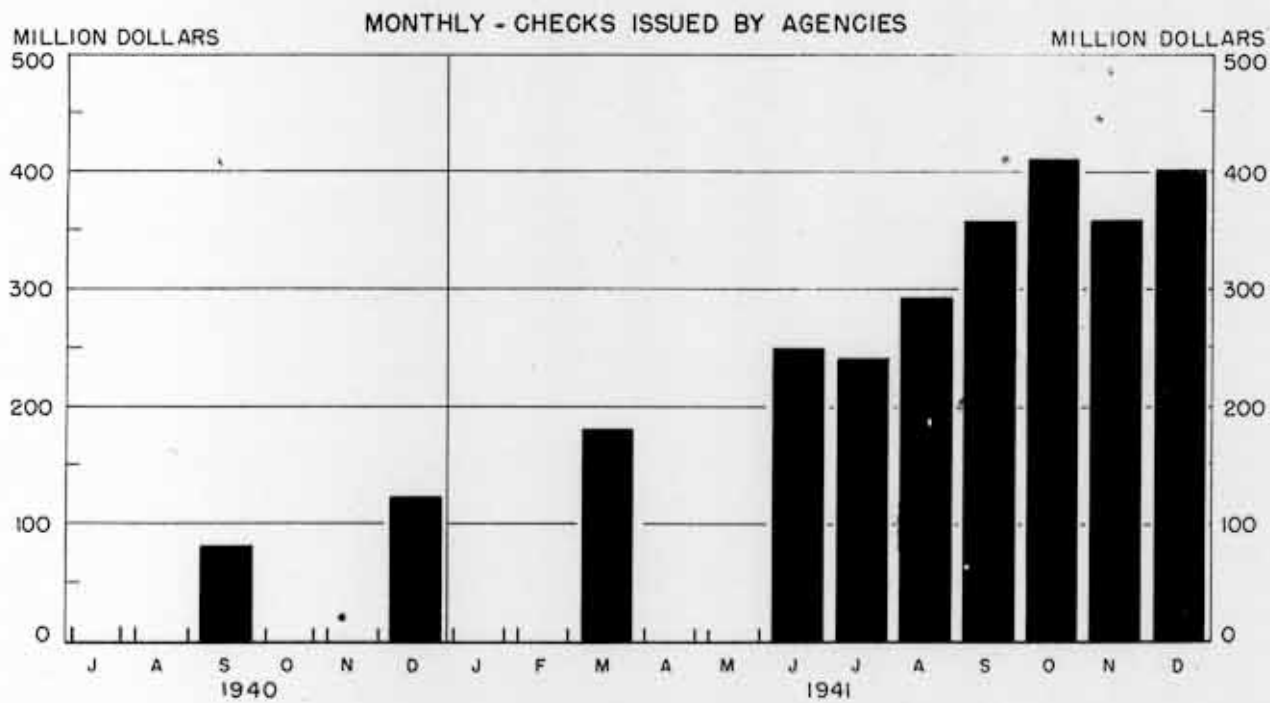
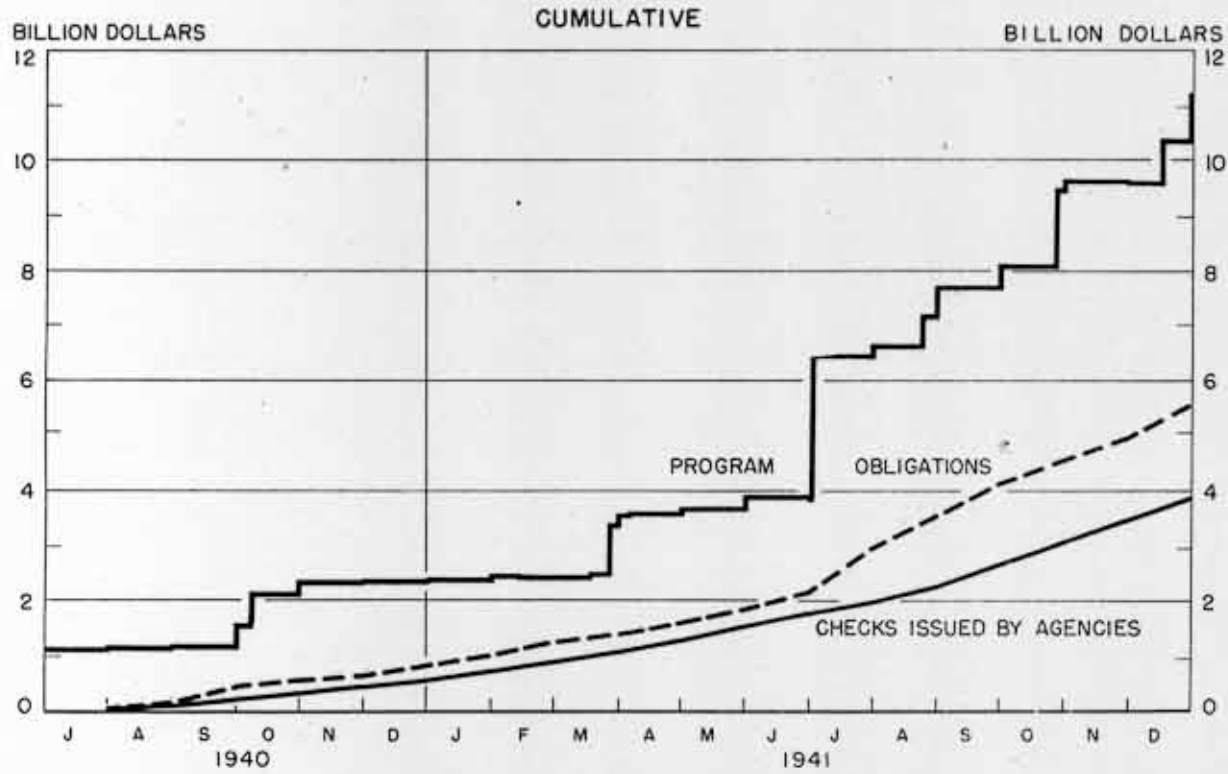
Table continued on page VII.

For footnotes see Page X.

● Graph appears on opposite page.



TOTAL NONMUNITIONS



NON-MUNITIONS, TOTAL				
Year and Month	Program	Unobligated balance \$	Obligations	Checks issued by agencies
MONTHLY				
(Million dollars)				
1940				
July and earlier	1,183	1,088	95	77
August	1	-87	88	86
September	401	127	274	81
October	749	634	115	115
November	8	-117	125	113
December	8	-146	154	122
1941				
January	91	-61	152	138
February	-32	-271	239	163
March	1,154	975	179	183
April	114	-108	222	215
May	167	-57	224	209
June	-10	-300	290	250
July	2,828	2,030	798	242
August	1,041	459	582	295
September	347	-254	601	359
October	1,552	1,171	381	412
November	-29	-430	401	P 360
December	P 1,688	P 1,010	P 678	P 403
CUMULATIVE				
1940				
July 31	1,183	1,088	95	77
August 31	1,184	1,001	183	163
September 30	1,585	1,128	457	244
October 31	2,334	1,762	572	359
November 30	2,342	1,645	697	472
December 31	2,350	1,499	851	594
1941				
January 31	2,441	1,438	1,003	732
February 28	2,409	1,167	1,242	895
March 31	3,563	2,142	1,421	1,078
April 30	3,677	2,034	1,643	1,293
May 31	3,844	1,977	1,867	1,502
June 30	3,834	1,677	2,157	1,752
July 31	6,662	3,707	2,955	1,994
August 31	7,703	4,166	3,537	2,289
September 30	8,050	3,912	4,138	2,648
October 31	9,602	5,083	4,519	3,060
November 30	9,573	4,653	4,920	P 3,420
December 31	P 11,261	P 5,663	P 5,598	P 3,823

For footnotes see page 45.

NON-MUNITIONS						
Year and Month	STOCK PILE			AGRICULTURAL EXPORTS (LEND-LEASE)		
	Program	Obligations	Checks issued by Agencies	Program	Obligations	Checks issued by Agencies
MONTHLY (Million dollars)						
1940 July and earlier	60	22	2	-	-	-
Aug.	0	8	4	-	-	-
Sept.	338	130	11	-	-	-
Oct.	102	23	11	-	-	-
Nov.	0	20	9	-	-	-
December	3	45	14	-	-	-
1941 Jan.	85	28	14	-	-	-
Feb.	-3	93	13	-	-	-
March	170	19	26	675	-	-
April	39	13	32	0	-	-
May	160	57	15	0	52	-
June	29	12	41	-50	14	1
July	85	60	19	-85	80	4
Aug.	135	94	29	0	105	19
Sept.	368	231	55	0	76	39
Oct.	60	55	68	975	65	63
Nov.	0	50	P 42	7	61	45
Dec.	768	90	P 83	0	108	40
CUMULATIVE						
1940 July 31	60	22	2	-	-	-
Aug. 31	60	30	6	-	-	-
Sept. 30	398	160	17	-	-	-
Oct. 31	500	183	28	-	-	-
Nov. 30	500	203	37	-	-	-
Dec. 31	503	248	51	-	-	-
1941 Jan. 31	588	276	65	-	-	-
Feb. 28	585	369	78	-	-	-
March 31	755	388	104	675	-	-
April 30	794	401	136	675	-	-
May 31	954	458	151	675	52	-
June 30	983	470	192	625	66	1
July 31	1,068	530	211	540	146	5
Aug. 31	1,203	624	240	540	251	24
Sept. 30	1,571	855	295	540	327	63
Oct. 31	1,631	910	363	1,515	392	126
Nov. 30	1,631	960	P 405	1,522	453	171
Dec. 31	2,399	1,050	P 488	1,522	561	211

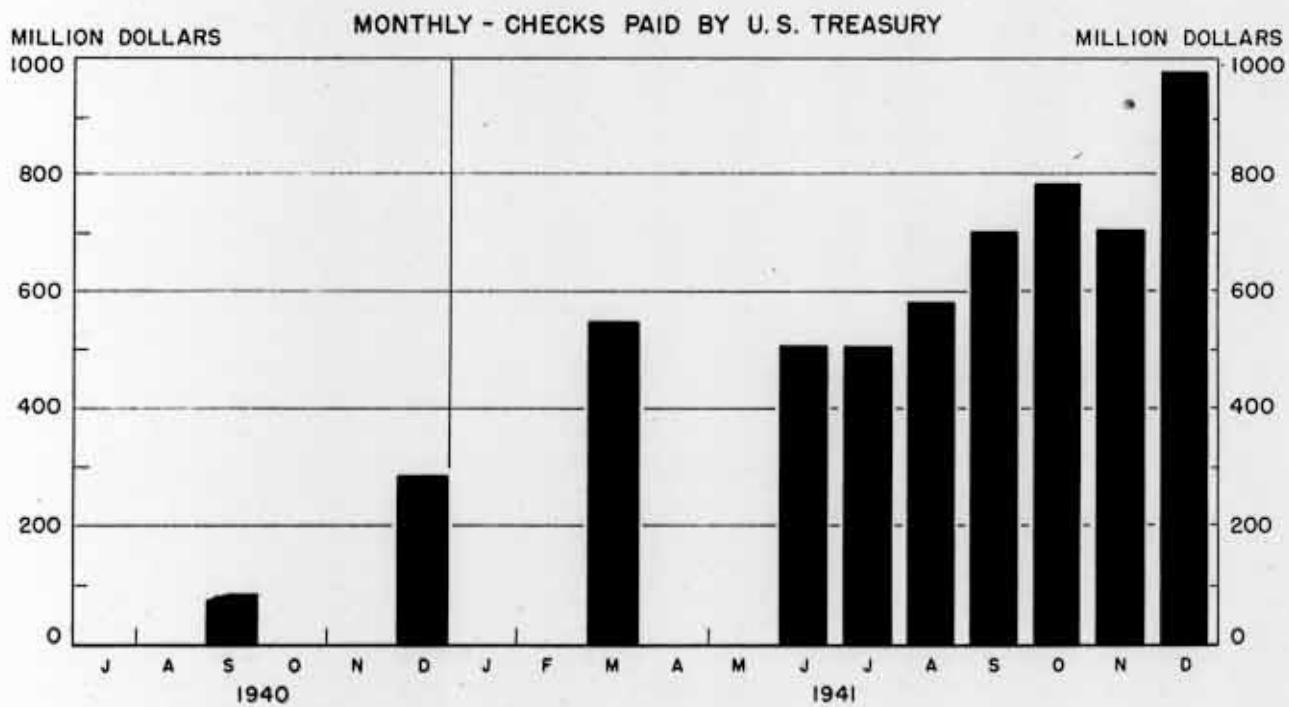
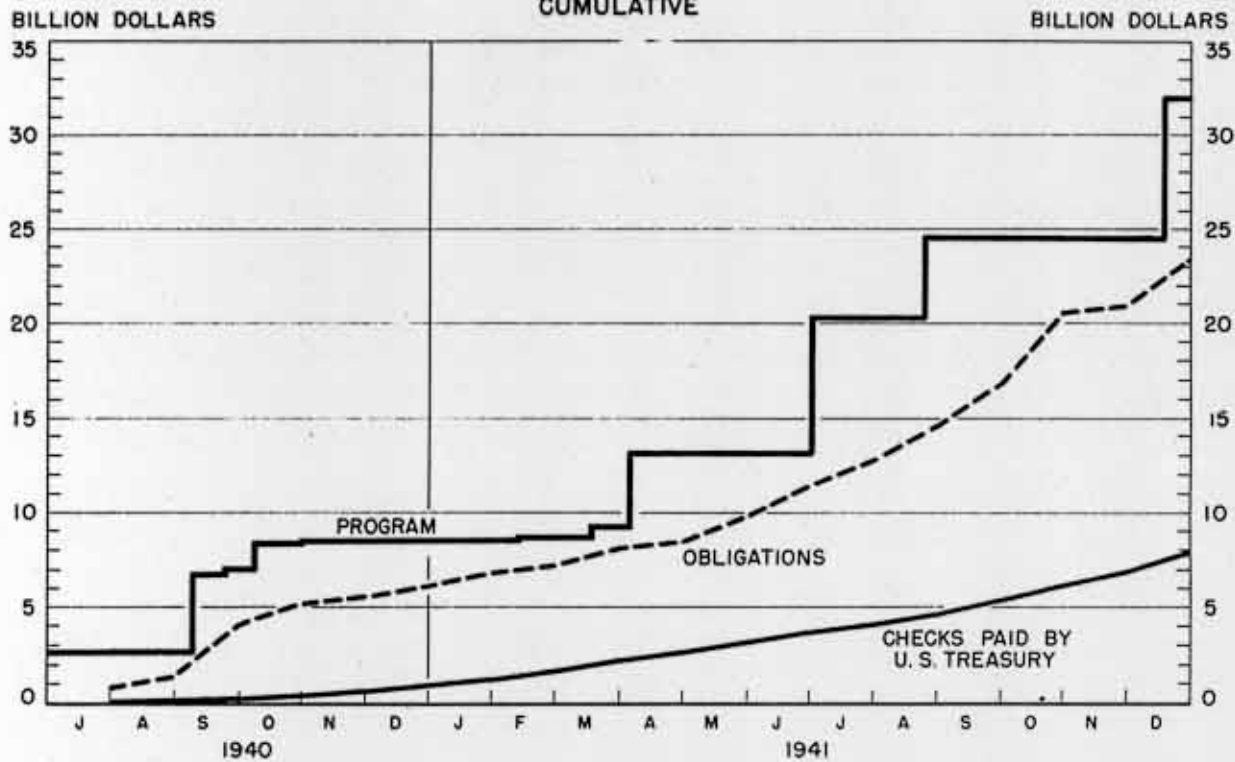
For footnotes see page 45.

NON-MUNITIONS						
Year and Month	PAY, SUBSISTENCE & TRAVEL ^h			MISCELLANEOUS NON-MUNITIONS		
	Program	Obligations	Checks issued	Program	Obligations	Checks issued by agencies
MONTHLY						
(Million dollars)						
1940						
July and earlier	764	70	72	359	3	3
August	0	75	77	1	5	5
September	0	76	65	63	68	5
October	535	84	99	112	8	5
November	0	91	97	8	14	7
December	0	98	102	5	11	6
1941						
January	0	111	116	6	13	8
February	0	128	135	-29	18	15
March	55	151	147	254	9	10
April	0	153	165	75	56	18
May	0	146	179	7	-31	15
June	0	117	186	11	147	22
July	2,216	281	194	612	377	25
August	-49	316	221	955	67	26
September	0	215	237	-21	79	28
October	16	179	244	501	82	37
November	159	222	P 247	P -195	P 68	P 26
December	527	267	P 251	P 393	P 213	P 29
CUMULATIVE						
1940						
July 31	764	70	72	359	3	3
August 31	764	145	149	360	8	8
September 30	764	221	214	423	76	13
October 31	1,299	305	313	535	84	18
November 30	1,299	396	410	543	98	25
December 31	1,299	494	512	548	109	31
1941						
January 31	1,299	605	628	554	122	39
February 28	1,299	733	763	525	140	54
March 31	1,354	884	910	779	149	64
April 30	1,354	1,037	1,075	854	205	82
May 31	1,354	1,183	1,254	861	174	97
June 30	1,354	1,300	1,440	872	321	119
July 31	3,570	1,581	1,634	1,484	698	144
August 31	3,521	1,897	1,855	2,439	765	170
September 30	3,521	2,112	2,092	2,418	844	198
October 31	3,537	2,291	P 2,336	2,919	926	P 235
November 30	3,696	2,513	P 2,583	P 2,724	994	P 261
December 31	4,223	2,780	P 2,834	P 3,117	P 1,207	P 290

For footnotes see page 45.

U. S. ARMY

CUMULATIVE



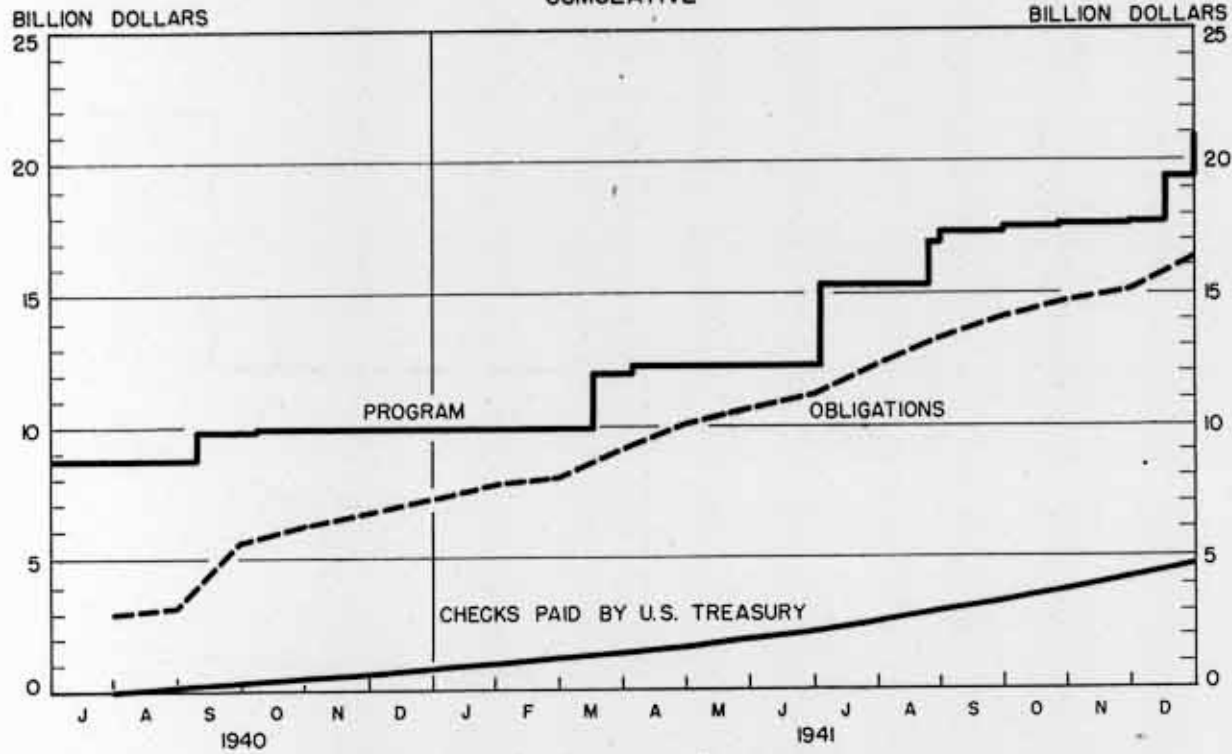
AGENCIES INCLUDED IN TREASURY GENERAL FUND						
Year and Month	U. S. ARMY			U. S. NAVY		
	Program	Obligations	Checks paid by U. S. Treasury	Program	Obligations	Checks paid by U. S. Treasury
MONTHLY						
(Million dollars)						
1940						
July and earlier	2,617	827	79	8,786	2,969	98
August	0	523	91	0	202	108
September	4,383	2,796	83	1,078	2,437	136
October	1,376	1,039	134	84	667	150
November	0	446	195	0	483	169
December	0	491	282	0	473	178
1941						
January	0	695	345	0	553	217
February	175	335	404	0	241	171
March	687	952	544	2,065	1,097	186
April	3,896	262	516	295	952	219
May	0	1,401	455	0	529	338
June	0	1,637	508	0	579	247
July	7,217	1,293	507	3,016	1,122	339
August	4,254	1,864	579	2,016	994	415
September	0	2,291	701	174	823	377
October	0	3,746	786	113	560	443
November	0	404	704	64	421	441
December	7,376	2,332	976	2,333	1,225	494
CUMULATIVE						
1940						
July 31	2,617	827	79	8,786	2,969	98
August 31	2,617	1,350	170	8,786	3,171	206
September 30	7,000	4,146	253	9,864	5,608	342
October 31	8,376	5,185	387	9,948	6,275	492
November 30	8,376	5,631	582	9,948	6,758	661
December 31	8,376	6,122	864	9,948	7,231	839
1941						
January 31	8,376	6,817	1,209	9,948	7,784	1,056
February 28	8,551	7,152	1,613	9,948	8,025	1,227
March 31	9,238	8,104	2,157	12,013	9,122	1,413
April 30	13,134	8,366	2,673	12,308	10,074	1,632
May 31	13,134	9,767	3,128	12,308	10,603	1,970
June 30	13,134	11,404	3,636	12,308	11,182	2,217
July 31	20,351	12,697	4,143	15,324	12,304	2,556
August 31	24,605	14,561	4,722	17,340	13,298	2,971
September 30	24,605	16,852	5,423	17,514	14,121	3,348
October 31	24,605	20,598	6,209	17,627	14,681	3,791
November 30	24,605	21,002	6,913	17,691	15,102	4,232
December 31	31,981	23,334	7,889	20,024	16,327	4,726

For footnotes see page 45.

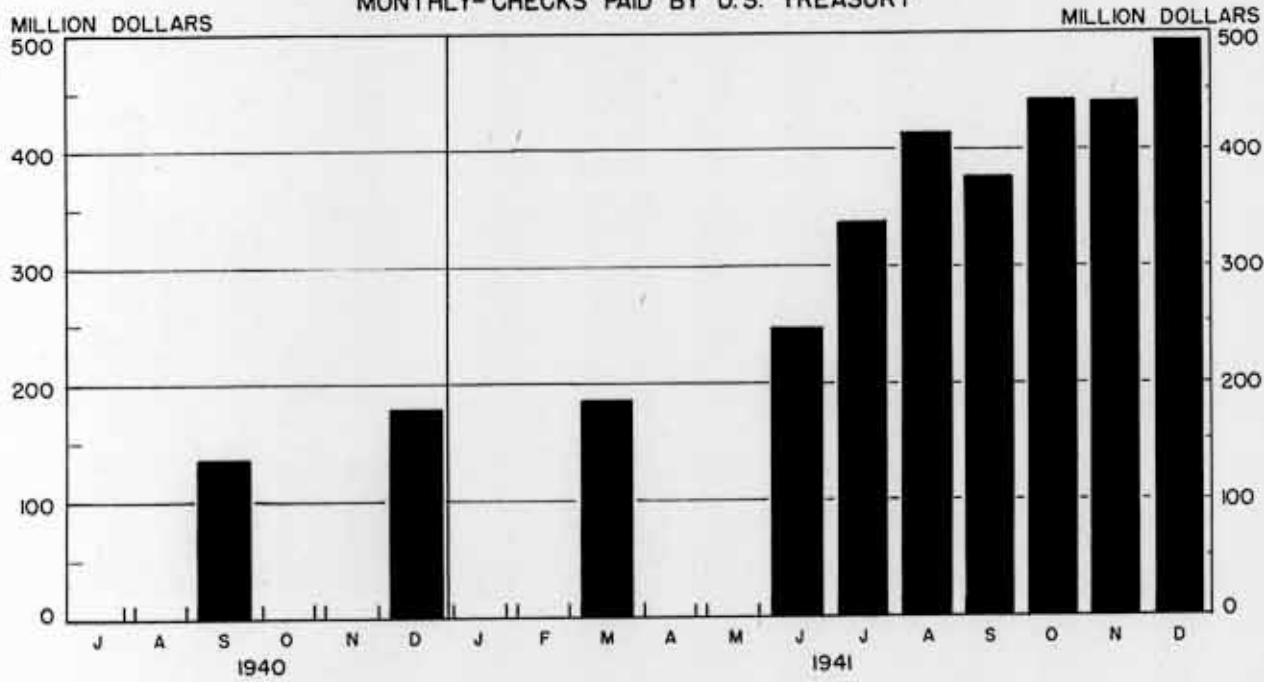
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U. S. NAVY

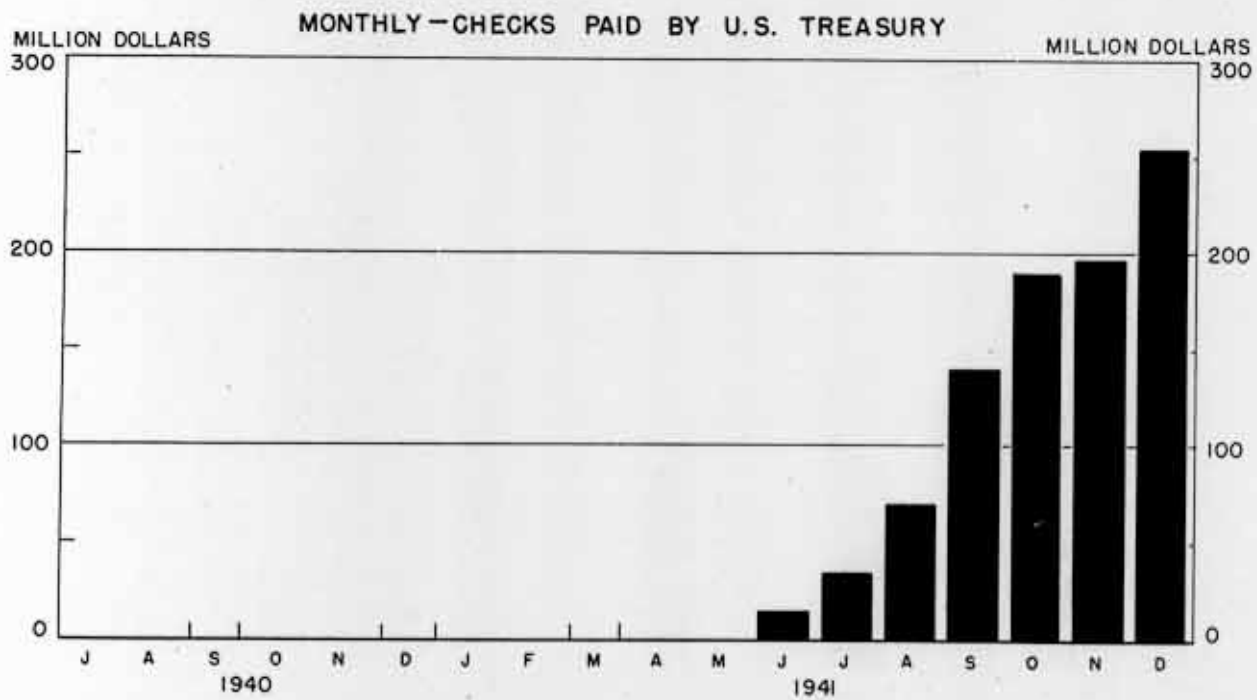
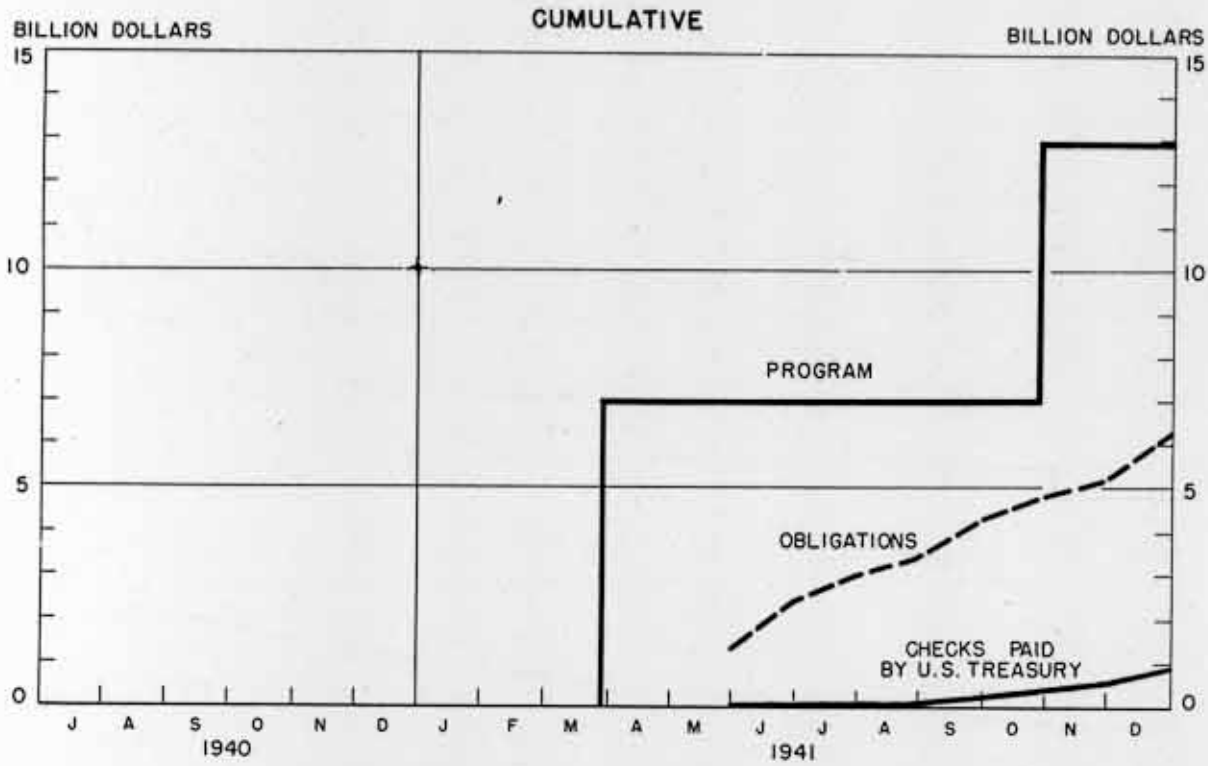
CUMULATIVE



MONTHLY-CHECKS PAID BY U.S. TREASURY



LEND-LEASE

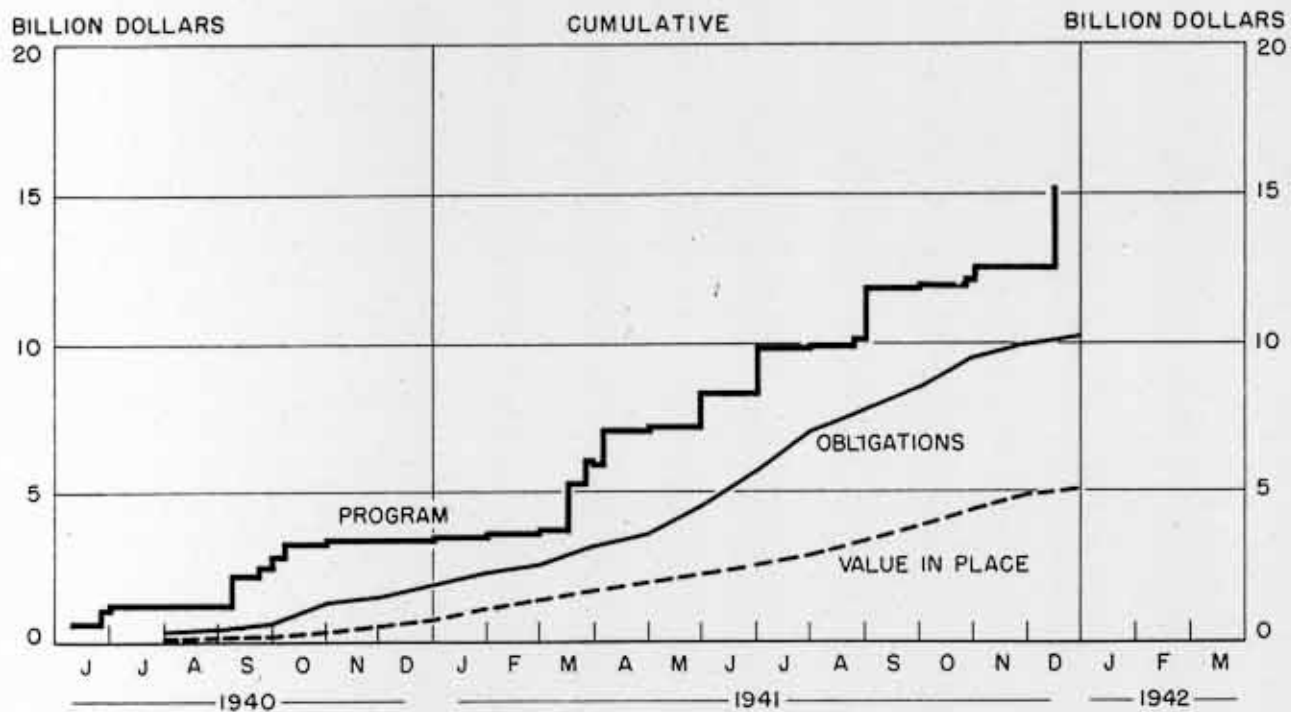


AGENCIES INCLUDED IN TREASURY GENERAL FUND				
Year and Month	LEND-LEASE			
	Program	Allocations	Obligations	Checks paid by U. S. Treasury
MONTHLY				
(Million dollars)				
1940				
July and earlier	-	-	-	-
August	-	-	-	-
September	-	-	-	-
October	-	-	-	-
November	-	-	-	-
December	-	-	-	-
1941				
January	-	-	-	-
February	-	-	-	-
March	7,000	-	-	-
April	0	3,736	-	-
May	0	450	1,342	7
June	0	991	1,116	14
July	0	282	620	34
August	0	835	489	70
September	0	175	771	140
October	5,985	315	488	191
November	0	2,419	430	198
December	0	2,142	1,026	256
CUMULATIVE				
1940				
July 31	-	-	-	-
August 31	-	-	-	-
September 30	-	-	-	-
October 31	-	-	-	-
November 30	-	-	-	-
December 31	-	-	-	-
1941				
January 31	-	-	-	-
February 28	-	-	-	-
March 31	7,000	-	-	-
April 30	7,000	3,736	-	-
May 31	7,000	4,186	1,342	7
June 30	7,000	5,177	2,458	21
July 31	7,000	5,459	3,078	55
August 31	7,000	6,294	3,567	125
September 30	7,000	6,469	4,338	265
October 31	12,985	6,784	4,826	456
November 30	12,985	9,203	5,256	654
December 31	12,985	11,345	6,282	910

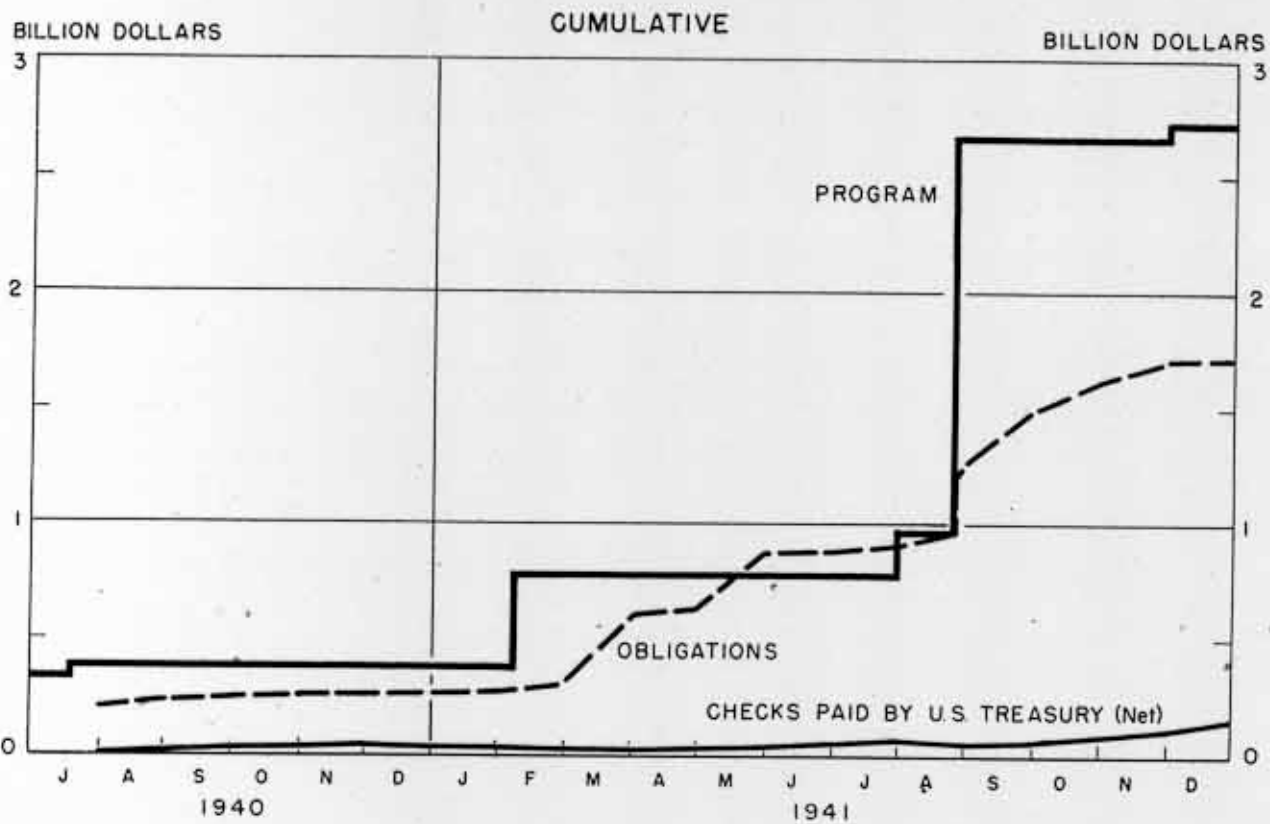
For footnotes see page 45.

DECLASSIFIED

WAR CONSTRUCTION



U.S. MARITIME COMMISSION



AGENCIES INCLUDED IN TREASURY GENERAL FUND

Year and Month	U. S. MARITIME COMMISSION			OTHER U. S. AGENCIES		
	Program	Obligations	Checks paid by U. S. Treasury ¹ (Net)	Program	Obligations	Checks paid by U. S. Treasury
MONTHLY						
(Million dollars)						
1940						
July and earlier	369	206	8	553	24	1
August	0	36	11	0	14	0
September	0	9	6	100	27	0
October	0	6	10	381	53	4
November	0	0	3	0	51	11
December	0	3	-3	0	40	13
1941						
January	0	22	-4	0	38	11
February	415	22	-8	-36	44	17
March	0	310	3	6	34	15
April	0	25	4	54	71	24
May	0	247	3	168	235	34
June	0	0	11	0	89	33
July	185	18	28	1,013	130	51
August	1,699	361	-25	13	75	85
September	0	238	26	0	77	76
October	0	132	21	18	58	86
November	67	86	26	0	96	68
December	-1	3	36	1,349	46	85
CUMULATIVE						
1940						
July 31	369	206	8	553	24	1
August 31	369	242	19	553	38	1
September 30	369	251	25	653	65	1
October 31	369	257	35	1,034	118	5
November 30	369	257	38	1,034	169	16
December 31	369	260	35	1,034	209	29
1941						
January 31	369	282	31	1,034	247	40
February 28	784	304	23	998	291	57
March 31	784	614	26	1,004	325	72
April 30	784	639	30	1,058	396	96
May 31	784	886	33	1,226	631	130
June 30	784	886	44	1,226	720	163
July 31	969	904	72	2,239	850	214
August 31	2,668	1,265	47	2,252	925	299
September 30	2,668	1,503	73	2,252	1,002	375
October 31	2,668	1,635	94	2,270	1,060	461
November 30	2,735	1,721	120	2,270	1,156	529
December 31	2,734	1,724	156	3,619	1,202	614

For footnotes see page 45.

ADDITIONAL AGENCIES

Year and Month	R. F. C. AND SUBSIDIARIES (Included in U.S. Financed Program)			FOREIGN ORDERS (Included in Total War Program)		
	Program	Obligations	Checks issued by R.F.C.	Program (Orders)	Obligations	Checks issued by Purchasing Missions
MONTHLY (Million dollars)						
1940 July and earlier	-	-	1	1,337	1,337	419
Aug.	-	-	3	175	175	203
Sept.	594	198	9	425	425	200
Oct.	213	167	14	546	546	181
Nov.	-19	10	12	306	306	180
Dec.	80	153	13	462	462	188
1941 Jan.	228	64	20	232	232	183
Feb.	-10	103	23	90	90	133
Mar.	133	79	49	101	101	161
April	168	39	60	73	73	106
May	1,236	84	67	16	16	69
June	0	254	79	23	23	81
July	222	784	60	-6	-6	88
Aug.	410	301	67	18	18	95
Sept.	438	301	103	133	133	84
Oct.	355	278	131	73	73	91
Nov.	-5	345	95	40	40	79
Dec.	1,087	409	150	22	22	103
CUMULATIVE						
1940 July 31	-	-	1	1,337	1,337	419
Aug. 31	-	-	4	1,512	1,512	622
Sept. 30	594	198	13	1,937	1,937	822
Oct. 31	807	365	27	2,483	2,483	1,003
Nov. 30	788	375	39	2,789	2,789	1,183
Dec. 31	868	528	52	3,251	3,251	1,371
1941 Jan. 31	1,096	592	72	3,483	3,483	1,554
Feb. 28	1,086	695	95	3,573	3,573	1,687
Mar. 31	1,219	774	144	3,674	3,674	1,848
April 30	1,387	813	204	3,747	3,747	1,954
May 31	2,623	897	271	3,763	3,763	2,023
June 30	2,623	1,151	350	3,786	3,786	2,104
July 31	2,845	1,935	410	3,780	3,780	2,192
Aug. 31	3,255	2,236	477	3,798	3,798	2,287
Sept. 30	3,693	2,537	580	3,931	3,931	2,371
Oct. 31	4,048	2,815	711	4,004	4,004	2,462
Nov. 30	4,043	3,160	806	4,044	4,044	2,541
Dec. 31	5,130	3,569	956	4,066	4,066	2,644

For footnotes see page 45.

FOOTNOTES

WAR PROGRESS SERIES

Data on obligations and unobligated balances are tentative pending determination of reserves not available for immediate obligation.

n.a. Not available

^PPreliminary

^aTotal war program includes all funds and authorizations made available for war purposes by the United States Government plus foreign orders placed in this country since November 1939. The major portion of the existing program has been approved since June 11, 1940, but some authorizations (particularly portions of the naval expansion program, the merchant shipbuilding program, and the stockpile program) were made available even earlier. All funds are shown during the fiscal year in which they are available for obligation.

^bUnited States financed program includes the war activities of all United States Government agencies (including Lend-Lease) plus the war activities of government owned corporations, but does not include foreign orders.

^cUnited States Treasury General Fund includes the war activities of all United States Government agencies (including Lend-Lease). It does not include the activities of government owned corporations or foreign orders in the United States.

^dMonthly data represent changes in unobligated balance.

^eValue delivered and/or in place includes (1) value delivered and/or in place for ships and value of production for other munitions, (2) value in place for war construction, and (3) checks issued by finance officers for non-munitions items.

^fChecks paid include (1) all checks paid out of the Treasury General Fund (cf. footnote c); (2) checks issued by the Reconstruction Finance Corporation and subsidiary Government corporations; (3) checks issued by foreign purchasing commissions.

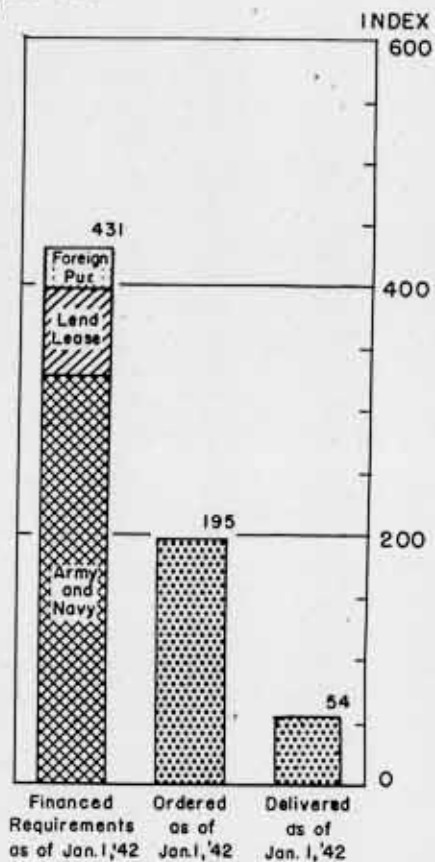
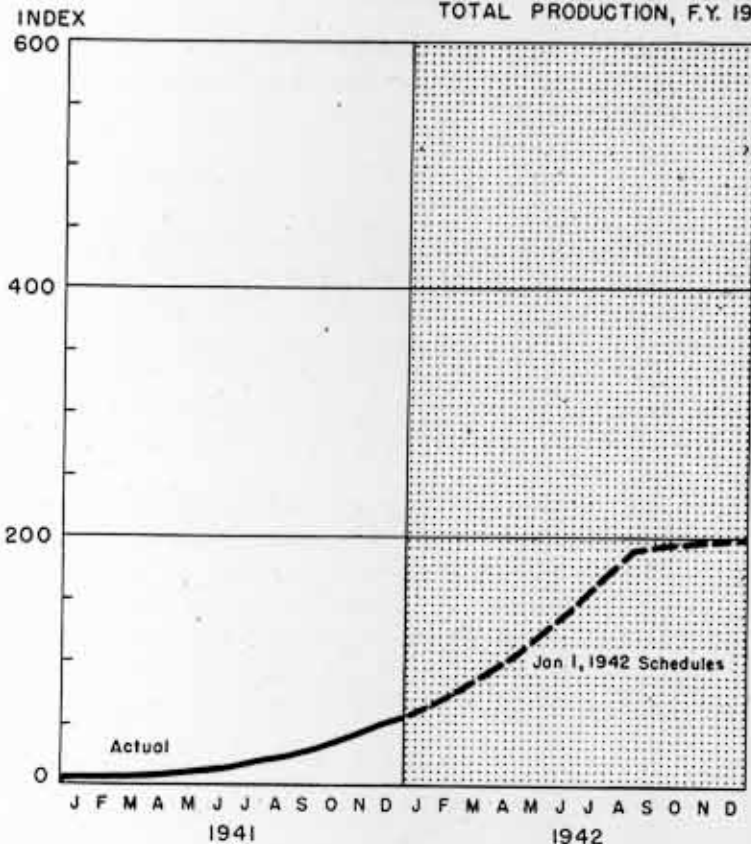
^gMonthly data represent changes in value not delivered nor in place.

^hProgram and obligations for pay for civilians and for the Navy include only that specifically mentioned in appropriation bills, while the cash disbursement figures include, in addition, executive war pay which cannot be separately distinguished in the appropriation bills.

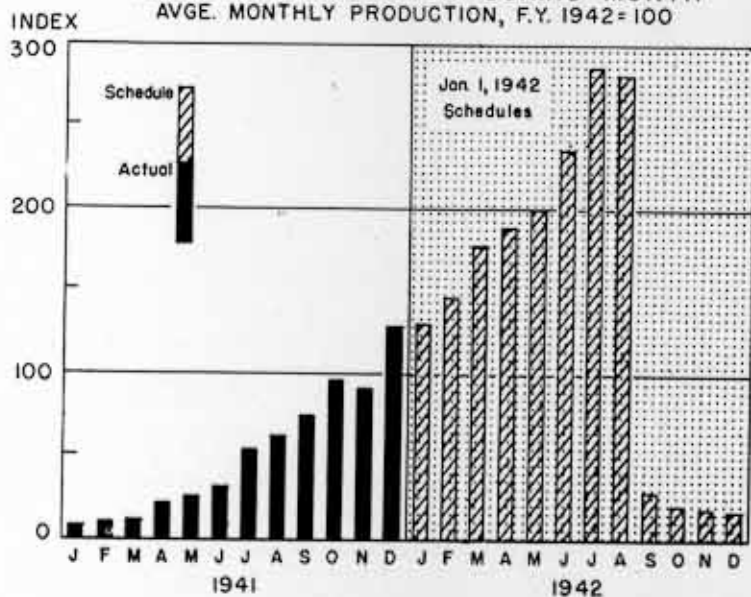
ⁱReport on checks paid by the Treasury for the account of the Maritime Commission makes allowance for receipts credited to the Construction Loan Fund.

COMBAT VEHICLES

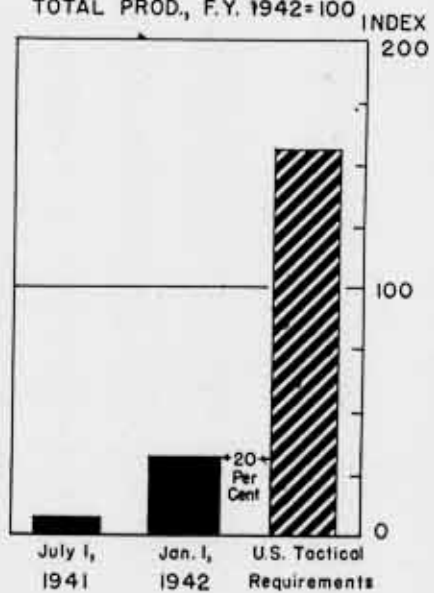
INDEX OF CUMULATIVE TOTAL PRODUCTION
TOTAL PRODUCTION, F.Y. 1942 = 100



INDEX OF PRODUCTION DURING MONTH
AVG. MONTHLY PRODUCTION, F.Y. 1942 = 100



U.S. INVENTORIES
TOTAL PROD., F.Y. 1942 = 100



ORDNANCE PRODUCTION INDEXES

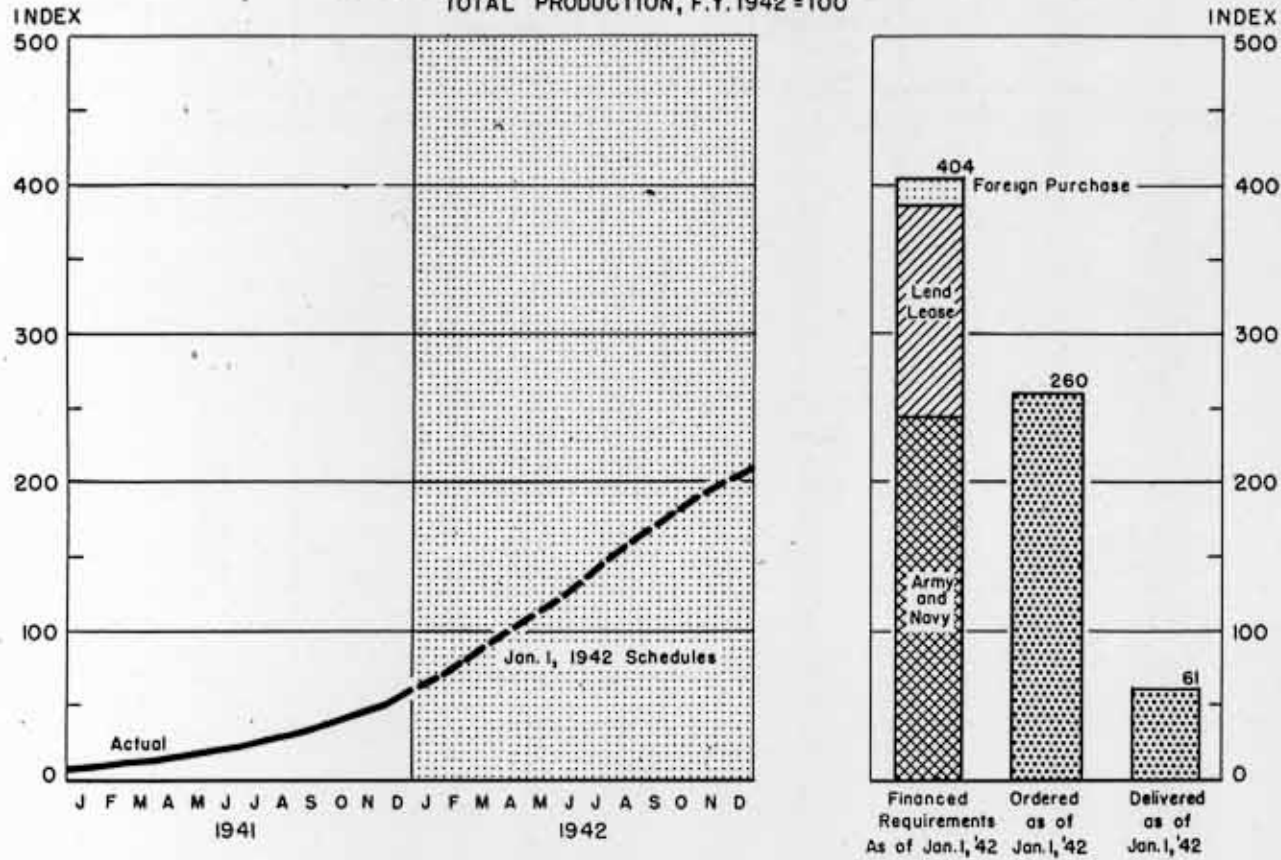
Year and Month	Combat Vehicles		Army-type Guns		Ammunition	
	Scheduled as of Jan. 1	Actual	Scheduled as of Jan. 1	Actual	Scheduled as of Jan. 1	Actual
MONTHLY PRODUCTION RATE DURING			Average monthly production FY 1942=100			
1940						
December		^a 7		^a 14		^b { 11
1941						
March		11		30		13
June		31		41		20
September		73		67		22
October		95		84		32
November		91		71		66
December		127		130		
1942						
January	128		110		90	
February	146		137		125	
March	175		154		161	
June	235		170		300	
September	28		152		439	
December	16		118		590	
Av. mo. prod. FY 1942	100		100		100	
Peak month	285 (7/42)		186 (7/42)		590 (12/42)	
TOTAL CUMULATIVE PRODUCTION TO:			Total production FY 1942 = 100			
1940						
December 31		4		7		-
1941						
March 31		6		13		^a 9
June 30		12		22		11
September 30		28		38		15
October 31		36		44		17
November 30		44		50		20
December 31		54		61		26
1942						
January 31	65		70		33	
February 28	77		82		43	
March 31	92		95		57	
June 30	143		134		117	
September 30	193		177		216	
December 31	197		210		350	
Total production FY 1942	100		100		100	
Prod. requirements, Jan. 1						
Financed	431		404		451	
Pending	251		155		318	
Ordered to January 1	195		260		305	
To be ordered as of Jan. 1	236		144		146	
INVENTORIES						
July 1, 1941		7		n.a.		22
January 1, 1942		31		n.a.		24

^aAverage July 1, 1940-Dec. 31, 1940
^aApril 30, 1941

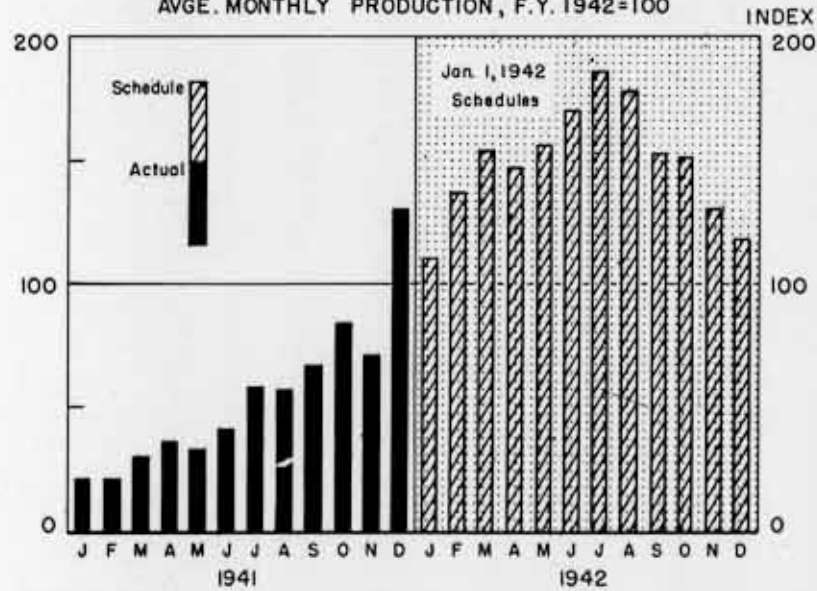
^bAverage July 1, 1940-April 30, 1941
n.a. Data not available

ARMY-TYPE GUNS

INDEX OF CUMULATIVE TOTAL PRODUCTION
TOTAL PRODUCTION, F.Y. 1942 = 100

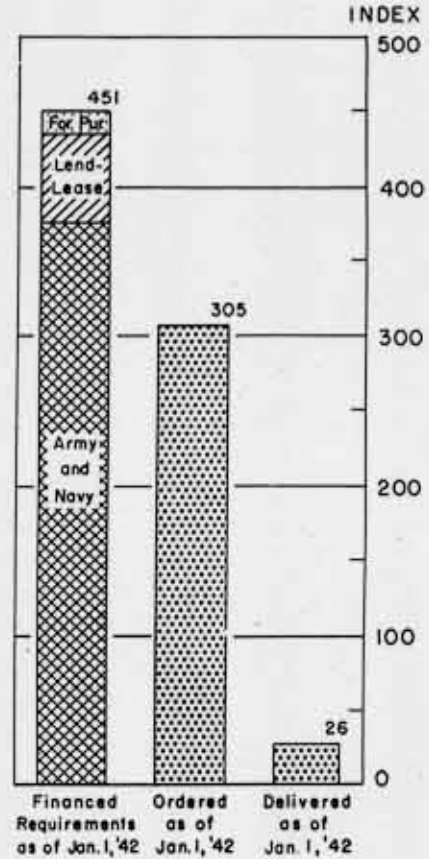
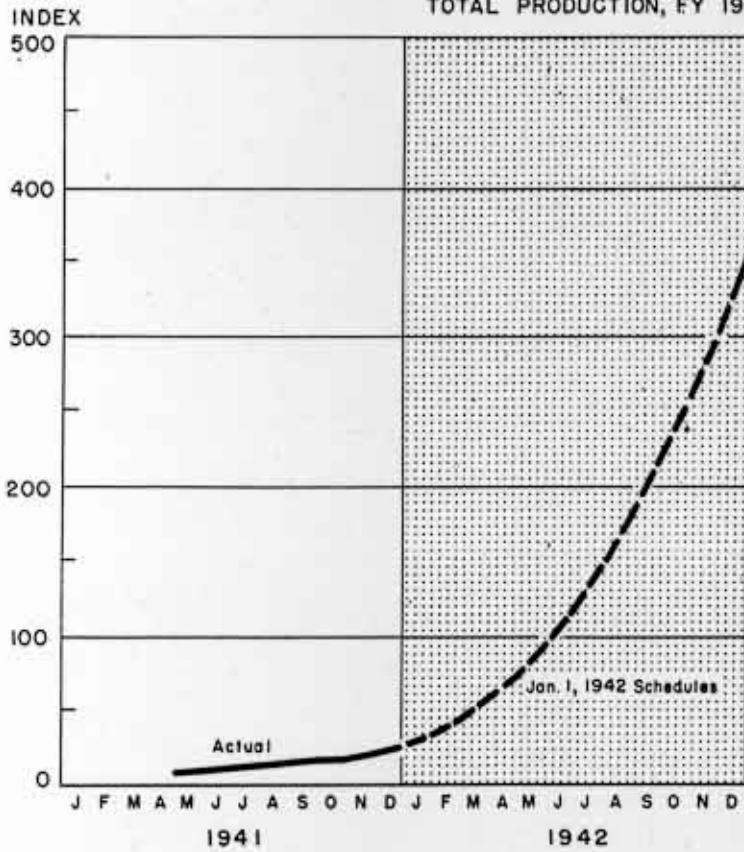


INDEX OF PRODUCTION DURING MONTH
AVG. MONTHLY PRODUCTION, F.Y. 1942=100

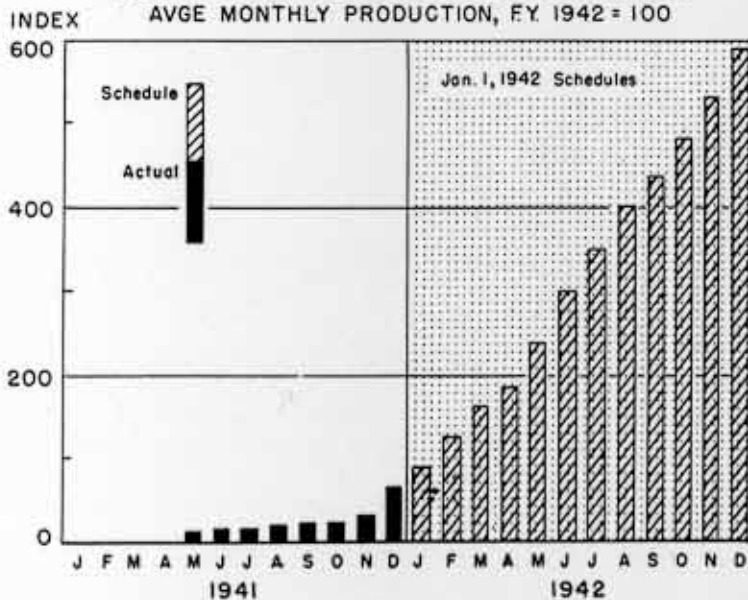


AMMUNITION

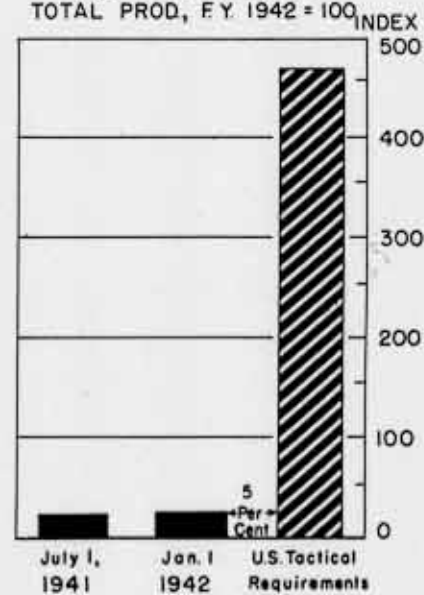
INDEX OF CUMULATIVE TOTAL PRODUCTION
TOTAL PRODUCTION, FY 1942 = 100



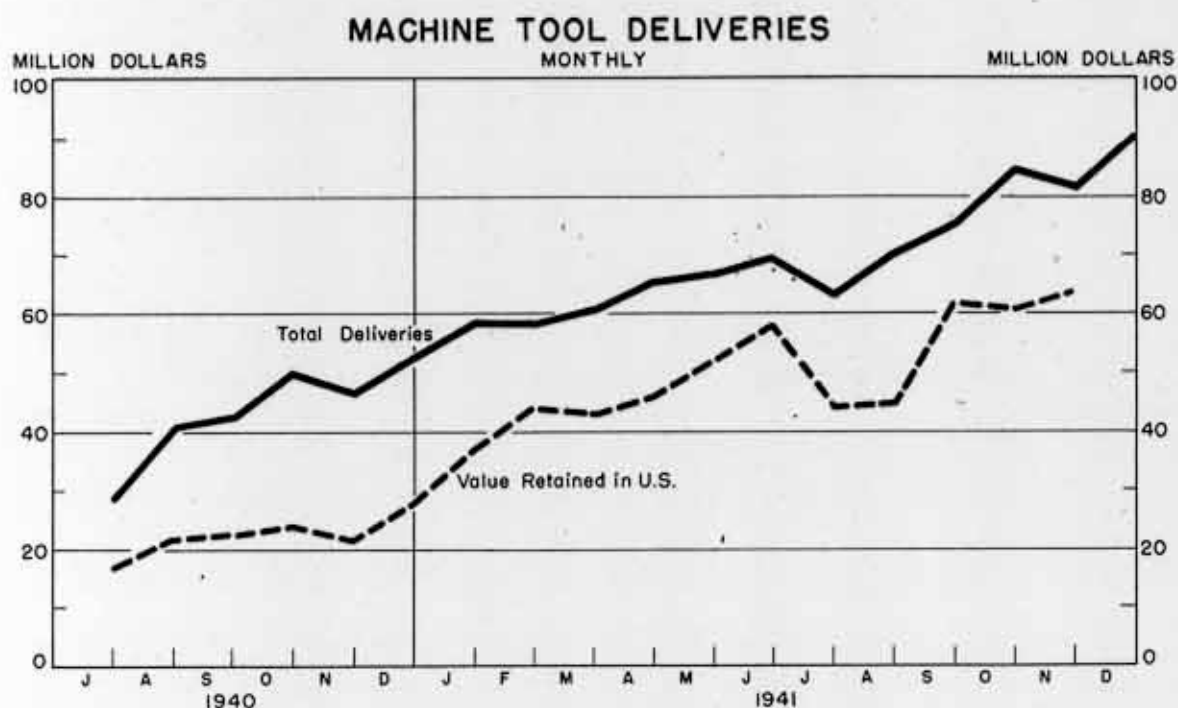
INDEX OF PRODUCTION DURING MONTH
AVGE MONTHLY PRODUCTION, FY 1942 = 100



U.S. INVENTORIES
TOTAL PROD, FY 1942 = 100



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MACHINE TOOLS

Year and Month	Machine Tools, Value			Machine Tools, Number*			
	Total deliveries	Value retained in U. S.	Unfilled orders	Deliveries			Unfilled orders, all types
				Total	Most critical types	Other types	
	(Thousand dollars)			(Number)			
1940							
July	28,300	16,378					
August	40,600	21,686					
September	42,100	22,252					
October	49,400	23,798					
November	46,400	21,565					
December	52,600	27,617					
1941							
January	58,820	36,775			8,811		
February	58,500	43,592					
March	60,850	42,903			4,862		
April	65,002	45,980			5,099		
May	66,200	51,811		14,633	5,193	9,440	
June	69,070	57,836	523,740	14,808	5,225	9,583	84,050
July	63,019	54,019	529,290	13,731	4,827	8,904	84,470
August	70,069	54,247	577,231	15,145	5,578	9,567	85,611
September	74,906	61,715	600,017	15,468	5,981	9,487	89,406
October	84,178	60,954	617,677	16,987	6,710	10,277	89,107
November	81,320	63,594	616,542	15,752	6,693	9,059	88,712
December	89,900		629,926	19,698			88,480

* Not including presses, which are included in data on value.

file

PSF

Box 130-A

WAR PROGRESS

DECLASSIFIED
E.O. 11652, Sec. 8(B) and 8(D) or (E)
Commerce Dept. Letter, 11-14-72
By RHP, Date MAR 29 1973

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NUMBER 69

JANUARY 9, 1942

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NUMBER 69

VII

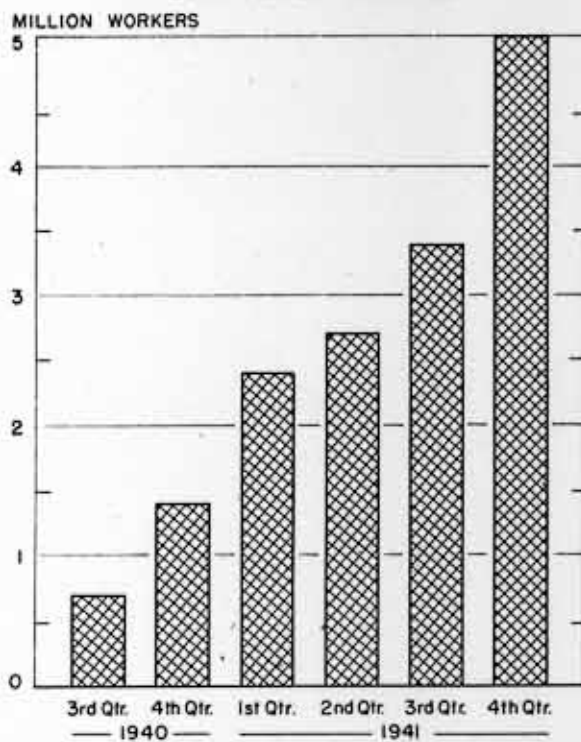
WAR PROGRESS SERIES

TOTAL UNITED STATES WAR PROGRAM

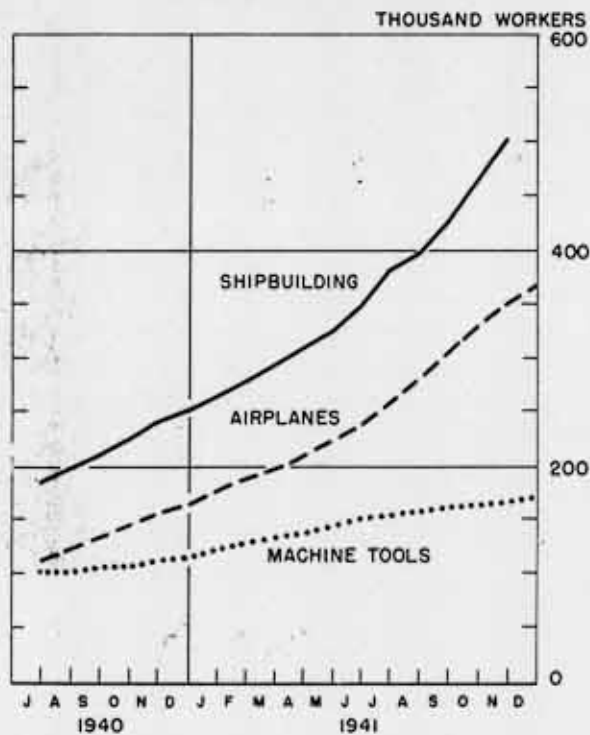
FINANCIAL PROGRAM	Cumulative 6/11/40 through			Monthly		
	End 1st full year 6/30/41	End of November 1941	December 15, 1941 h	November 1940	October 1941	November 1941
(Million dollars)						
BREAKDOWN OF WAR CONSTRUCTION						
● WAR CONSTRUCTION, TOTAL (LAND, BLDGS., EQUIP.)						
Program	r 8,461	r 12,689	r 14,846	r -20	r 669	r 32
Unobligated balance	r 2,696	r 2,650	P 4,547	-	-	-
Obligations	r 5,765	r 10,039	P 10,299	r 235	r 1,103	r 412
Value in place	r 2,505	P 4,905	P 5,125	190	P 515	P 485
Value not in place	r 3,260	P 5,134	P 5,174	-	-	-
INDUSTRIAL FACILITIES (LAND, BLDGS., EQUIP.)						
Program	r 5,120	r 7,557	r 8,023	r -20	r 672	r 11
Obligations	r 2,865	r 5,481	P 5,739	r 92	r 670	r 213
Value in place	960	P 2,240	P 2,375	35	P 265	P 265
INDUSTRIAL FACILITIES, BUILDINGS ONLY						
Program	1,607	2,984	n.a.	n.a.	303	155
Value in place	575	1,544	n.a.	n.a.	181	202
POSTS, DEPOTS, STATIONS						
Program	r 2,849	4,490	5,881	0	-3	21
Obligations	2,625	4,135	P 4,137	112	392	185
Value in place	1,430	2,365	P 2,430	155	215	190
DEFENSE HOUSING						
Program	492	642	942	0	0	0
Obligations	275	423	P 423	31	41	14
Value in place	115	300	P 320	0	35	30
BREAKDOWN OF NON-MUNITIONS						
NON-MUNITIONS, TOTAL						
Program	r 3,834	r 9,573	r 10,344	r 8	r 1,552	r -29
Unobligated balance	r 1,677	r 4,653	P 5,340	-	-	-
Obligations	r 2,157	r 4,920	P 5,004	r 125	r 381	r 401
Checks issued by agencies	r 1,752	P 3,397	P 3,606	113	P 374	P 375
STOCKPILE						
Program	983	1,631	1,631	0	60	0
Obligations	470	960	P 960	20	55	50
Checks issued by agencies	192	P 390	P 417	9	P 45	P 50
AGRICULTURAL EXPORTS (LEND-LEASE)						
Program	r 625	r 1,522	1,522	-	r 975	r 7
Obligations	r 66	r 453	501	-	r 65	r 61
Checks issued by agencies	r 1	171	P 201	-	r 63	45

Table continued on following page. For footnotes see Page X.
 ● Graph appears on opposite page.

TOTAL WAR EMPLOYMENT
QUARTERLY AVERAGE



EMPLOYMENT IN SELECTED
WAR INDUSTRIES

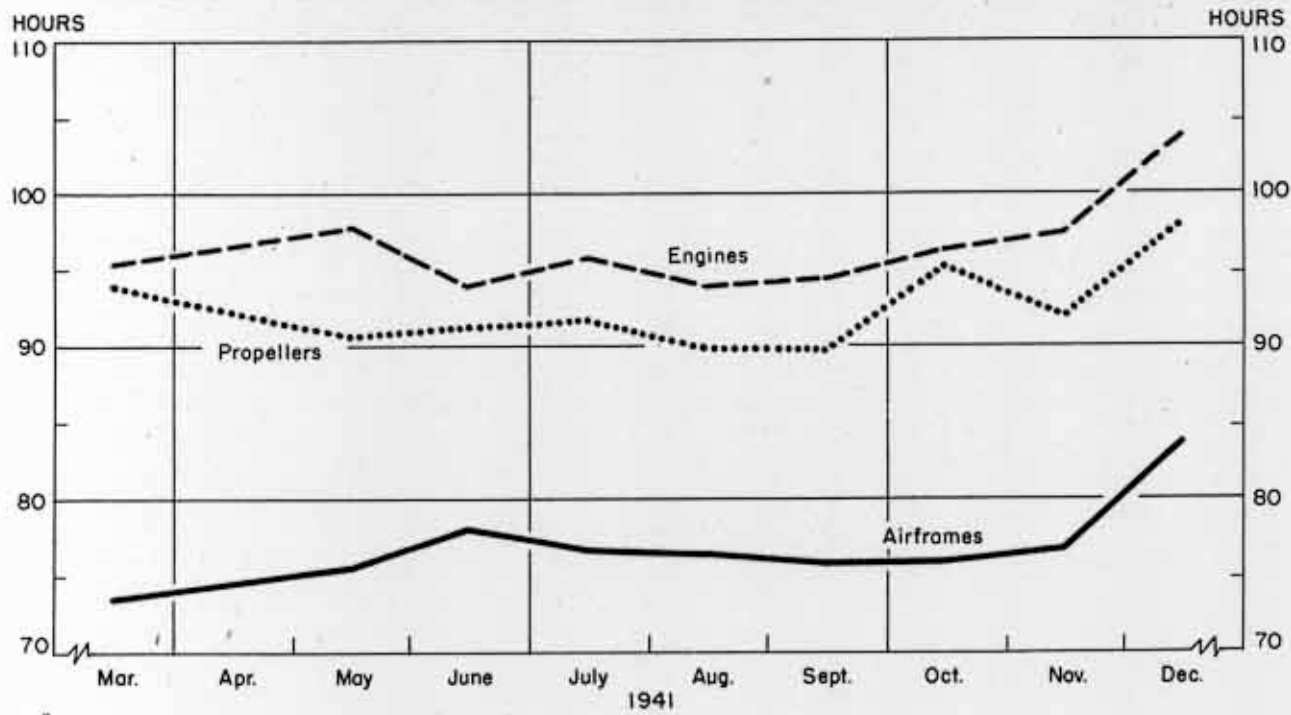


WAR EMPLOYMENT (BLS ESTIMATES)

Year and month	Total, quarterly average	Selected Industries						
		Air-planes	Ordnance		Shipbuilding		Machine tools & accessories	Public construction, private contractors
			Firearms, ammunition and explosives (Private)	Manufg. arsenals (Public)	Private yards	Navy yards		
	(Millions)	(Thousand workers)						
1940 July	0.7	115	22	25	96	91	102	13
August		126	24	28	102	98	102	14
September		136	26	29	106	105	105	48
October	1.4	148	27	32	111	115	109	120
November		158	28	33	115	126	113	290
December		167	30	34	125	127	118	424
1941 January	2.4	180	32	37	136	128	123	448
February		191	36	39	145	133	130	531
March		199	38	42	154	142	135	490
April	2.7	211	41	44	167	144	140	470
May		225	45	46	175	149	146	362
June		240	50	47	191	158	152	382
July	3.4	260	53	49	212	172	156	412
August		283	57	51	219	178	159	384
September		307	60	52	250	177	162	435
October	5.0	331	64	54	279	189	164	501
November		352	66	54	300	205	167	617
December		369	68		320		172	
LABOR DISPUTES IN PLANTS WITH IMPORTANT WAR CONTRACTS				VALUE OF FACILITIES ON APPLICATION FOR CERTIFICATES OF NECESSITY (CUMULATIVE) ^a				
	Number of strikes	Workers involved	Man-days idle	Total received	Approved, private funds	Approved, public funds	Dis-approved	Pending
	(Number)	(Thousands)			(Million dollars)			
1940 July								
August								
September								
October								
November								
December								
1941 January	13	26	146					
February	16	40	378	1,025	261	85	1	678
March	26	54	495	1,035	659	156	2	218
April	18	30	239	1,113	733	163	4	215
May	16	29	182	1,272	806	168	6	292
June	11	28	103	1,424	829	201	7	387
July	15	15	139	1,573	900	217	8	448
August	18	36	386	1,845	942	220	10	613
September	18	17	111	2,044	994	229	11	810
October	P 26	P 32	P 192	2,384	1,046	234	14	1,090
November	P 24	P 20	P 108	2,400	P 1,166	n.a.	n.a.	n.a.
December	P 9	P 4	P 14	3,045	P 1,400	n.a.	n.a.	n.a.

^a Cumulative to the end of the month, except February, March, and April 1941, which are cumulative to the 19th, 15th, and 15th respectively.

RATE OF PLANT UTILIZATION IN THE AIRPLANE INDUSTRY*



* Average number of hours per worker on first shift.

RATE OF PLANT UTILIZATION
(AVERAGE NUMBER OF HOURS PER WORKER ON FIRST SHIFT)

Industry	1941										1942	
	March		June		September		November		December		January	
	No. of Plants	Hours	No. of Plants	Hours	No. of Plants	Hours	No. of Plants	Hours	No. of Plants	Hours	No. of Plants	Hours
AIRPLANES												
Airframes	36	73.3	37	78.2	38	75.7	38	76.6	38	83.7		
Engines	15	95.3	17	93.9	17	94.2	17	97.1	17	103.6		
Propellers	15	94.0	16	91.1	16	89.6	16	91.7	16	97.8		
FIREARMS, AMMUNITION, AND EXPLOSIVES	-	-	-	-	33	63.4	-	-	-	-	33	70.5
SHIPS	41	60.5	40	59.5	17	61.0	-	-	-	-	17	70.6
MACHINE TOOLS	39	73.9	81	73.8	107	77.1	-	-	-	-	18	86.3
MACHINE TOOLS (IDENTICAL PLANTS)	7	67.7	7	65.5	7	69.3	-	-	-	-	7	72.8
CORPORATION PROFITS												
	1940				1941							
	3rd Quarter		4th Quarter		1st Quarter		2nd Quarter		3rd Quarter		4th Quarter	
	(Million Dollars)											
TOTAL (633 COMPANIES)	395.6		590.6		509.6		544.6		544.0			
DURABLE GOODS	217.3		388.2		322.4		323.2		303.0			
TOTAL	78.9		100.7		86.4		84.3		81.3			
Iron & Steel	33.1		32.8		36.6		24.8		34.3		20.3	
U.S. Steel Corp.												
Nonferrous Metals	30.2		40.2		39.2		36.1		37.3			
Machinery	33.8		52.3		43.6		48.0		43.3			
Autos	16.9		103.4		78.9		73.4		60.2			
General Motors Corp.	15.6		66.5		64.6		53.6		43.0			
Aircraft	11.6		27.5		13.9		15.4		21.5			
Other Durable	45.9		64.1		60.4		66.0		59.4			
NONDURABLE GOODS	149.3		156.8		157.7		185.8		196.9			
MISCELLANEOUS SERVICES	29.0		45.6		29.5		35.6		44.1			

UNITED STATES FOREIGN TRADE ^a						
Year and Month	EXPORTS, VALUE					
	Total	Exports by Destination				
		United Kingdom	Canada	British Asia	China	Latin America
(Million dollars)						
1940 July	317	108	65	25	10	58
Aug.	350	125	72	20	6	62
Sept.	295	103	65	19	5	55
Oct.	343	108	78	24	8	61
Nov.	328	102	66	25	6	71
Dec.	322	101	63	26	9	66
1941 Jan.	325	117	62	28	8	59
Feb.	303	77	65	29	11	63
Mar.	357	95	70	34	9	74
April	385	128	72	33	12	75
May	385	103	81	36	16	85
June	330	104	75	26	9	70
July	359	129	69	26	6	67
Aug.	455	129	101	42	9	87
Sept.	417	143	89	40	8	82
Oct.	666	249	103	43	17	135
Nov.	P 491					
Dec.						
EXPORTS, VALUE						
Exports by Destination						Exports licensed, percent of total exports
Russia	Other pro-democratic areas	Portugal and Spain	Axis and Axis-dominated areas	All other		
(Million dollars)						Percent
1940 July	6	11	5	21	8	9.7
Aug.	10	11	2	33	9	n.a.
Sept.	4	13	2	23	6	n.a.
Oct.	7	14	2	32	9	n.a.
Nov.	10	16	2	22	8	n.a.
Dec.	7	16	2	26	6	n.a.
1941 Jan.	3	21	2	18	7	36.6
Feb.	10	19	2	19	8	37.0
Mar.	4	34	3	23	11	40.3
April	5	28	3	19	10	46.5
May	b	36	3	12	13	43.7
June	3	20	3	9	11	39.2
July	3	38	2	9	10	39.0
Aug.	9	57	3	5	13	40.5
Sept.	11	28	2	6	8	82.2
Oct.	19	75	2	7	16	P 85.0
Nov.						
Dec.						

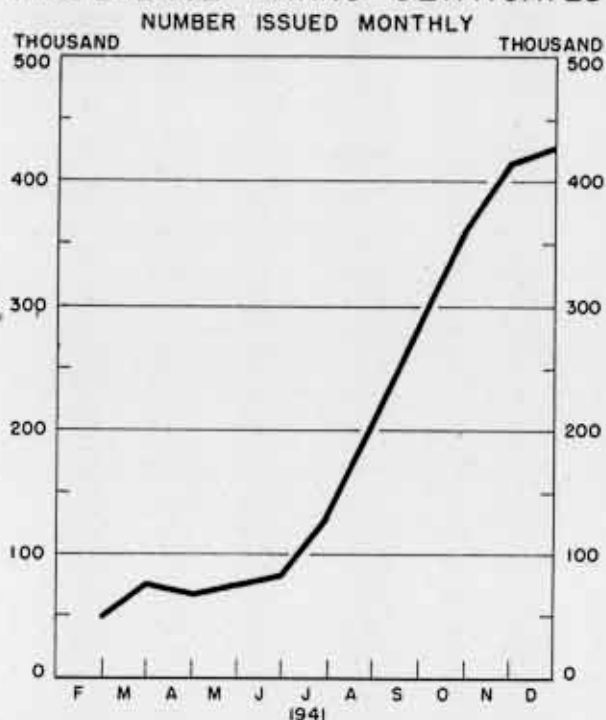
^a Data furnished by the Bureau of Foreign and Domestic Commerce.^b Less than \$500,000.

UNITED STATES FOREIGN TRADE ^a

Year and month	IMPORTS FOR CONSUMPTION, VALUE					
	Total	Imports by Origin				
		United Kingdom	Canada	British Asia	China	Latin America
	(Million dollars)					
1940-July	218	16	37	55	10	52
Aug.	214	10	39	57	11	48
Sept.	196	9	36	63	6	44
Oct.	213	9	37	54	8	53
Nov.	217	11	38	53	6	50
Dec.	238	14	38	70	7	57
1941-Jan.	224	10	36	63	5	67
Feb.	217	10	34	58	5	71
Mch.	255	12	38	68	7	84
Apr.	275	15	40	64	8	100
May	281	13	48	76	8	88
June	261	9	48	66	7	83
July	265	10	45	84	10	73
Aug.	274	11	57	89	6	78
Sept.	265	14	52	75	8	77
Oct.	292	9	56	75	10	104
Nov.	p 293					
Dec.						
	IMPORTS FOR CONSUMPTION, VALUE					
	Imports by Origin					Strategic & critical materials, Percent of total imports
	Russia	Other pro-democratic areas	Portugal and Spain	Axis and Axis-dominated areas	All Other	
	(Million dollars)					
1940-July	1	13	2	23	9	31.1
Aug.	4	10	2	22	11	35.4
Sept.	b	10	2	20	6	39.9
Oct.	b	10	2	30	10	37.2
Nov.	2	10	2	33	10	37.1
Dec.	2	11	3	27	9	39.3
1941-Jan.	2	10	2	20	9	40.9
Feb.	1	7	1	19	11	34.4
March	4	11	2	21	8	37.4
Apr.	3	12	3	20	10	36.8
May	3	12	3	19	11	37.1
June	b	10	3	22	13	34.2
July	3	13	3	16	8	38.8
Aug.	2	14	2	6	9	40.0
Sept.	3	11	3	10	12	39.0
Oct.	1	8	3	8	18	p 34.0
Nov.						
Dec.						

^a Data furnished by the Bureau of Foreign and Domestic Commerce.^b Less than \$500,000.

PREFERENCE RATING CERTIFICATES*



* Does not include approximately 900,000 Preference Rated Orders

Year and month	U. S. WATER BORNE FOREIGN COMMERCE						Preference rating certificates, number issued ^a (Thousands)
	Exports			Imports			
	Total	American flag	Foreign flag	Total	American flag	Foreign flag	
	(Million long tons)						
1940 July	5.6	1.1	4.5	4.0	1.6	2.4	
Aug.	5.8	1.2	4.6	3.5	1.3	2.2	
Sept.	5.0	1.0	4.0	3.2	1.0	2.2	
Oct.	4.7	1.0	3.7	3.3	1.3	2.0	
Nov.	3.9	0.9	3.0	3.4	1.3	2.1	
Dec.	2.7	0.7	2.0	3.5	1.4	2.1	
1941 Jan.	2.9	0.6	2.3	2.9	1.1	1.8	
Feb.	2.4	0.6	1.8	3.1	1.2	1.9	^b 50
Mar.	2.7	0.8	1.9	3.8	1.7	2.1	76
Apr.	3.7	0.8	2.9	3.9	1.7	2.2	67
May	4.9	1.2	3.7	4.6	2.1	2.5	74
June	5.2	1.2	4.0	4.6	2.1	2.5	82
July	6.4	1.3	5.1	4.8	2.4	2.4	130
August	6.5	1.5	5.0	4.2	2.1	2.1	205
Sept.	6.0	1.3	4.7	4.3	2.3	2.0	285
Oct.	6.1	1.4	4.7	4.4	2.4	2.0	360
Nov.	P 5.5	P 1.3	P 4.2	P 4.4	P 2.4	P 2.0	414
Dec.	P 6.1	P 1.4	P 4.7	P 3.9	P 2.1	P 1.8	428

^a Does not include approximately 900,000 preference rated orders.

^b Cumulative through February.

^P Preliminary data.

ASSETS IN UNITED STATES BELONGING TO
COUNTRIES AFFECTED BY THE FREEZING ORDERS ^a

Country	Date of Order	Estimated Investments ^b		
		Long-term	Short-term	Total
(Million dollars)				
Norway	April 8, 1940	10	98	108
Denmark	April 8, 1940	17	31	48
Netherlands and Colonies	May 10, 1940	861	750	1,611
Belgium	May 10, 1940	127	282	429
Luxembourg	May 10, 1940	14	19	33
France	June 17, 1940	321	944	1,265
Latvia	July 10, 1940	^c	10	10
Estonia	July 10, 1940	^l	2	3
Lithuania	July 10, 1940	^c	4	4
Rumania	October 9, 1940	^c	21	21
Bulgaria	March 4, 1941	^c	^c	-
Hungary	March 13, 1941	^c	1	1
Yugoslavia	March 24, 1941	1	73	74
Greece	April 28, 1941	5	41	46
Albania	June 14, 1941	^c	^c	-
Andovia	June 14, 1941	^c	^c	-
Austria	June 14, 1941	9	^c	9
Czechoslovakia	June 14, 1941	5	^c	5
Danzig	June 14, 1941	^c	^c	-
Finland	June 14, 1941	1	9	10
Germany	June 14, 1941	99	6	105
Italy	June 14, 1941	56	15	71
Liechtenstein	June 14, 1941	20	^c	20
Poland	June 14, 1941	2	4	6
Portugal	June 14, 1941	2	169	171
San Marino	June 14, 1941	^c	^c	-
Spain	June 14, 1941	21	6	27
Sweden	June 14, 1941	51	291	342
Switzerland	June 14, 1941	715	703	1,418
Union of Soviet Socialist Republics	June 14, 1941	^c	35	35
China	July 26, 1941	58	160	218
Japan	July 26, 1941	48	69	117
Thailand	December 9, 1941	^c	13	13
Hong Kong	December 26, 1941	^d	57	57
Philippine Islands	January 5, 1942	28	28	56
TOTAL		2,492	3,841	6,333

^a Does not include the property of generally licensed nationals in the United States and certain miscellaneous types of property.

^b These estimates are revisions of those which appeared in Defense Progress, Annual Review, Number 50, p. 119.

^c Estimated at less than \$500,000, middle of 1937.

^d Included with China.

WAR EXPENDITURES AS PERCENTAGE OF NATIONAL INCOME

Fiscal Year ^a	United States	United Kingdom	Canada	Germany	Japan
	(Per cent)				
1930	1.5				4.0
1931	1.5				5.0
1932	1.5				7.0
1933	1.5				7.0
1934	1.5	3.0		4.0	7.0
1935	1.5	3.0		11.0	7.0
1936	1.5	3.0	.5	17.0	7.0
1937	1.5	4.0	.6	18.0	14.0
1938	1.5	5.0	.8	21.0	24.0
1939	1.5	8.0	.8	32.0	26.0
1940	^b 1.5	20.0 - 25.0	5.0	50.0	30.0
1941	^b 9.0	50.0 - 55.0	^c 21.0	50.0 - 60.0	30.0 - 35.0
1942 ^d	50.0 - 55.0	50.0 - 55.0	^c 40.0	50.0 - 60.0	35.0 - 40.0

^a Fiscal years for foreign countries, April 1 - March 31.

^b U. S. defense expenditures include British orders for 1940 and 1941.

^c Canadian defense expenditures include assistance to Britain for financing English Canadian dollar deficit.

^d Budgeted or estimated.

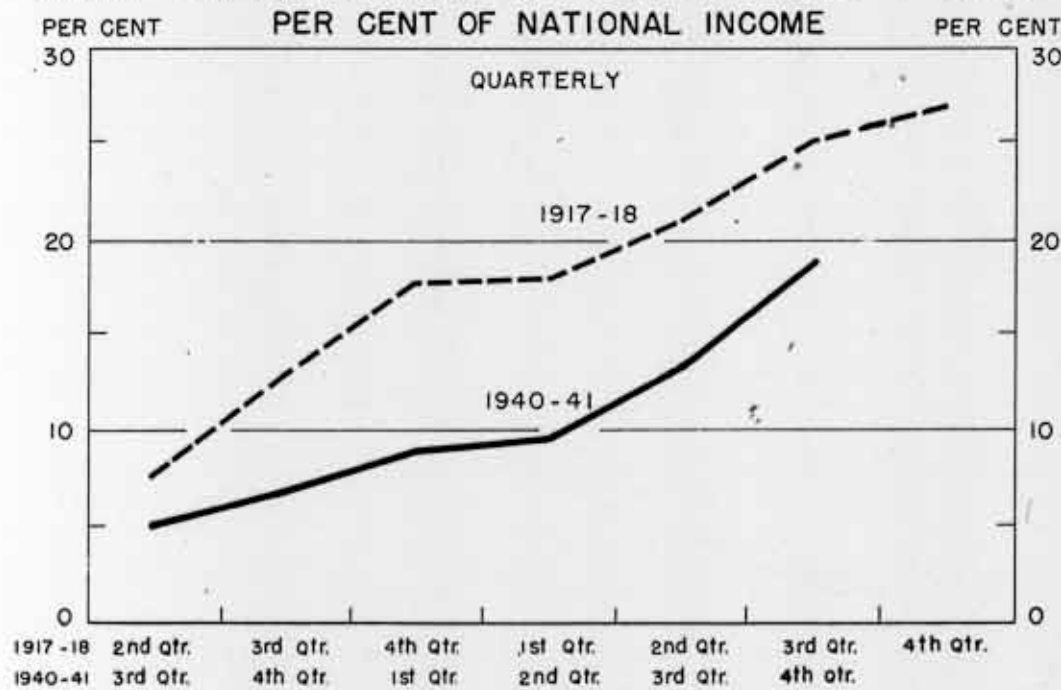
COMPARISONS OF PROGRESS WITH WORLD WAR I

In this section are charts which show the magnitude and development of the present war effort as compared with that of the First World War. They show the percentage of our national income which has been devoted so far to the war effort as compared with that of the First World War. They also show the war program and expenditures exclusive of pay, subsistence, and travel, and the record of the Army and the Navy this time as compared with the last

larger than that of the last war. However, getting under way has been slower this time. This is undoubtedly a reflection of our starting this effort while we were at peace, whereas in the last war our effort began with our actual participation in the war. However, present plans contemplate a rapid speeding up in 1942 which will far outstrip anything we did in the last war. In the last quarter of 1941 less than 20 percent of our national income was devoted to war production. In 1942 nearly 50 percent is expected to be so devoted.

The current program is far

ARMS EXPENDITURES IN WORLD WARS I AND II*



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NUMBER 69

WAR PROGRESS SERIES

TOTAL UNITED STATES WAR PROGRAM

FINANCIAL PROGRAM	Cumulative 6/11/40 through			Monthly		
	End 1st full year 6/30/41	End of November 1941	December 15, h 1941	November 1940	October 1941	November 1941
(Million dollars)						
NON-MUNITIONS (CONT'D)						
PAY, SUBSISTENCE & TRAVEL f						
Army Military Program	r 934	r 2,539	r 2,988	0	0	0
Obligations	934	1,834	P 1,834	57	146	150
Checks issued	696	P 1,355	P 1,432	40	P 140	P 145
Navy Military Program	r 371	r 963	r 967	0	0	159
Obligations	334	552	P 581	30	29	62
Checks issued	388	P 588	P 609	31	P 40	P 40
Civilian Payroll Program	r 49	r 194	r 272	0	16	0
Obligations	32	127	P 127	4	4	10
Checks issued	356	P 639	P 675	26	P 60	P 65
MISCELLANEOUS NON-MUNITIONS						
Program	r 872	r 2,724	r 2,964	r 8	r 501	r -195
Obligations	321	r 994	P 1,001	r 14	r 82	r 68
Checks issued by agencies	119	P 254	P 272	7	P 26	P 30
BREAKDOWN BY AGENCIES						
AGENCIES INCLUDED IN TREASURY GENERAL FUND						
U. S. ARMY						
Program	r 13,134	24,605	r 31,981	0	0	0
Obligations	11,404	21,002	P 21,002	446	3,746	404
Checks paid by U. S. Treasury	3,636	6,913	7,413	196	785	704
U. S. NAVY						
Program	12,308	17,691	r 19,415	0	113	64
Obligations	11,182	15,102	15,471	483	560	421
Checks paid by U. S. Treasury	2,217	4,232	4,482	169	442	441
LEND-LEASE						
Program	7,000	12,985	12,985	-	5,985	0
Allocations	5,177	9,199	10,511	-	315	2,415
Obligations	2,458	5,256	5,758	-	488	430
Checks paid by U. S. Treasury	21	654	780	-	192	198

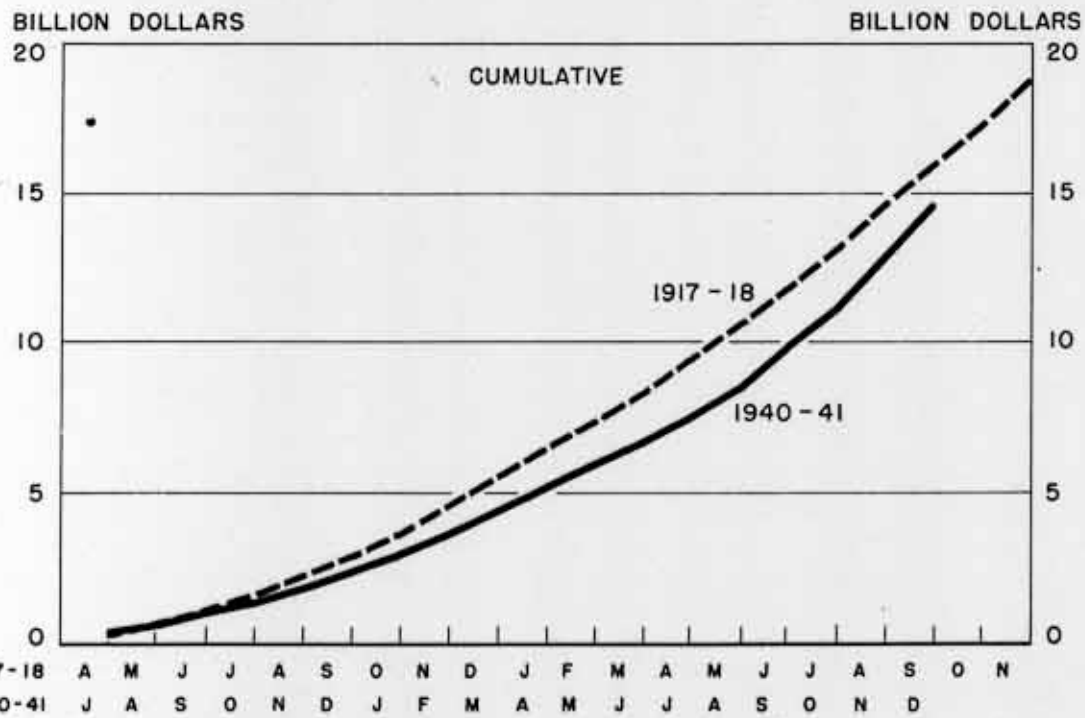
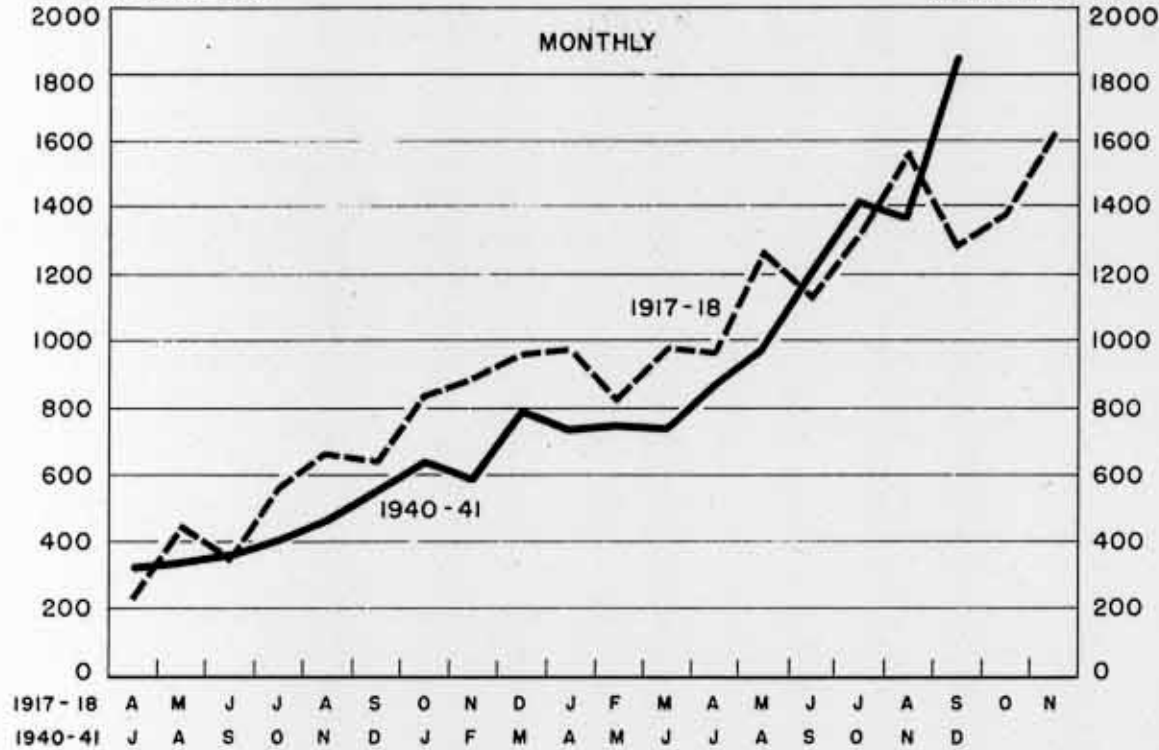
Table continued on following page. For footnotes see Page X.

VIII. . . .

JANUARY 9, 1942

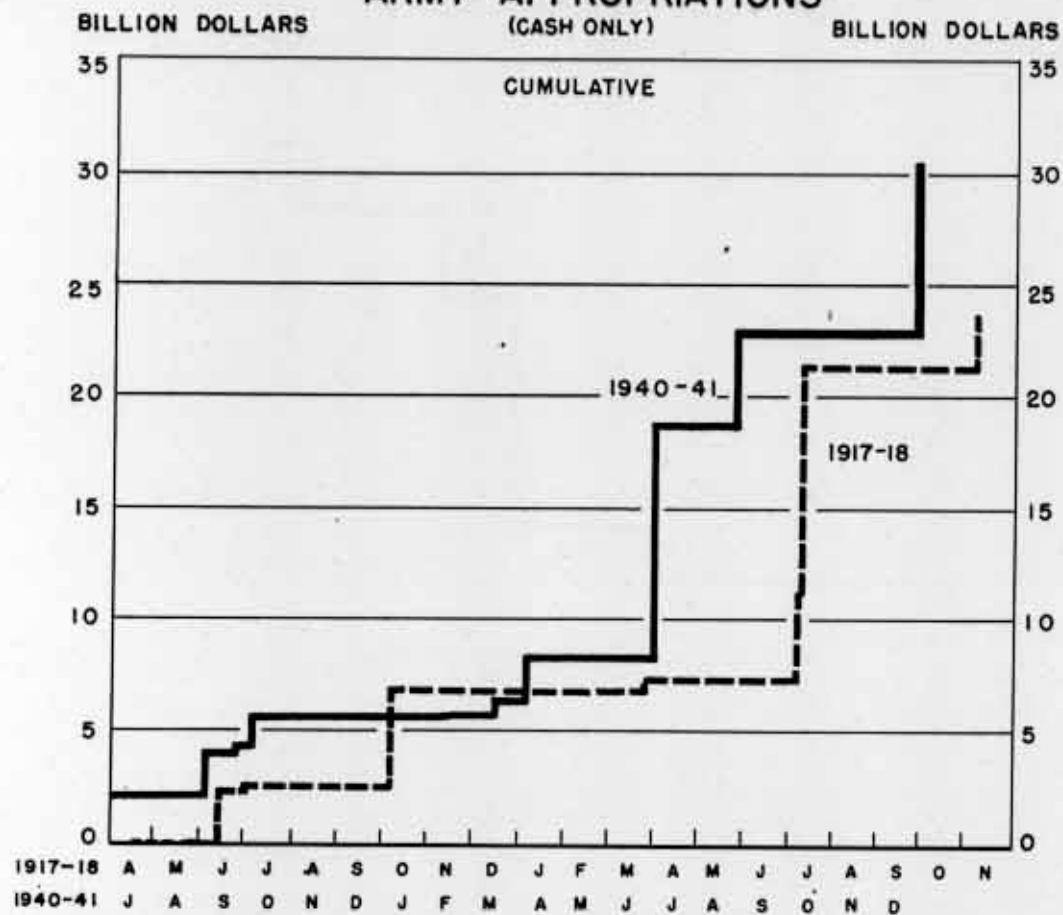
ARMS EXPENDITURES IN WORLD WARS I AND II*

INCLUDING BRITISH PURCHASES, 1940-'41 AND FOREIGN LOANS, 1917-'18.
MILLION DOLLARS

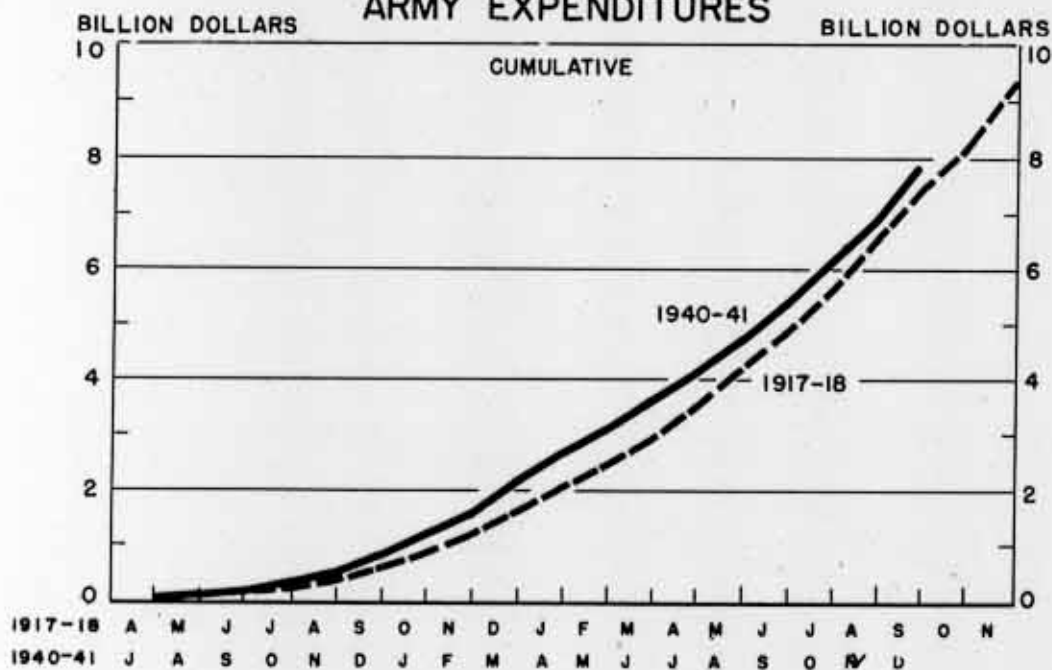


*Exclusive of pay, subsistence

ARMY APPROPRIATIONS*

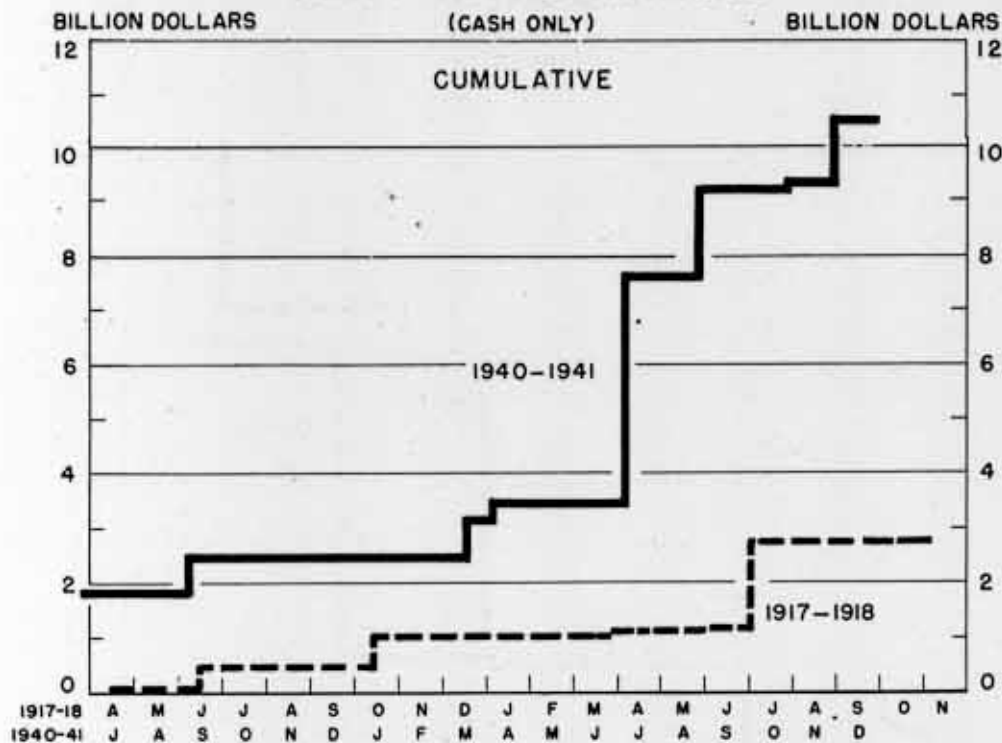


ARMY EXPENDITURES

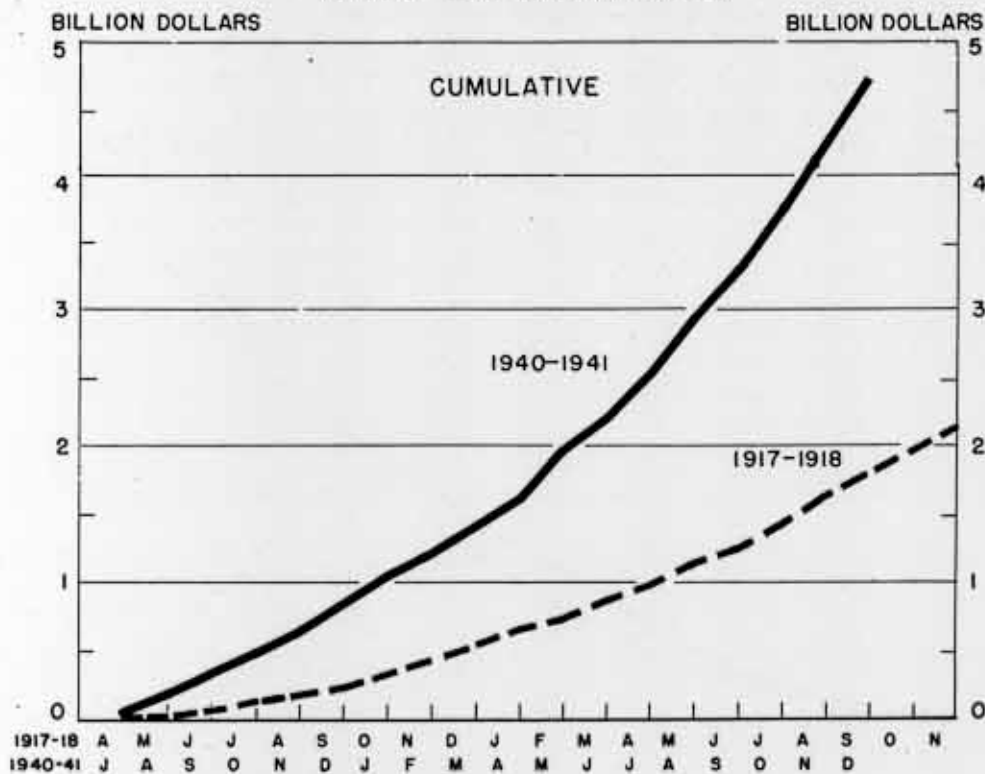


* Inclusive of pay, subsistence, etc.

NAVY APPROPRIATIONS*



NAVY EXPENDITURES



* Inclusive of pay, subsistence, etc.

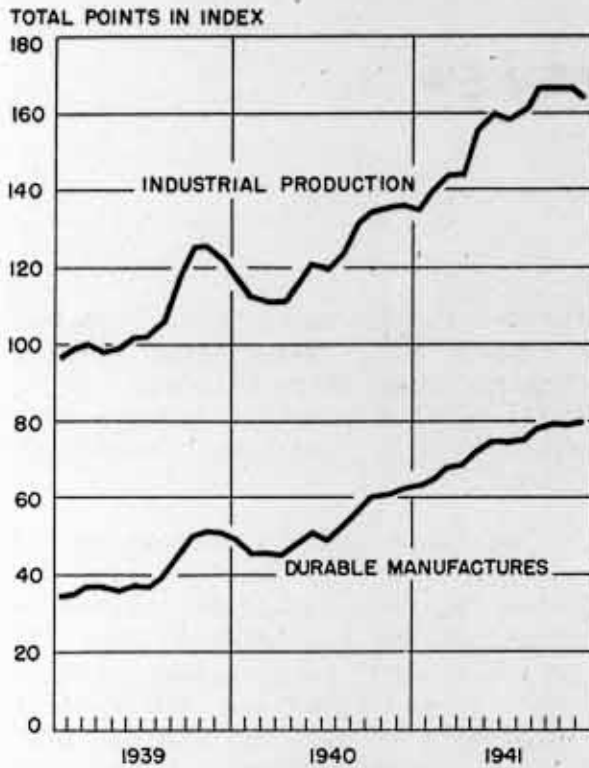
ECONOMIC REVIEW

The first 18 months of the war effort have greatly stimulated the expansion of the economic system. When the program began there existed considerable surplus capacity which permitted a large increase in total production. As a result, income payments which stood at the annual rate of \$75 billion in July 1940 rose to \$100 billion by December 31, 1941, an increase of 33-1/3 percent. The Federal Reserve Board index of total industrial production rose from 120 in July 1940 to 164 by December 1941, an increase of some 37 percent, and the index of durable manufactures rose from 131 to 212, an increase of more than 60 percent. Total noncivilian agricultural employment increased from 36 million workers in July 1940 to 41 million workers by the end of December 1941, a rise of 5 million workers or about 14 percent. In the same period average hours worked in all manufacturing industries rose from a little over 37 hours a week to a little over 40 hours a week;

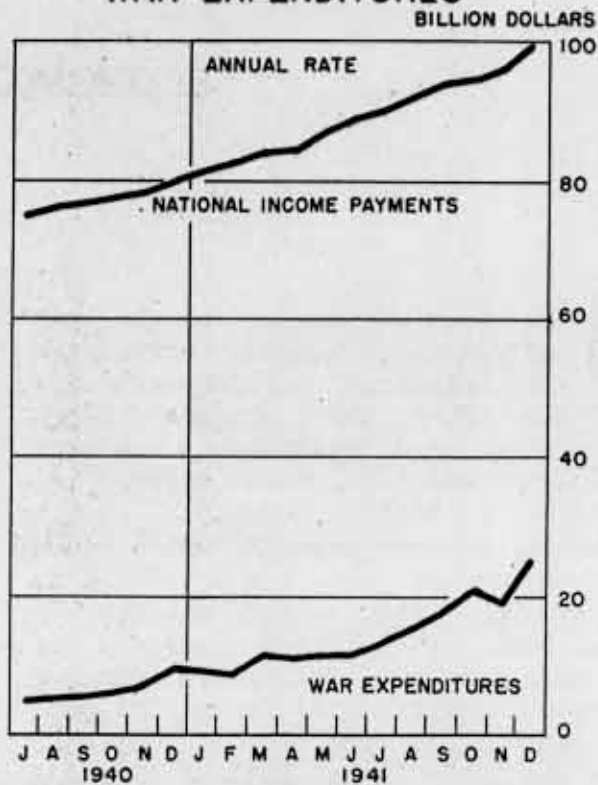
average weekly wages rose from \$25 to almost \$33; and average hourly earnings rose from 67 cents to 78 cents. Other economic indexes presented in this section show similar effects.

An outstanding feature of the expansion of production in the United States during the first 12 months of the war effort was the large increase in civilian consumption. It was possible during that time, while we were getting our production program under way, to produce both more civilian goods and more military goods. Since June 30, 1941 however this has no longer been possible. The required large increase in war production could only be accomplished at the cost of a reduction in the production of consumer durable goods. This is reflected in decreases in production in many lines and declines in employment which can only be overcome by conversions and adaptations to war production.

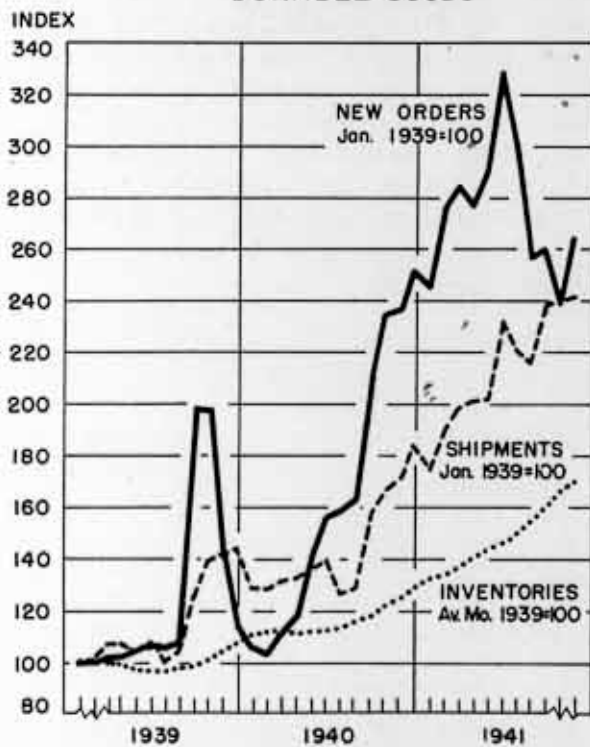
INDUSTRIAL PRODUCTION



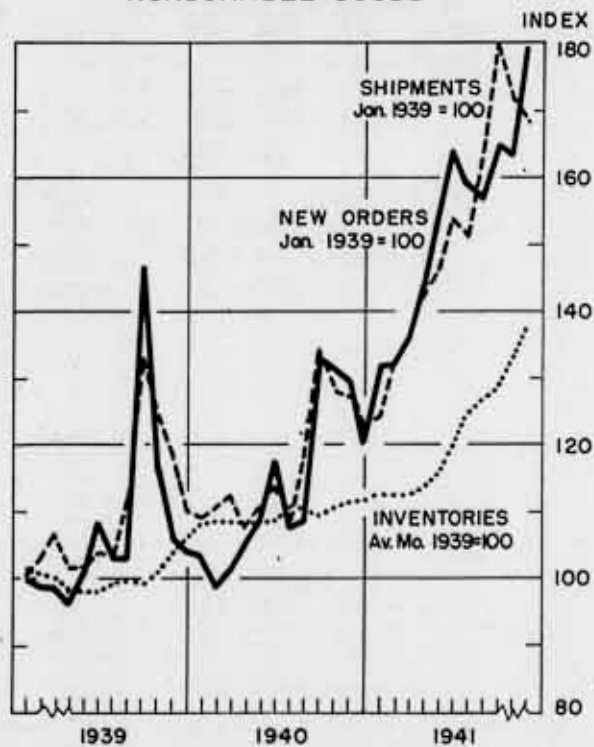
NATIONAL INCOME & WAR EXPENDITURES



MANUFACTURERS' NEW ORDERS, SHIPMENTS, AND INVENTORIES DURABLE GOODS



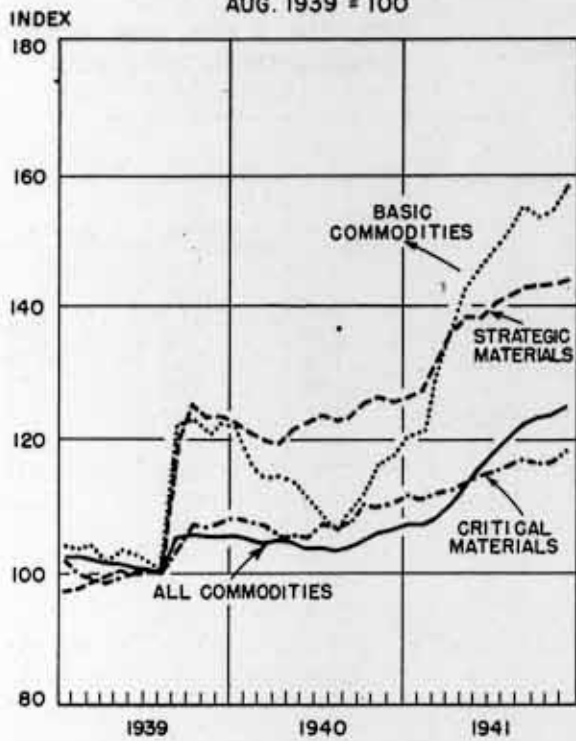
MANUFACTURERS' NEW ORDERS, SHIPMENTS, AND INVENTORIES NONDURABLE GOODS



Year and Month	FED. RES. BD. PROD. INDEXES (Unadj., 1935-39 = 100)				BUR. FOR. & DOM. COM. INDEX OF MANUFACTURERS NEW ORDERS (1/39 = 100)		
	Total industrial production	Durable manufactures	Nondurable manufactures	Minerals	Total	Durable goods	Nondurable goods
1940 July	120	131	110	121	127	158	107
Aug.	124	139	114	117	130	163	108
Sept.	132	150	119	124	164	211	133
Oct.	135	159	121	122	172	235	131
Nov.	136	161	121	119	171	237	129
Dec.	136	164	121	113	172	252	120
1941 Jan.	135	166	118	113	176	246	132
Feb.	140	171	122	114	189	277	132
Mar.	144	178	126	116	194	285	136
Apr.	144	182	130	96	196	277	144
May	155	192	135	127	207	290	154
June	160	198	138	131	229	330	164
July	159	196	138	130	212	295	159
Aug.	162	199	142	134	196	257	157
Sept.	167	206	145	137	202	260	165
Oct.	167	210	142	137	193	239	163
Nov.	167	209	143	135	212	265	179
Dec.	164	212	139	124			
BUR. FOR. & DOM. COM. INDEX OF MANUFACTURERS' SHIPMENTS (1/39 = 100)							
BUR. FOR. & DOM. COM. INDEX OF MANUFACTURERS' INVENTORIES (Av. mo. 1939 = 100)							
	Total	Durable goods	Nondurable goods	Total	Durable goods	Nondurable goods	
1940 July	117	127	109	112	114	111	
Aug.	124	129	119	113	117	110	
Sept.	145	158	134	114	119	110	
Oct.	146	167	128	116	122	111	
Nov.	148	172	127	118	125	111	
Dec.	152	184	123	120	130	111	
1941 Jan.	148	175	124	122	132	112	
Feb.	159	189	133	123	135	112	
Mar.	165	198	136	124	137	113	
Apr.	172	205	142	126	140	114	
May	180	219	146	129	144	115	
June	191	233	154	132	147	119	
July	185	222	151	136	150	124	
Aug.	188	216	164	140	156	126	
Sept.	208	239	180	143	160	128	
Oct.	203	240	172	148	166	132	
Nov.	203	242	168	153	170	137	
Dec.							

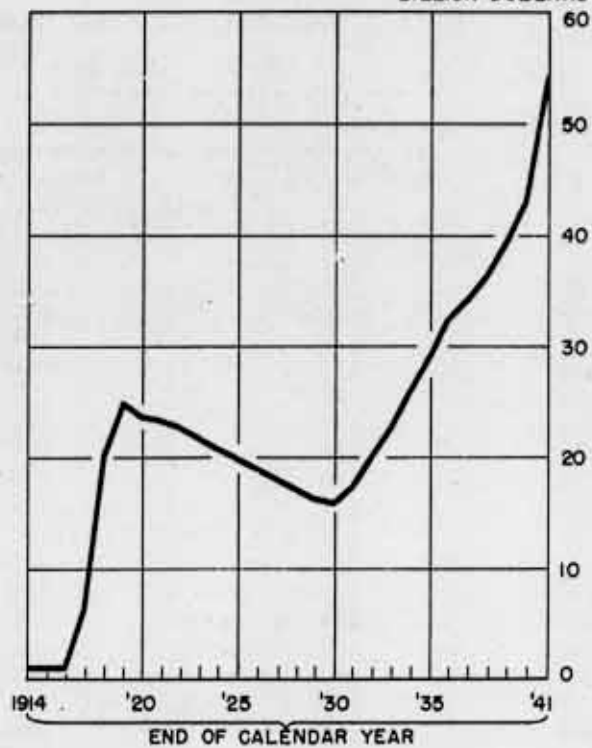
WHOLESALE PRICES

AUG. 1939 = 100

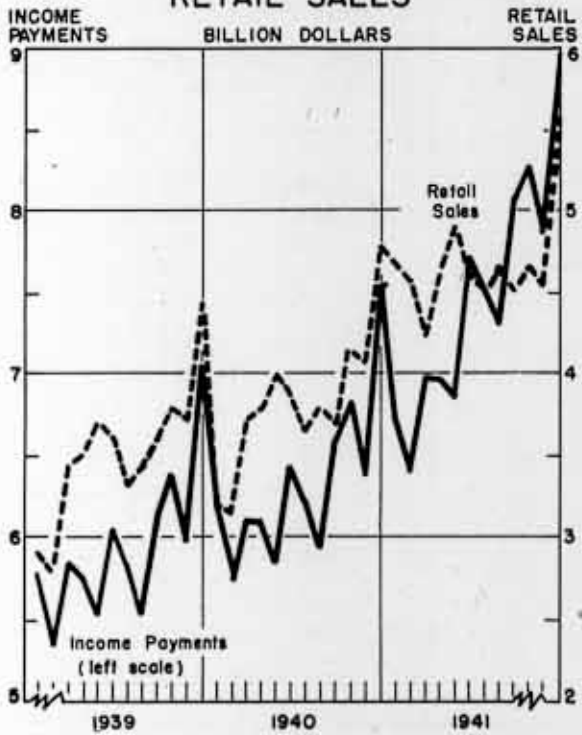


NET FEDERAL DEBT, 1914-1941

GROSS DEBT LESS BALANCE IN GENERAL FUND
BILLION DOLLARS

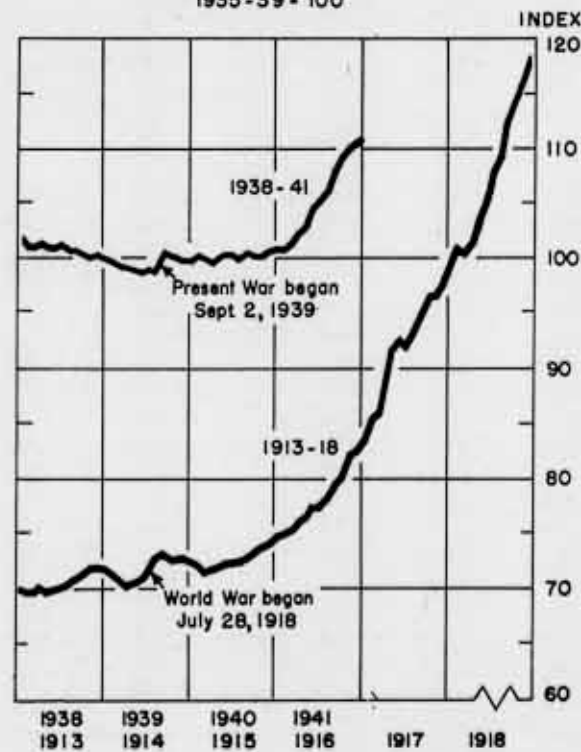


INCOME PAYMENTS AND RETAIL SALES



COST OF LIVING

1935-39 = 100



Year and Month	BLS PRICE INDEXES (1939=100)				BLS COST OF LIVING INDEXES (1935-39 = 100)			NATIONAL INCOME Income payments, annual rate Billion dollars
	Strategic materials, 8/39=100	Critical materials, 8/39=100	Basic commodities, 8/39=100	All commodities, 1926=100	All items	Food	Rent	
1940 July	123.6	107.5	108.5	77.7	100.3	97.4	75.2	
Aug.	122.7	106.6	106.4	77.4	100.0	96.2	76.3	
Sept.	123.2	107.8	109.3	78.0	100.4	97.2	77.2	
Oct.	125.3	110.1	112.1	78.7	100.2	96.2	78.0	
Nov.	126.5	110.0	116.6	79.6	100.1	95.9	78.5	
Dec.	125.4	110.6	117.6	80.0	100.7	97.3	80.1	
1941 Jan.	126.1	111.7	120.5	80.8	100.8	97.8	81.7	
Feb.	127.6	111.4	121.3	80.6	100.8	97.9	82.9	
Mar.	132.1	112.0	129.6	81.5	101.2	98.4	83.5	
April	136.5	112.5	136.6	82.2	102.2	100.6	84.2	
May	138.7	113.5	142.5	84.9	102.9	102.1	86.6	
June	138.5	114.8	146.9	87.1	104.6	105.9	88.5	
July	140.3	115.2	148.7	88.8	105.3	106.7	89.6	
Aug.	141.6	116.3	151.2	90.3	106.2	108.0	92.0	
Sept.	142.8	117.3	155.4	91.8	108.1	110.7	93.7	
Oct.	143.0	116.7	153.1	92.4	109.3	111.6	94.9	
Nov.	143.1	116.6	154.4	92.5	110.2	113.1	96.3	
Dec.	143.9	118.2	158.4	92.7	110.5	113.1	99.9	

	RETAIL TRADE (Bur. For. & Dom. Com.)			FEDERAL FINANCIAL DATA			
	Total sales (Million dollars)	Unadj. index, 1935-39=100	Defense Sales	Tax Anticipation Certificate Sales	Federal Tax Receipts	Net Federal Debt (end of month) ^a	
1940 July	3,643	129.8	104.1	-	367	41.5	
Aug.	3,758	116.5	109.9	-	566	41.5	
Sept.	3,673	116.7	119.5	-	711	41.7	
Oct.	4,143	139.3	118.4	-	365	42.2	
Nov.	4,108	141.7	124.1	-	485	42.5	
Dec.	4,752	155.0	146.0	-	741	43.1	
1941 Jan.	3,639	120.5	106.9	-	372	43.9	
Feb.	3,537	137.6	111.8	-	674	44.4	
Mar.	4,207	155.1	119.1	-	1,567	44.5	
April	4,598	182.9	129.0	-	602	44.8	
May	4,895	196.7	130.4	350	541	45.8	
June	4,576	190.3	130.5	315	1,277	46.3	
July	4,473	172.1	123.7	342	456	46.9	
Aug.	4,608	155.6	135.1	266	1,037	48.0	
Sept.	4,453	137.2	141.0	232	306	49.1	
Oct.	4,643	137.7	138.5	271	475	50.9	
Nov.	4,517	139.6	147.0	233	320	52.7	
Dec.	5,468	153.9	169.7	529	342	54.4	

^a Gross public debt minus balance in the general fund.

		TRANSPORTATION								
Year and month	Car-loadings, weekly average	Unloads for export, daily average		Surplus cars, daily average ^a			Bad order cars, first of month			
		Atlantic & Gulf Coast ports	Pacific Coast ports	Total	Box cars	Coal cars	Total ^b	Box cars	Coal cars	
		(Thousands)	(Number)	(Thousands)			(Thousands)			
1940	July	706	1,494	112	133	57	47	153	56	84
	Aug.	744	1,649	101	104	51	30	144	53	80
	Sept.	784	1,583	91	75	33	24	138	51	77
	Oct.	817	1,395	139	88	27	45	131	47	73
	Nov.	756	1,304	101	96	33	42	117	43	66
	Dec.	680	1,330	108	129	45	57	114	41	64
1941	Jan.	684	1,352		110	43	42	109	40	61
	Feb.	706	1,371	134	87	32	31	108	39	60
	Mar.	764	1,393	115	71	26	23	107	38	60
	Apr.	698	1,514	161	190	31	139	101	38	56
	May	832	1,479	139	72	34	17	96	36	52
	June	878	1,441	169	71	34	17	94	34	52
	July	853	1,614	159	67	27	20	85	29	48
	August	893	1,635	172	47	19	11	79	28	44
	Sept.	885	1,736	139	41	15	10	78	28	43
	Oct.	914	1,885	160	42	18	10	73	26	41
	Nov.	864	1,704	166	61	28	18	68	24	38
	Dec.	762	1,834	159	75	27	32	68	25	37
		Electric power production, monthly ^c	EMPLOYMENT				Unemployment (W.P.A. estimate)			
			Total civil non-agricultural	Total W.P.A.	Deep sea merchant vessels	War industries				
		(Million k.w.h.)	(Thousand workers)				(Millions)			
1940	July	12,094	35,904	1,655	51			9.3		
	Aug.	12,444	36,367	1,702	52			8.9		
	Sept.	11,984	37,005	1,693	51	Confidential		7.1		
	Oct.	13,055	37,375	1,766	51	data.		7.4		
	Nov.	12,765	37,528	1,799	48	See page 53		7.6		
	Dec.	13,456	38,161	1,860	49			7.1		
1941	Jan.	13,641	37,142	1,890	49			7.6		
	Feb.	12,293	37,448	1,884	49			7.2		
	Mar.	13,095	37,761	1,753	51			6.8		
	Apr.	12,885	38,228	1,610	51			6.6		
	May	13,616	38,902	1,488	52			5.7		
	June	13,671	39,475	1,411	51			5.9		
	July	14,226	39,912	1,055	50			5.6		
	Aug.	14,540	40,289	1,042	51			5.3		
	Sept.	14,348	40,715	1,037	50			4.5		
	Oct.	15,236	40,776	1,040	50			3.9		
	Nov.	14,481	40,749	1,056	49			3.9		
	Dec.	15,635	40,940	1,053	49			3.8		

^a Daily average for the week ending on the last Saturday of the month.

^b Bad order cars decreased from 9.5 percent of total cars on line (1,605,388) on July 1, 1940 to 4.1 percent of the total (1,664,300) on December 1, 1941.

^c Data furnished by the Federal Power Commission.

^d Data furnished by the Bureau of Labor Statistics.

^e Data furnished by the Maritime Commission.

LABOR TURNOVER, ALL MANUFACTURING ^a

Year and month	Accession total	Separation				
		Total	Quit	Layoff	Discharge	Military Separation
(Rate per 100 employees)						
1940 July	4.77	3.35	0.85	2.25	0.14	-
Aug.	6.63	3.00	1.10	1.63	0.16	-
Sept.	6.21	3.22	1.37	1.48	0.16	-
Oct.	5.52	3.23	1.31	1.53	0.19	-
Nov.	4.65	3.06	1.10	1.60	0.18	-
Dec.	4.11	3.16	0.99	1.86	0.16	-
1941 Jan.	5.54	3.41	1.31	1.61	0.18	0.19
Feb.	4.92	3.15	1.33	1.20	0.19	0.29
Mar.	5.62	3.40	1.70	1.06	0.21	0.32
Apr.	6.04	3.89	2.08	1.19	0.25	0.28
May	5.95	3.86	2.20	1.08	0.24	0.21
June	6.31	3.71	2.06	1.03	0.26	0.26
July	6.00	4.24	2.25	1.40	0.29	0.19
Aug.	5.43	4.14	2.46	1.13	0.30	0.14
Sept.	5.16	4.53	2.81	1.16	0.31	0.13
Oct.	4.87	4.13	2.11	1.41	0.28	0.21
Nov.	3.91	3.51	1.57	1.44	0.24	0.15
Dec.	4.76	4.71	1.75	2.15	0.29	0.39

LABOR TURNOVER, 7 MAJOR WAR INDUSTRIES ^{a b}

	Accession total	Separation				
		Total	Quit	Layoff	Discharge	Military Separation
(Rate per 100 employees)						
1940 July	5.09	1.85	0.84	0.73	0.15	-
Aug.	4.95	2.17	1.04	0.82	0.15	-
Sept.	4.61	2.40	1.34	0.69	0.16	-
Oct.	5.37	2.29	1.13	0.75	0.19	-
Nov.	5.01	2.06	0.97	0.67	0.20	-
Dec.	5.18	2.11	0.98	0.71	0.18	-
1941 Jan.	7.10	2.70	1.24	0.79	0.22	0.23
Feb.	5.52	2.69	1.27	0.69	0.24	0.32
Mar.	6.40	3.07	1.50	0.73	0.26	0.39
Apr.	7.01	3.43	1.85	0.81	0.29	0.33
May	6.76	3.23	1.84	0.71	0.30	0.23
June	6.93	3.09	1.73	0.62	0.29	0.27
July	7.67	3.34	2.05	0.57	0.36	0.17
Aug.	6.11	3.52	2.18	0.72	0.33	0.14
Sept.	6.31	4.05	2.61	0.81	0.32	0.14
Oct.	6.07	3.76	2.01	0.99	0.35	0.23
Nov.	4.98	3.01	1.61	0.81	0.29	0.16
Dec.	6.67	3.68	1.76	0.91	0.36	0.50

^a Data furnished by the Bureau of Labor Statistics.

^b Averages of the following industries: aircraft, shipbuilding, machine tools, brass, bronze and copper products, foundries and machine shops, electrical machinery, and blast furnaces, steel works and rolling mills.

DECLASSIFIED

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IX

WAR PROGRESS SERIES

TOTAL UNITED STATES WAR PROGRAM

FINANCIAL PROGRAM	Cumulative 6/11/40 through			Monthly		
	End 1st full year 6/30/41	End of November 1941	December 15, 1941 h	November 1940	October 1941	November 1941
(Million dollars)						
<u>AGENCIES INCLUDED IN TREASURY GENERAL FUND (CONT'D)</u>						
U. S. MARITIME COMMISSION						
Program	r 784	2,735	r 2,735	0	0	67
Obligations	886	1,721	P 1,721	0	132	86
Checks paid by U.S. Treasury (net)	44	120	133	3	21	26
OTHER U. S. AGENCIES						
Program	1,226	2,270	r 3,021	0	18	0
Obligations	730	1,156	P 1,156	51	58	96
Checks paid by U. S. Treasury	162	529	574	11	86	69
<u>ADDITIONAL AGENCIES INCLUDED IN U. S. FINANCED PROGRAM</u>						
R. F. C. AND SUBSIDIARIES						
Program	r 2,623	r 4,043	r 4,043	r -19	r 355	r -5
Obligations	r 1,151	r 3,160	P 3,160	r 10	r 278	r 345
Checks issued by R. F. C.	350	P 851	P 931	12	P 131	P 140
<u>ADDITIONAL AGENCIES INCLUDED IN TOTAL WAR PROGRAM</u>						
FOREIGN ORDERS						
Program (orders)	r 3,686	r 3,786	P 3,786	310	61	r 13
Obligations	r 3,686	r 3,786	P 3,786	310	61	r 13
Checks issued by Purchasing Missions	2,073	P 2,504	P 2,550	176	P 80	P 96

OTHER DEFENSE INDICATORS

VALUE OF FACIL. ON APPLIC. FOR CERT. OF NECESSITY (Million dollars)

Total	1,424	n.a.	n.a.	-	340	n.a.
Approved, private funds	829	n.a.	n.a.	-	52	n.a.
Approved, public funds	201	n.a.	n.a.	-	5	n.a.
Disapproved	7	n.a.	n.a.	-	3	n.a.
Pending	387	n.a.	n.a.	-	280	n.a.

DEFENSE HOUSING

(Number of dwelling units)

Fund allocations	110,298	145,655	146,485	6,795	4,692	4,133
Const. contracts awarded	78,320	120,976	121,101	5,399	11,970	5,835
Construction completed	21,768	65,186	69,272	0	9,300	10,302

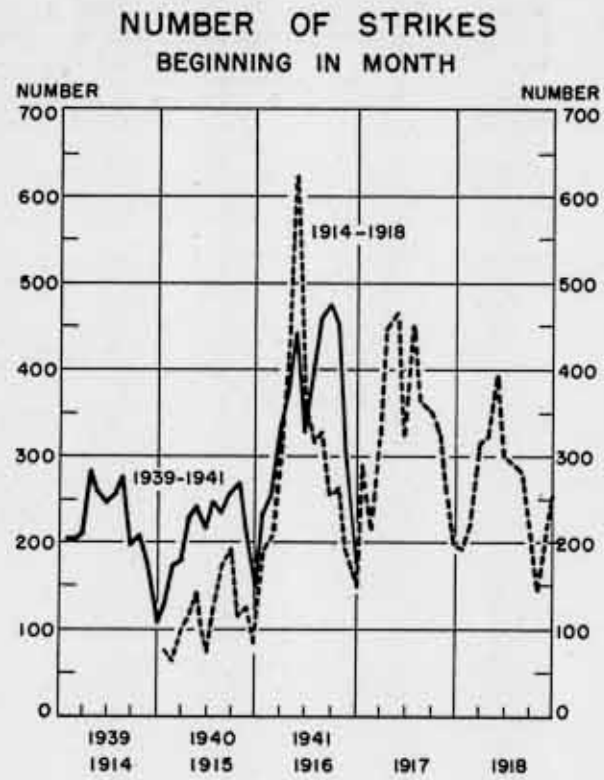
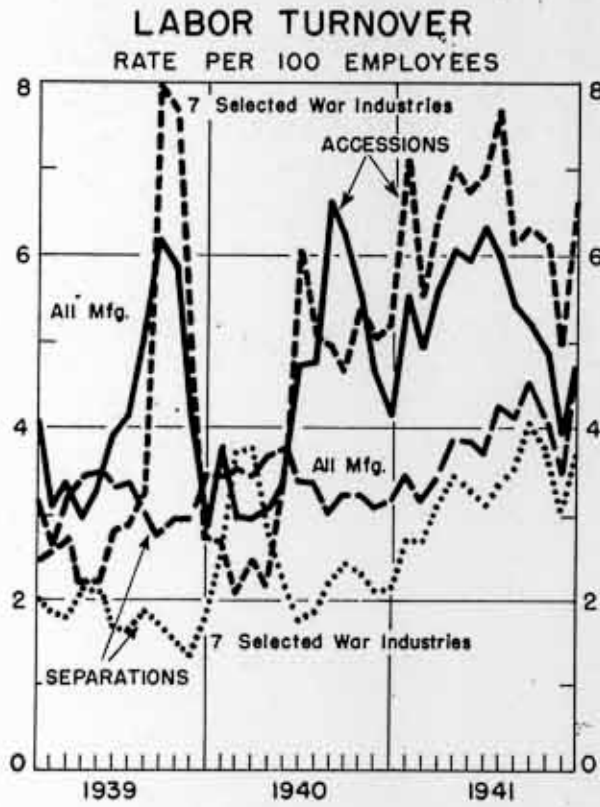
^rRevised data.

^PPreliminary data

n.a. Data not available.

JANUARY 9, 1942

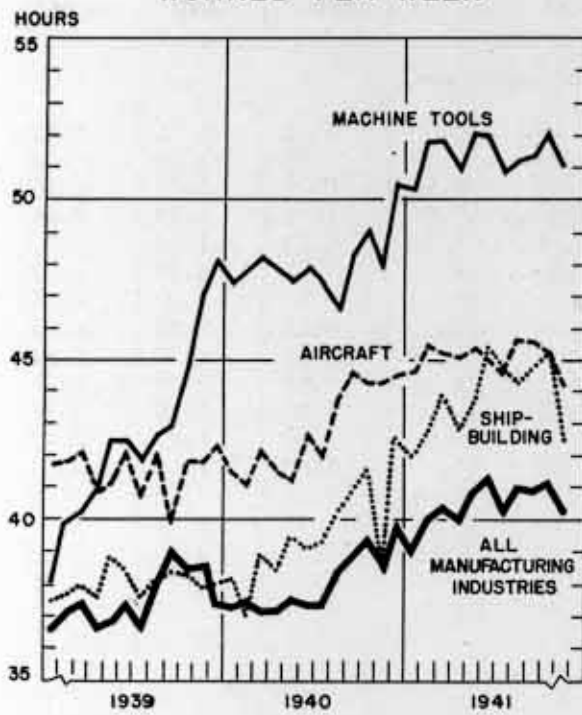
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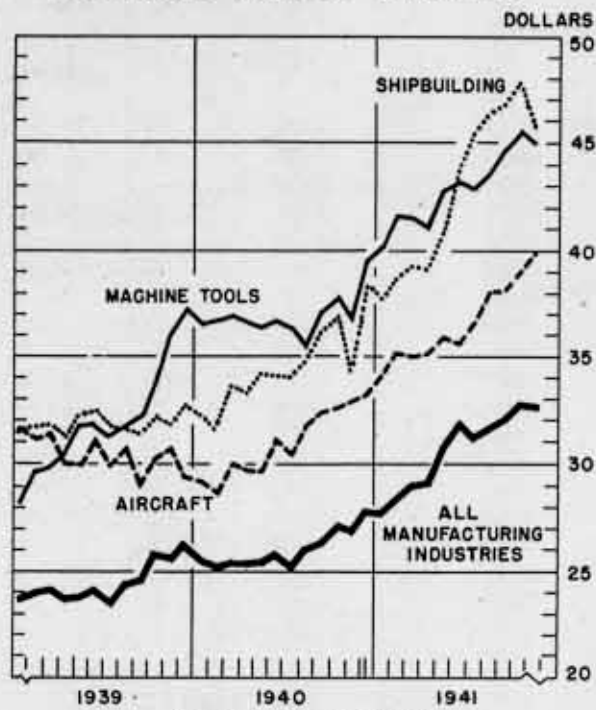
Year and month	LABOR TURNOVER, AIRCRAFT ^a				LABOR TURNOVER, SHIPBUILDING ^a			
	Accession total	Separation			Accession total	Separation		
		Total	Quit	Layoff		Total	Quit	Layoff
(Rate per 100 employees)								
1940 July	12.40	3.57	2.96	0.15	13.00	5.40	1.14	3.71
Aug.	7.91	3.76	2.96	0.30	9.19	7.21	1.29	5.46
Sept.	9.74	4.12	3.09	0.37	9.96	6.08	1.53	4.03
Oct.	11.76	4.65	2.34	1.72	7.86	4.36	1.38	2.45
Nov.	10.33	3.37	2.06	0.68	7.80	5.27	1.32	3.37
Dec.	8.63	2.92	1.98	0.37	12.33	7.45	1.89	4.53
1941 Jan.	12.17	3.65	2.44	0.33	18.21	7.91	1.93	4.78
Feb.	7.72	3.41	2.21	0.24	11.04	6.12	1.85	3.21
Mar.	8.65	3.99	2.28	0.79	13.88	6.48	2.00	3.51
Apr.	9.81	3.65	2.46	0.42	14.34	7.80	2.49	4.28
May	10.46	3.89	2.59	0.54	13.24	6.95	2.38	3.62
June	10.77	3.21	2.33	0.32	12.12	6.00	2.37	2.71
July	12.68	3.36	2.48	0.19	15.53	5.63	2.65	2.05
Aug.	11.51	3.75	2.87	0.18	12.05	5.14	2.35	2.05
Sept.	11.30	3.94	3.20	0.12	13.85	6.15	3.00	2.15
Oct.	10.62	4.08	2.73	0.53	14.60	6.04	2.70	2.38
Nov.	7.84	3.18	2.20	0.26	12.40	5.02	2.39	1.85
Dec.	10.79	3.90	2.28	0.06	15.26	6.25	2.93	2.02
(Rate per 100 employees)								
LABOR TURNOVER, MACHINE TOOLS ^a				LABOR DISPUTES ^a			Labor disputes in plants with important war contracts	
Accession total	Separation			Number in progress	Workers involved	Man-days idle		
	Total	Quit	Layoff					
LABOR TURNOVER, MACHINE TOOLS ^a				LABOR DISPUTES ^a			Labor disputes in plants with important war contracts	
(Rate per 100 employees)				Number Thousands				
1940 July	3.05	2.09	1.28	0.21	390	83		586
Aug.	4.20	1.97	1.54	0.10	394	90	706	
Sept.	4.97	2.61	1.92	0.06	394	108	781	
Oct.	6.60	2.11	1.53	0.08	419	108	915	
Nov.	4.34	2.08	1.47	0.10	373	102	740	
Dec.	4.48	1.52	0.98	0.19	277	62	458	
1941 Jan.	6.68	2.44	1.77	0.09	340	109	660	
Feb.	4.80	2.42	1.58	0.13	376	125	1,130	
Mar.	5.95	2.88	1.85	0.07	481	177	1,553	
Apr.	5.88	3.10	2.22	0.16	555	564	7,096	
May	5.83	3.01	2.22	0.10	621	420	2,180	
June	6.28	2.82	1.99	0.15	517	221	1,459	
July	5.17	2.79	2.02	0.12	565	215	1,290	
Aug.	5.00	3.31	2.55	0.20	740	290	1,825	
Sept.	5.21	3.53	2.76	0.14	765	345	1,925	
Oct.	4.35	2.70	1.93	0.18	710	365	1,960	
Nov.	3.88	2.31	1.59	0.10	540	350	1,450	
Dec.	4.96	2.72	1.58	0.13	350	65	500	

^a Data furnished by the Bureau of Labor Statistics.

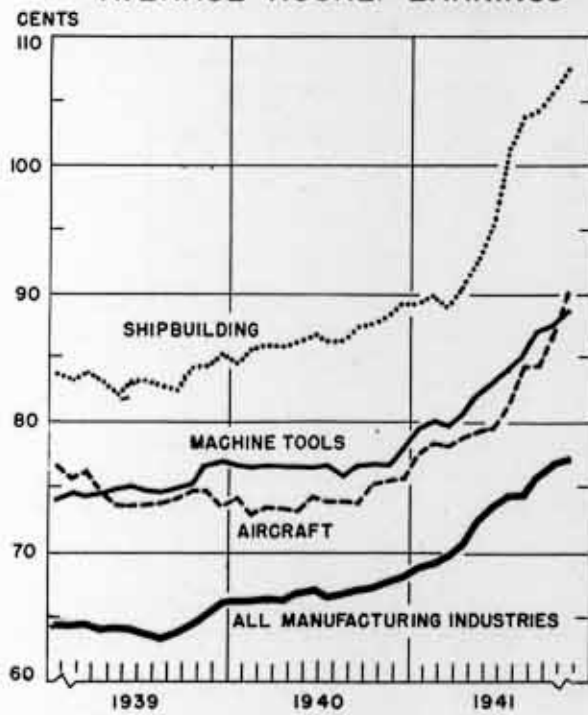
**AVERAGE HOURS
WORKED PER WEEK**



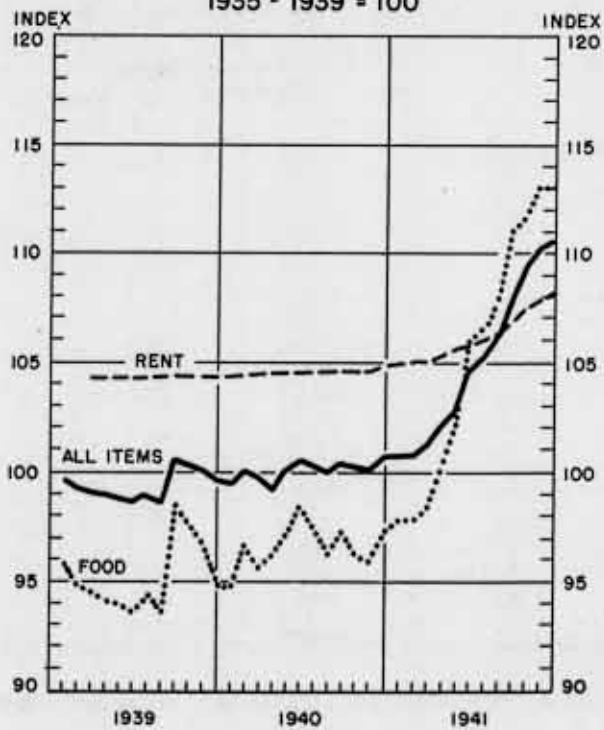
AVERAGE WEEKLY EARNINGS



AVERAGE HOURLY EARNINGS



**COST OF LIVING
1935 - 1939 = 100**



AVERAGE HOURS WORKED PER WEEK IN MANUFACTURING INDUSTRIES ^a

Year and Month	All manufacturing industries	Durable goods	Nondurable goods	Machine tools	Aircraft	Shipbuilding
	(Hours)					
1940 July	37.3	37.9	36.7	47.5	42.0	39.3
Aug.	38.4	39.7	37.2	46.7	43.8	40.3
Sept.	38.8	40.2	37.5	48.4	44.6	40.9
Oct.	39.3	41.0	37.6	49.1	44.3	41.7
Nov.	38.6	40.2	37.1	48.0	44.3	38.5
Dec.	39.8	41.2	38.4	50.6	44.6	42.6
1941 Jan.	39.0	40.6	37.3	50.4	44.7	42.0
Feb.	40.0	41.6	38.3	51.9	45.5	42.8
Mar.	40.4	42.0	38.8	51.9	45.2	44.0
Apr.	40.0	41.5	38.4	51.0	45.1	42.8
May	40.8	42.5	38.9	52.1	45.4	43.9
June	41.3	43.1	39.4	52.0	45.0	45.4
July	40.3	41.5	39.0	50.9	44.8	44.8
Aug.	41.0	42.6	39.4	51.2	45.6	44.4
Sept.	40.9	42.3	39.5	51.4	45.6	44.8
Oct.	41.1	42.9	39.1	52.0	45.2	45.4
Nov.	40.3	41.8	38.6	51.0	44.3	42.5
Dec.						

AVERAGE HOURLY EARNINGS IN MANUFACTURING INDUSTRIES ^a

	All manufacturing industries	Durable goods	Nondurable goods	Machine tools	Aircraft	Shipbuilding
	(Cents)					
1940 July	66.7	72.7	61.5	76.8	73.8	86.2
Aug.	66.8	73.1	61.3	76.0	73.9	86.4
Sept.	67.1	73.7	61.1	76.6	73.8	87.4
Oct.	67.3	73.9	60.9	76.9	75.0	87.7
Nov.	67.8	74.4	61.3	76.8	75.5	88.4
Dec.	68.3	74.9	61.7	78.1	75.7	89.5
1941 Jan.	68.9	75.8	62.0	79.7	77.6	89.3
Feb.	69.2	76.2	62.1	80.1	78.4	90.0
Mar.	69.7	76.8	62.4	79.9	78.3	89.0
Apr.	70.8	78.5	62.9	80.6	78.8	90.6
May	72.6	80.6	64.1	82.2	79.4	92.8
June	73.8	82.2	65.0	83.1	79.7	95.4
July	74.4	82.6	65.7	84.1	81.2	101.3
Aug.	74.5	83.0	65.8	85.0	84.5	103.9
Sept.	75.8	84.3	66.8	87.1	84.5	104.3
Oct.	77.0	85.3	68.0	87.6	86.9	105.9
Nov.	78.1	86.5	68.8	88.6	90.1	107.6
Dec.						

^a Data furnished by the Bureau of Labor Statistics.

AVERAGE WEEKLY EARNINGS IN MANUFACTURING INDUSTRIES ^a

Year and Month	All manufacturing industries	Durable goods	Non-durable goods	Machine tools	Aircraft	Ship-building
(Dollars)						
1940 July	25.25	28.52	21.87	36.45	30.48	34.03
Aug.	26.10	29.98	22.10	35.48	31.79	34.88
Sept.	26.54	30.57	22.20	37.02	32.37	36.08
Oct.	27.13	31.42	22.28	37.73	32.62	36.93
Nov.	26.93	31.11	22.08	36.85	32.93	34.46
Dec.	27.89	31.96	23.09	39.56	33.25	38.37
1941 Jan.	27.74	31.90	22.65	40.15	34.13	37.69
Feb.	28.58	32.92	23.22	41.62	35.14	38.71
Mar.	29.11	33.49	23.63	41.49	35.02	39.30
Apr.	29.17	33.54	23.62	41.10	35.15	39.17
May	30.78	35.57	24.48	42.79	35.84	41.00
June	31.88	36.91	25.11	43.22	35.63	43.83
July	31.22	35.84	25.07	42.80	36.57	45.54
Aug.	31.66	36.55	25.38	43.53	38.08	46.47
Sept.	32.06	36.82	25.78	44.74	38.19	46.82
Oct.	32.92	37.96	26.10	45.54	39.21	47.84
Nov.	32.81	37.64	26.12	45.17	39.81	45.62
Dec.						
DEFENSE HOUSING ^b						
MONTHLY			CUMULATIVE TO END OF MONTH			
	Fund allocations	Construction contracts awarded	Construction completed	Fund allocations	Construction contracts awarded	Construction completed
(Number of dwelling units)						
1940 July	1,460	624	0	1,460	624	0
Aug.	5,925	1,162	0	7,385	1,786	0
Sept.	27,309	2,997	0	34,694	4,783	0
Oct.	4,250	10,469	0	38,944	15,252	0
Nov.	6,795	5,399	0	45,739	20,651	0
Dec.	572	7,876	605	46,311	28,527	605
1941 Jan.	10,217	7,664	709	56,528	36,191	1,314
Feb.	18,168	3,949	1,201	74,696	40,140	2,515
Mar.	5,487	8,276	2,909	80,183	48,416	5,424
Apr.	6,178	11,697	3,600	86,361	60,113	9,024
May	19,692	12,221	5,390	106,053	72,334	14,414
June	4,245	6,496	7,354	110,298	78,830	21,768
July	13,135	10,393	9,531	123,433	89,223	31,299
Aug.	1,957	5,770	7,739	125,390	94,993	39,038
Sept.	11,440	8,178	6,546	136,830	103,171	45,584
Oct.	4,692	11,970	9,300	141,522	115,141	54,884
Nov.	4,133	5,835	10,302	145,655	120,976	65,186
Dec.	39,212	610	7,826	184,867	121,586	73,012

^a Data furnished by the Bureau of Labor Statistics.^b Data furnished by the Division of Defense Housing Coordination.

The President

1

WAR PROGRESS

DECLASSIFIED
E.O. 11652, Sec. 3(B) and 4(D) or (E)
Commerce Dept. Letter, 11-18-73
By RHP, Date MAR 29 1973

Confidential

February 13, 1942

Number 74

WAR PROGRESS



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|---|------|
| ● THE WAR EFFORT DURING JANUARY SHOWED AN APPRECIABLE ADVANCE OVER DECEMBER. The value of munitions production, war construction, and miscellaneous outlays rose from \$2,158 million to \$2,465 million. Progress has been made in shifting plants to war production and in the more complete utilization of facilities. However, contracts for planes, ships, and ordnance must be placed immediately in great volume to assure the industrial planning necessary to maximum progress which must be attained if we are to meet 1942 objectives. | 1 |
| ● THE OFFICE MACHINE MANUFACTURING INDUSTRY is being converted to munitions production at an increasingly rapid rate. During January additional contracts amounting to almost \$27 million were awarded to these companies, thereby increasing their contracts for munitions production in a single month from \$49.2 million to \$75.9 million, or by more than 50 percent. | 11 |
| ● WAR PROGRESS SERIES. The total war program now amounts to \$114 billion after the approval of the Naval Supply Bill on February 7. November 1941 exports of \$492 million were 50 percent greater than those in November 1940. A sharp rise in layoffs occurred in civilian industries unable to secure raw materials and in industries converting their facilities to war production. Average working hours per wage earner increased in eight of eleven key war industries. | I |

PROGRESS OF THE WAR EFFORT DURING JANUARY 1942

THE WAR EFFORT DURING JANUARY SHOWED AN APPRECIABLE ADVANCE OVER DECEMBER. THE VALUE OF MUNITIONS PRODUCTION, WAR CONSTRUCTION, AND MISCELLANEOUS OUTLAYS ROSE FROM \$2,158 MILLION TO \$2,465 MILLION. PROGRESS HAS BEEN MADE IN SHIFTING PLANTS TO WAR PRODUCTION AND IN THE MORE COMPLETE UTILIZATION OF FACILITIES. HOWEVER, CONTRACTS FOR PLANES, SHIPS, AND ORDNANCE MUST BE PLACED IMMEDIATELY IN GREAT VOLUME TO ASSURE THE INDUSTRIAL PLANNING NECESSARY TO MAXIMUM PROGRESS WHICH MUST BE ATTAINED IF WE ARE TO MEET 1942 OBJECTIVES.

Appropriations and authorizations of over \$33 billion approved by Congress during January and the first week in February, increased the total war program in the United States (including foreign orders) to \$113.9 billion. Requests now pending before Congress total \$31.5 billion and if passed will raise the total program to \$145.4 billion. \$28.6 billion of this increase is earmarked for munitions production and war construction (see table on page I of yellow section) and will increase the total for this category to \$129.9 billion.

Obligations and Clearances

A total of \$12.3 billion of munitions production and war construction contracts were cleared by WPB during January. This is three times larger than the volume cleared during any previous month of the program and marks an important advance in procurement activity. A very substantial proportion of the value of January clearances, however, is to be delivered after 1942. Only \$3.5 billion, or 30 percent, of the total was definitely scheduled for production in 1942 (see Table 1).

TABLE 1 - WAR SUPPLY CONTRACTS CLEARED BY THE WAR PRODUCTION BOARD
JANUARY 1942

	Total	Scheduled for Delivery During			
		1942	1943	1944 and later	Not indicated
		(Million dollars)			
Total	11,457	3,467	3,334	2,419	2,237
Aircraft and Parts	5,380	548	2,016	1,424	1,392
Ship and Boat Building	963	23	3	828	109
Ordnance	2,804	1,690	725	0	389
Other	2,310	1,206	590	167	347

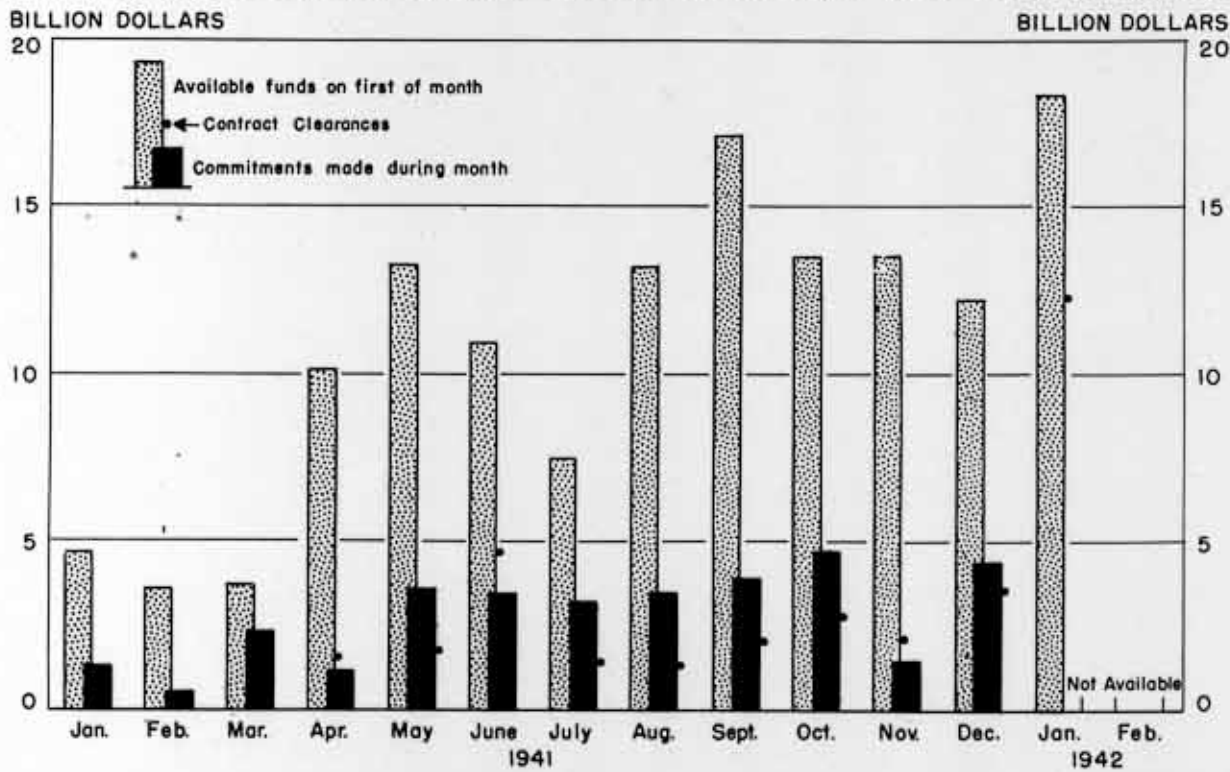
Although the total value of commitments for munitions production and war construction by the end of 1941 plus new contracts cleared during January will be well over \$60 billion, less than \$35 billion of these commitments call for deliveries during 1942. This falls far short of the 1942 production objective.

Procurement has always been one of the major problems of the defense and war efforts and currently bulks larger than ever. The value of commitments made in every month but one in the past year, as Chart 1 indicates, was less than half of the funds available at the first of the

month. Although lack of funds for particular objects have from time to time restricted the rate of placing orders for these specific objects the fact that total monthly commitments have not been larger cannot be attributed to lack of available funds; rather it reflects the absence of a plan designed to maintain a maximum rate of monthly obligations.

If the 1942 production objective is to be achieved, orders for planes, ships, and ordnance scheduled for delivery in 1943 and beyond must be moved ahead if possible into 1942. Industry must be induced to

CHART I - FUNDS AVAILABLE, COMMITMENTS AND CONTRACT CLEARANCES FOR MUNITIONS PRODUCTION AND WAR CONSTRUCTION



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increase deliveries. New orders must be placed well in advance to provide adequate time for the conversion and expansion of industry.

There is no shortage of funds to finance such orders for munitions production and war construction. On December 31, 1941 more than \$18 billion available for these orders was unobligated; in January and early February \$32 billion was authorized for this purpose and \$28 billion is now pending, making a total of \$78 billion now available or shortly to be available. With a liberal allowance of \$15 billion for commitments entered into during January and early February, it is estimated that at least \$63 billion is currently available for commitment or planning. This is at least 20 percent greater than the total volume of obligations made during the first eighteen months of the program. The more rapidly plans are made and planes, ships, and ordnance items are contracted for, the greater is the assurance of adequate industrial planning, and the higher the probability of meeting the 1942 goal.

Deliveries

The war effort in January was \$2,465 million as against \$2,158 million in December. The January total consisted of \$1,315 million for munitions, \$740 million for war construction, and \$410 million for nonmunitions items. Final schedules

of monthly production under the 1942 production objective have not been established as yet, but in January an annual rate of almost \$30 billion was attained. If the 1942 objectives are to be met the monthly rate must continue to increase rapidly, especially in the next several months, in order that undue burdens will not fall later in the year.

Airplanes. Deliveries during the month showed increases of 35 percent for pursuit ships, more than 15 percent for transports and observation planes, and almost 40 percent for trainers. Bomber deliveries in January fell 11 percent. The total cumulated value of deliveries of airplanes and equipment as of January 31, 1942 was \$2.6 billion, more than six times that of a year ago.

Ordnance. Delivery of ordnance increased from \$250 million in December to \$285 million in January or by nearly 15 percent but the annual rate of production in January was only \$3.4 billion. Even if monthly production constantly increases at this same rate, the total value of ordnance production in 1942 will be less than \$8 billion, well below the objective for that year.

Combat Vehicles. Deliveries in January were more than six percent ahead of December and also of the monthly schedules established on January 1, 1942. Total cumulated

deliveries of all combat vehicles at the end of January were 12 times the amount delivered up to a year ago. Not all types of combat vehicles showed an increase over December, nor were monthly schedules exceeded in every instance. The delivery of tanks, however, the most important type of combat vehicles, continued the steady upward trend manifested since April of last year. January deliveries of tanks increased over December and are well ahead of monthly schedules.

Ammunition. January production was more than 50 percent greater than that of December and 11 percent ahead of the schedules established on January 1, 1942. Deliveries of all important categories of ammunition showed increases. Schedules were surpassed for all categories except ammunition for antiaircraft weapons, deliveries of which were only 70 percent of January 1 estimates.

Merchant Vessels

Despite the ever increasing importance of the construction program for merchant vessels production has constantly been far behind schedule. Moreover, in order to meet the President's program, existing schedules must be drastically increased immediately.

Ten merchant vessels were delivered during December and 16 in January. December output was less than one-third and January output was only 70 percent of the schedules established last July 1.

The schedule which was originally established on July 1, 1941 is the one which most closely approaches the President's objectives of 700 vessels during 1942. However, even this schedule calls for only 555 vessels during 1942 as against 700 required, leaving a deficiency of 145 vessels. Since July 1, schedules have been revised downward, creating an even greater deficiency.

In the seven months between July 1 and January 31 only 70 vessels were delivered, against a scheduled delivery of 112, a deficit of nearly two-fifths. In their October 1 schedules the Maritime Commission estimated that 85 vessels would be delivered by the end of January 1942. Actually only 43 vessels, or approximately one half of the schedule was delivered in these four months. Schedules revised as late as December 1 estimated that 46 vessels would be delivered in December and January—23 were delivered. If the same proportionate deficit is maintained during 1942, output will be considerably less than half of the President's objective.

Progress of Industrial Conversion

Automobile Industry. The conversion of the automobile manufacturing industry took an important

stride forward during January when \$3.4 billion of war contracts were cleared by WPB for placement with the industry. This is more than the total of all contracts previously

CHART 2 - VALUE OF U.S. WAR CONTRACTS AWARDED TO AUTOMOBILE COMPANIES

AS OF DECEMBER 31, 1941 AND JANUARY 31, 1942

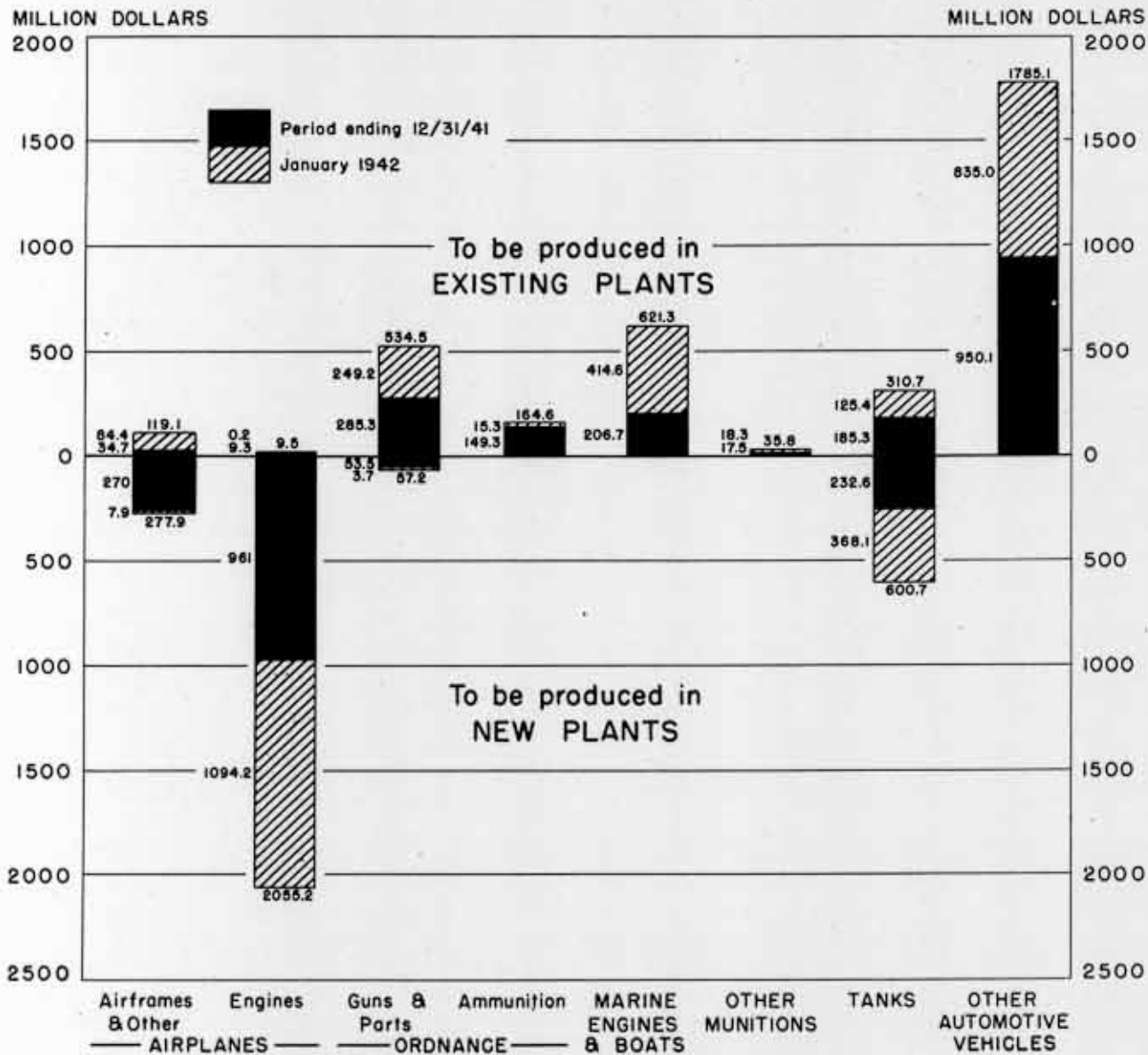


CHART 3 - VALUE OF U.S. WAR CONTRACTS AWARDED TO 20 AUTOMOTIVE MANUFACTURERS

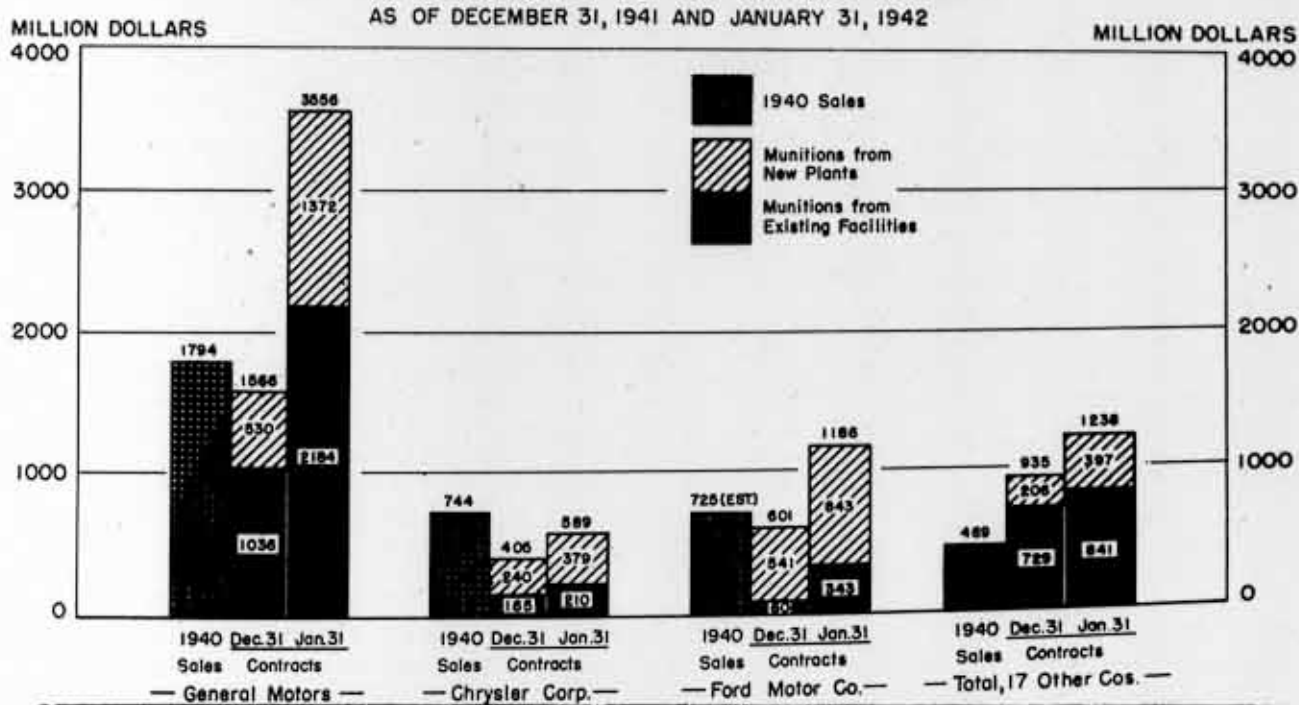
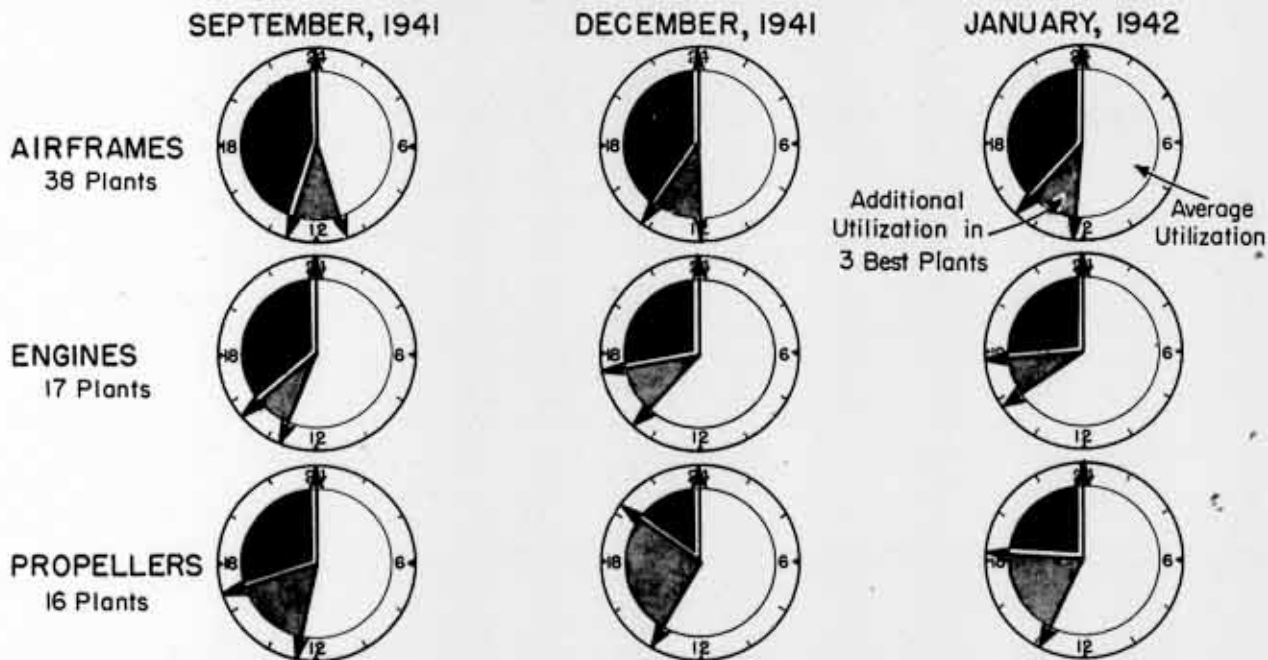


CHART 4 HOURS OF PLANT UTILIZATION* IN THE AIRCRAFT INDUSTRY



*As measured by the total man hours divided by the number of workers on the first shift. The unshaded portion of each circle represents for each industry the average hours of operation per day on a seven day, twenty-four hour (168 hours per week) basis.

awarded to the industry since the beginning of the war program, and represents about one-third of all the supply contracts cleared by WPB during January.

Additional volumes of production scheduled in existing facilities is the important measure of conversion. Contracts for production in these facilities were increased by \$1.7 billion during January. Total scheduled output to be filled by automobile companies in existing facilities, (including plants with equipment modification) during 1941, 1942, 1943, and beyond, has been increased to \$3.6 billion. This is almost equal to the \$3.7 billion of sales of these companies during 1940.

Contracts cleared for production in new facilities during January totalled \$1.5 billion; of these the two major items were aircraft engines, almost \$1.1 billion, and tanks, nearly \$0.4 billion. This brings total contracts scheduling production in new facilities of the auto companies to \$3.0 billion (see Chart 2).

General Motors. Contracts awarded to this corporation in January, to be produced in existing facilities, increased \$1.1 billion to \$2.2 billion, which is 123 percent of the value of products the company sold in 1940 (see Chart 3).

Ford Motor Company. Contracts calling for production in the existing facilities of the Ford Motor Company increased from \$280 million to \$343 million, or 47 percent of its 1940 sales.

Chrysler Corporation. Despite a \$45 million increase in January, contracts for production in existing facilities represent only 28 percent of 1940 sales.

Plant Utilization^a

Plant utilization has increased considerably since the declaration of war, as is shown by a comparison of operations in January with those in September for 160 representative plants in nine key war industries. Airframes, aeroengines, shipbuilding, and firearms and guns recorded the greatest percentage increases in plant utilization, with increases of 14, 16, 16, and 12 percent respectively in the average number of hours per worker on the first shift. Propellers, ammunition and explosives, tanks, machine tools, and machine tool accessories also show increases of from five to 10 percent.

Considerable differences exist between industries as well as among plants within each industry, as is shown by an examination of the data in the accompanying table. The unshaded portion of each circle in Charts 4 and 5 represents the plant

utilization for the industry as a whole. The shaded portion shows the additional hours operated by the three best plants in each industry.

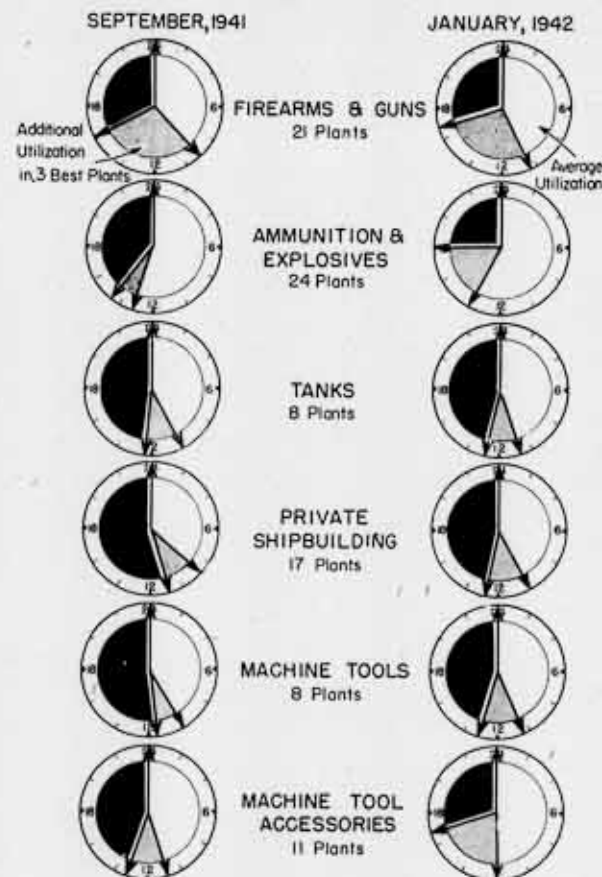
The superiority of the three best plants over the average for the industry in January ranged from 13 percent in the aeroengine field to 66 percent for firearms and guns. The unutilized hours of the three best plants are represented by the black areas. The black areas plus the shaded areas therefore represent the average unutilized hours of the industry.

The proportions of total workers employed on second and third shifts combined^b increased in each of the nine groups. This has contributed to the increase in plant utilization. However, in only three groups was the percentage of all workers employed on the second and third shifts combined equal to or greater than the percentage of all workers employed on the first shift. The three were aeroengines, where 52.5 percent of all workers were engaged on the second and third shifts combined; propellers, with 49.7 percent; and ammunition and explosives with 52.2 percent. The lowest were firearms and guns with 29.7 percent, shipbuilding with 30.3 percent, and machine tools with 26.2 percent of

the total workers in the industry on the second and third shifts combined.

Some part of the increases in plant utilization have resulted from increased weekend operations. Yet

CHART 5
HOURS OF PLANT UTILIZATION*
IN SIX SELECTED WAR INDUSTRIES



* As measured by the total man hours divided by the number of workers on the first shift. The unshaded portion of each circle represents for each industry the average hours of operation per day on a seven day, twenty-four hour (168 hours per week) basis.

employment on Saturday continues to be from 5 to 35 percent below that for a regular weekday. Sunday employment ranges from 15 percent to 49 percent of the total employment on a regular weekday. Weekend operations have been achieved in part by lengthening the average work week, and in part by the use of "swing shifts."

^a Plant utilization is defined as

the ratio of the total number of man hours to the number of persons employed on the first (largest) shift.

^b Three major factors influence the size of the plant utilization index used here. These factors are: (1) average weekly hours per worker, (2) the proportions of total workers employed on second and third shifts, and (3) weekend operations.

TABLE 2 - PLANT UTILIZATION AND EMPLOYMENT IN SELECTED WAR INDUSTRIES
JANUARY 1942 AND SEPTEMBER 1941

	Airframes	Aeroengines	Propellers	Firearms and Guns	Ammunition and Explosives	Tanks	Shipbuilding	Machine Tools	Machine Tool Accessories
TOTAL NUMBER OF WORKERS									
January 1942	242,385	70,529	8,778	35,342	16,035	18,606	97,271	1,911	2,695
September 1941	179,485	45,706	7,059	28,447	15,066	17,310	71,194	1,894	2,535
NUMBER OF WORKERS ON FIRST SHIFT									
January 1942	135,338	33,484	4,414	24,838	7,670	11,824	67,769	1,410	1,821
September 1941	104,869	22,927	3,675	22,604	7,338	11,123	53,001	1,473	1,781
AVERAGE HOURS PER WORKER									
January 1942	48.2	52.1	48.4	50.3	46.4	47.7	49.2	53.5	56.1
September 1941	44.2	47.3	46.6	50.9	45.0	45.4	45.4	53.6	53.1
% OF TOTAL WORKERS ON 2ND & 3RD SHIFTS COMBINED									
January 1942	44.2%	52.5%	49.7%	29.7%	52.2%	36.5%	30.3%	26.2%	32.4%
September 1941	41.6%	49.8%	47.9%	20.5%	51.3%	35.7%	25.6%	22.2%	29.7%
NUMBER OF WORKERS SATURDAY AS A % OF REGULAR WEEK- DAY WORKERS									
January 1942	74.1%	68.3%	94.2%	80.9%	66.3%	74.0%	94.6%	92.0%	77.4%
September 1941	51.5%	90.3%	78.9%	72.4%	56.9%	59.7%	84.5%	94.9%	72.1%
NUMBER OF WORKERS SUNDAY AS A % OF REGULAR WEEK- DAY WORKERS									
January 1942	22.8%	49.4%	37.7%	37.6%	28.9%	15.3%	34.9%	15.7%	29.3%
September 1941	4.1%	4.9%	7.6%	3.9%	21.0%	22.4%	6.6%	8.5%	4.6%
PLANT UTILIZATION HOURS - INDUSTRY									
January 1942	86.4	109.7	96.2	71.6	97.1	75.1	70.6	72.5	83.1
September 1941	75.7	94.2	89.6	64.0	92.3	70.6	61.0	68.9	75.6
PLANT UTILIZATION HOURS - THREE BEST PLANTS									
January 1942	104.0	124.3	128.1	118.8	126.1	89.8	89.6	91.7	118.0
September 1941	91.5	107.2	118.2	113.1	101.6	86.2	76.5	81.0	92.8
TOTAL NUMBER OF PLANTS	36	17	16	21	24	8	17	8	11

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WAR PRODUCTION BY OFFICE MACHINE COMPANIES

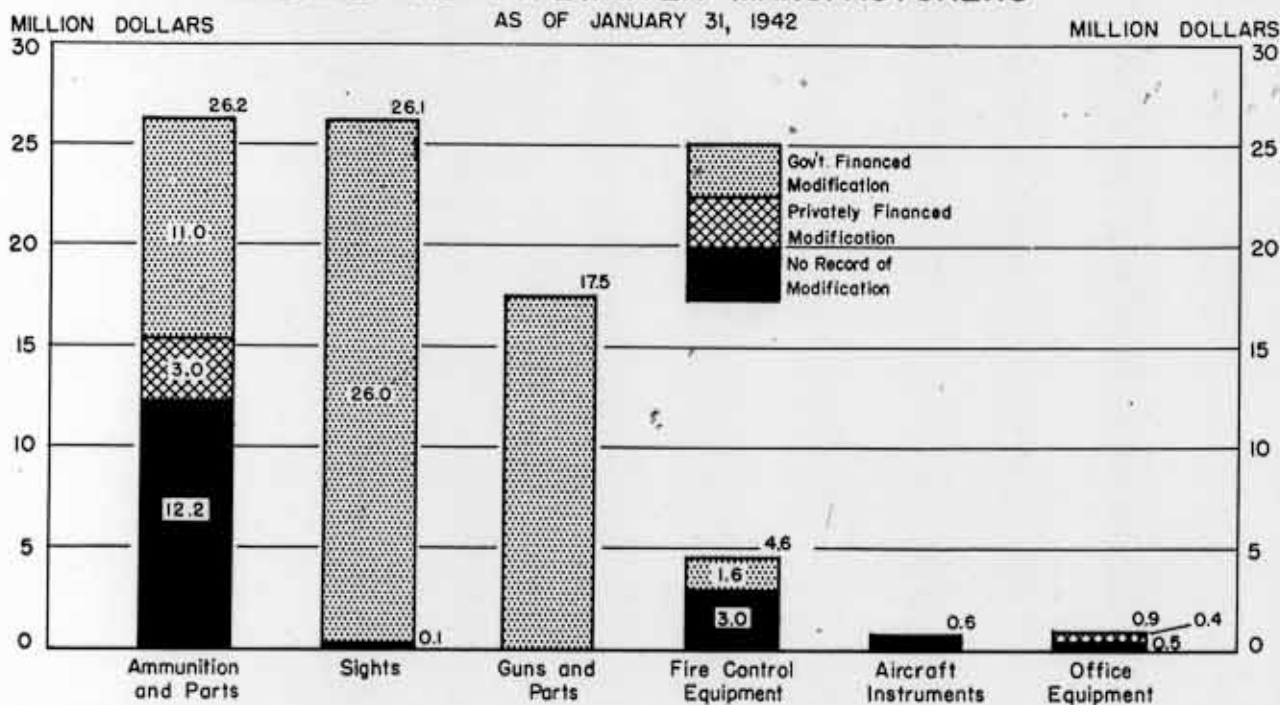
THE OFFICE MACHINERY MANUFACTURING INDUSTRY IS BEING CONVERTED TO MUNITIONS PRODUCTION AT AN INCREASINGLY RAPID RATE. DURING JANUARY ADDITIONAL CONTRACTS AMOUNTING TO ALMOST \$27 MILLION WERE AWARDED TO THESE COMPANIES, THEREBY INCREASING THEIR CONTRACTS FOR MUNITIONS PRODUCTION IN A SINGLE MONTH FROM \$49.2 MILLION TO \$75.9 MILLION, OR BY MORE THAN 50 PERCENT.

The office machine manufacturing industry is being converted to munitions production at an increasingly rapid rate. By the end of 1941, 15 of 17 major producers had been awarded \$49.2 million worth of Army and Navy supply contracts of \$50 thousand and over. In January an additional \$26.7 million worth of contracts were added, bringing the total to \$75.9 million. These con-

tracts calling for delivery during 1941, 1942, 1943, and beyond are considerably less than the \$239.1 million worth of products sold by the 17 companies in the single calendar year 1939.

Munitions which office machine manufacturers have contracted to produce (as shown in Chart 1) are: \$26.2 million for ammunition and

CHART I— U. S. WAR CONTRACTS AWARDED TO 17 OFFICE MACHINE AND TYPEWRITER MANUFACTURERS

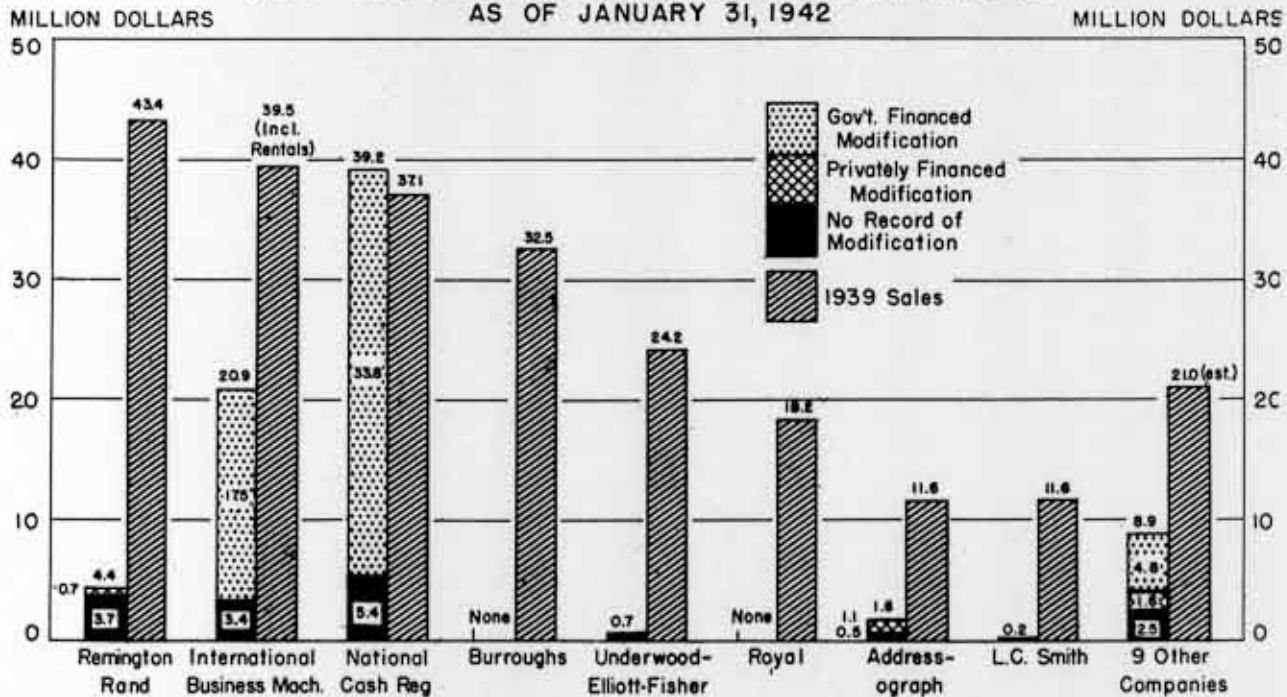


parts, \$26.1 million for sights, \$17.5 million for guns and parts, \$4.6 million for fire control equipment, and \$0.6 million for aircraft instruments. All of these munitions are to be manufactured in existing facilities, although the bulk of them require new production equipment. \$56.1 million are to be manufactured in facilities whose new equipment has been financed by the government, \$3.4 million are to be manufactured in facilities whose new equipment has been privately financed. Contracts valued at \$16.4 million will be manufactured in plants and facilities of which no modification has been recorded. The

present emphasis is on increasing production in present plants without the addition of new equipment and machine tools, of which there is a shortage.

Only \$0.9 million of contracts for \$50 thousand and over have been awarded by the Army and Navy for office equipment of the kind that the industry normally manufactures, as shown in Chart 1. Actual sales of such equipment to the Army, Navy, and other war agencies have been considerably higher. However, their purchase in most cases requires no contract and is rarely for lots of \$50 thousand or over. Office equip-

CHART 2 - U.S. WAR CONTRACTS AWARDED TO 17 TYPEWRITER AND OFFICE MACHINE MANUFACTURERS AS OF JANUARY 31, 1942



DECLASSIFIED

NUMBER 69

XI

ECONOMIC ACTIVITY RELATED TO THE WAR

	1940	1941			
	July	January	September	October	November
(Thousand workers)					
EMPLOYMENT IN WAR INDUSTRIES					
Private, 18 major industries	1,660	2,038	2,670	2,733	2,781
Private contractors, public construction	13	448	435	501	617
Public	117	171	233	248	263
Total direct defense	1,790	2,657	3,338	3,482	3,661
UNITED STATES FOREIGN TRADE					
(Million dollars)					
Exports					
Total exports	317	325	417	666	
Exports by destination					
United Kingdom	108	117	143	249	
Canada	65	62	89	103	
British Asia	24	28	40	43	
China	10	8	8	17	
Latin America	58	59	82	135	
Other pro-democratic areas	11	21	28	75	
Russia	6	3	11	19	
Portugal and Spain	4	2	2	2	
Axis & Axis dominated areas	21	18	6	7	
All other	8	8	8	16	
(Percent of total exports)					
Exports licensed	9.7	37.0	82.2	P 85.0	
(Million dollars)					
Imports					
Imports for consumption	218	224	265	292	
Imports by origin					
United Kingdom	16	10	14	9	
Canada	37	35	52	56	
British Asia	55	63	75	75	
China	10	5	8	10	
Latin America	52	67	77	104	
Other pro-democratic areas	13	10	11	8	
Russia	1	2	3	1	
Portugal and Spain	2	2	3	3	
Axis & Axis dominated areas	23	20	10	8	
All other	9	9	12	18	
(Percent of total imports)					
Strategic and critical materials	31.1	40.9	39.0	P 34.0	
U. S. WATER-BORNE FOREIGN COMMERCE					
(Million long tons)					
Exports					
American flag	1.1	.6	1.2	1.3	
Foreign flag	4.5	2.3	4.7	4.7	
Imports					
American flag	1.6	1.0	2.3	2.4	
Foreign flag	2.4	1.8	2.0	2.0	

*Revised data.

P Preliminary data

n.a. Data not available.

JANUARY 9, 1942

XI

ment for the military services and war agencies is considered necessary war goods. Production of this machinery will be restricted to the essential requirements of the military services, war agencies, and industries engaged in war production only, with no allowance for civilian consumption. The bulk of the industry's facilities will therefore be available for rapid conversion to munitions production.

Chart 2 compares the value of munitions contracts awarded to 17 major office machine manufacturers with their 1939 sales. The wide variation in the amounts of contracts awarded to individual com-

panies demonstrates the lack of sufficient planning for the use of all available facilities during 1941. The individual private companies' eagerness to participate in the war program was the principal motivating factor in the amount of contracts they were awarded. The National Cash Register Company, whose total contracts exceed its sales for 1939, has the highest record of conversion to war production. Many other companies, including two major producers, Burroughs Adding Machine and Royal Typewriter Company, had not been awarded any munitions contracts of \$50 thousand and over by the end of January 1942.

WAR PROGRESS SERIES

Pending Legislation

The Naval Supply Bill, which increased the war program by \$20.7 billion, was signed by the President on February 7. The total enacted war program now stands at \$113.9 billion.

Requests before Congress at the present time total \$31.5 billion and if approved will raise the total war program to \$145.4 billion. The accompanying table summarizes the existing and pending program.

Foreign Trade, November 1941

Exports during November 1941 were valued at \$482 million, an increase of 50 percent over the \$327 million reported for November 1940. While November 1941 exports were lower than the \$666 million in October they were higher than exports in all other preceding months of 1941. It should be noted, moreover, that approximately \$120 million of the October figure represents shipments between June and September 1941. Documents on these shipments

TOTAL WAR PROGRAM IN THE UNITED STATES
EXISTING AND PENDING AS OF FEB. 13, 1942

	Munitions Prod. and War Constr.	Total
	(Million Dollars)	
TOTAL EXISTING PLUS PENDING PROGRAM	P 129,857	P 145,365
EXISTING PROGRAM, FEBRUARY 7, 1942	P 101,282	P 113,894
Naval Supply Bill passed Feb. 7, 1942	P 19,412	P 20,741
Program as of Jan. 31, 1942	P 81,870	P 93,153
PENDING WAR PROGRAM, FEBRUARY 13, 1942	28,575	31,471
Independent Offices Appropriation Bill, 1943	142	188
First Deficiency Appropriation Bill, 1942	2	32
War Department Supplemental Estimates	21,823	21,969
Maritime Commission Supplemental Estimates	3,850	3,852
Lend-Lease Supplemental Estimates	2,758	5,430

were not received in time for inclusion in the export figures for those four months.

Exports to British Empire countries, including Egypt, amounted to \$278 million in November 1941 and accounted for 69 percent of the total, compared with \$183 million or 59 percent of the total for the same month in 1940. Of the \$161 million shipments to the United Kingdom in November 1941, nearly two-thirds or approximately \$107 million were under Lend-Lease. Latin American countries received exports valued at \$98 million in November 1941 compared with \$71 million for that month in 1940. The proportion of total exports going to Latin American republics in November 1941, 17 percent, was lower than the 22 percent they received a year before.

Imports during November 1941 amounted to \$276 million, \$16 million less than for October but \$59 million greater than the \$217 million total for November 1940.

Labor Turnover in War Industries, December 1941

The significant development in the labor turnover situation in De-

cember was the sharp rise in lay-offs reported by industries engaged in converting facilities to war production or suffering from inability to secure raw materials. The largest "war-conversion" lay-offs in December were reported in the automobile parts and equipment industry, 8.89 per 100 employees; rubber tires, 7.15; and automobile bodies, 5.02. Substantial lay-offs were also reported in consumer's durable goods industries unable to secure sufficient raw materials for full civilian production.

Military separations rose sharply from November to December. The average for seven selected war industries amounted to 0.50 per 100 employees, more than at any other time since the start of the war program. This rate compares with 0.39 for all manufacturing industries combined. The sharpest increases occurred in aircraft, shipbuilding, and machine tools.

Accessions in seven key war industries combined showed sharp gains, rising to 6.67 per 100 employees in December from 4.98 in November. Shipbuilding and aircraft with December rates of 15.26 and 10.79 respectively led the others in accessions. In manufacturing as a whole, accessions rose to 4.76 in December from 3.91 in November 1941.

WAR PROGRESS SERIES

TOTAL UNITED STATES WAR PROGRAM

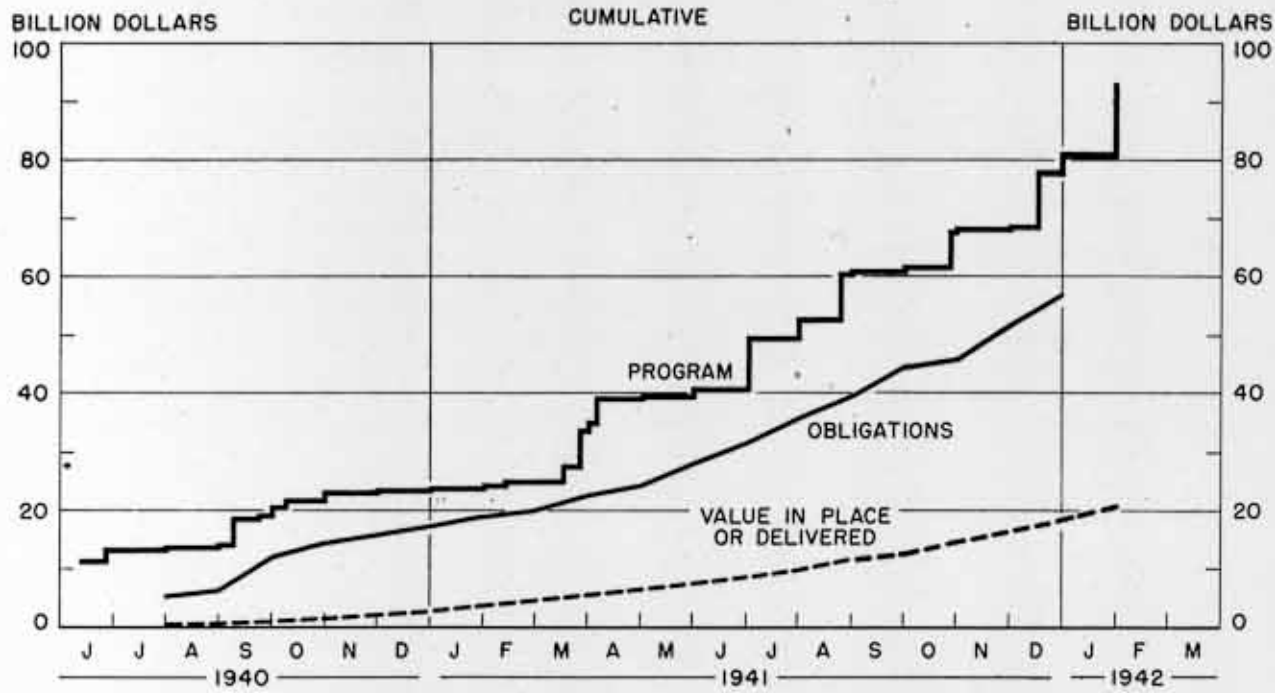
FINANCIAL PROGRAM SUMMARY	Cum. 6/11/40 to		Monthly			
	End 1st full year 6/30/41	End of December 12/31/41	December 1940	November 1941	December 1941	January 1942
(Million dollars)						
● TOTAL WAR PROGRAM IN U.S. ^a						
Program	40,861	P 80,539	542	166	P 12,166	P 12,614
Unobligated balance	9,274	24,035	-	-	-	-
Obligations	31,587	P 56,504	1,622	1,822	P 5,063	n.a.
Value delivered and/or in place	8,547	r 18,573	817	1,795	r 2,158	P 2,465
Checks paid ^d	8,535	P 17,895	671	1,611	P 2,100	n.a.
U. S. FINANCED PROGRAM ^b						
Program	37,075	76,473	80	126	12,144	P 12,614
Unobligated balance	9,274	24,035	-	-	-	-
Obligations	27,801	52,438	1,160	1,782	5,041	n.a.
Checks paid ^d	6,431	P 15,251	483	1,532	P 1,997	n.a.
TREASURY GENERAL FUND ^c						
Program	34,452	71,343	0	131	11,057	P 12,614
Unobligated balance	7,802	22,479	-	-	-	-
Obligations	26,650	48,869	1,007	1,437	4,632	n.a.
Checks paid by U. S. Treasury ^d	6,081	14,295	470	1,437	1,847	2,101
MUNITIONS PROD. & WAR CONSTRUCTION						
Program	37,027	P 69,278	534	195	P 10,478	P 12,592
Unobligated balance	7,597	P 18,372	-	-	-	-
Obligations	29,430	P 50,906	1,468	1,421	P 4,385	n.a.
Value delivered and/or in place ^e	6,795	r 14,750	695	r 1,435	r 1,755	P 2,055
Value not delivered nor in place	22,635	P 36,156	-	-	-	-
NON-MUNITIONS ITEMS, TOTAL						
Program	3,834	P 11,261	8	-29	P 1,688	P 22
Unobligated balance	1,677	P 5,663	-	-	-	-
Obligations	2,157	P 5,598	154	401	P 678	n.a.
Checks issued by agencies ^e	1,752	P 3,823	122	360	P 403	P 410

Table continued on page V.

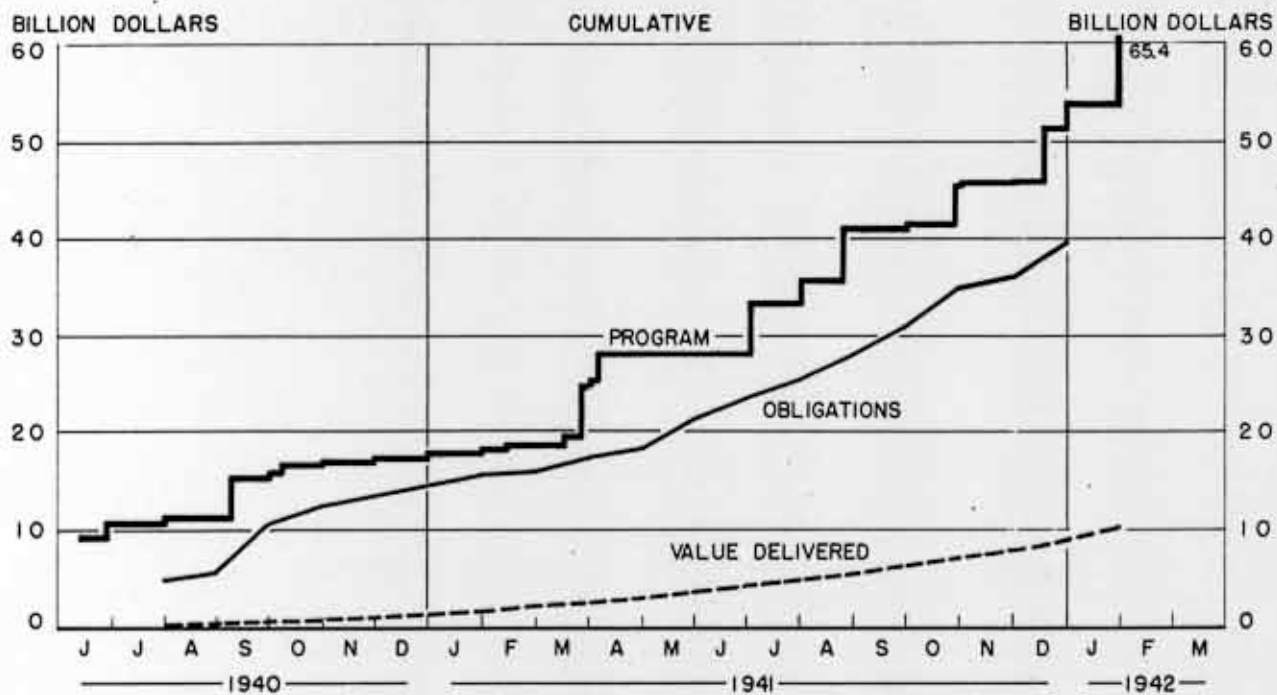
For footnotes see Page X.

● Graph appears on following page.

TOTAL WAR PROGRAM



MUNITIONS PRODUCTION



WAR PROGRESS SERIES
TOTAL UNITED STATES WAR PROGRAM

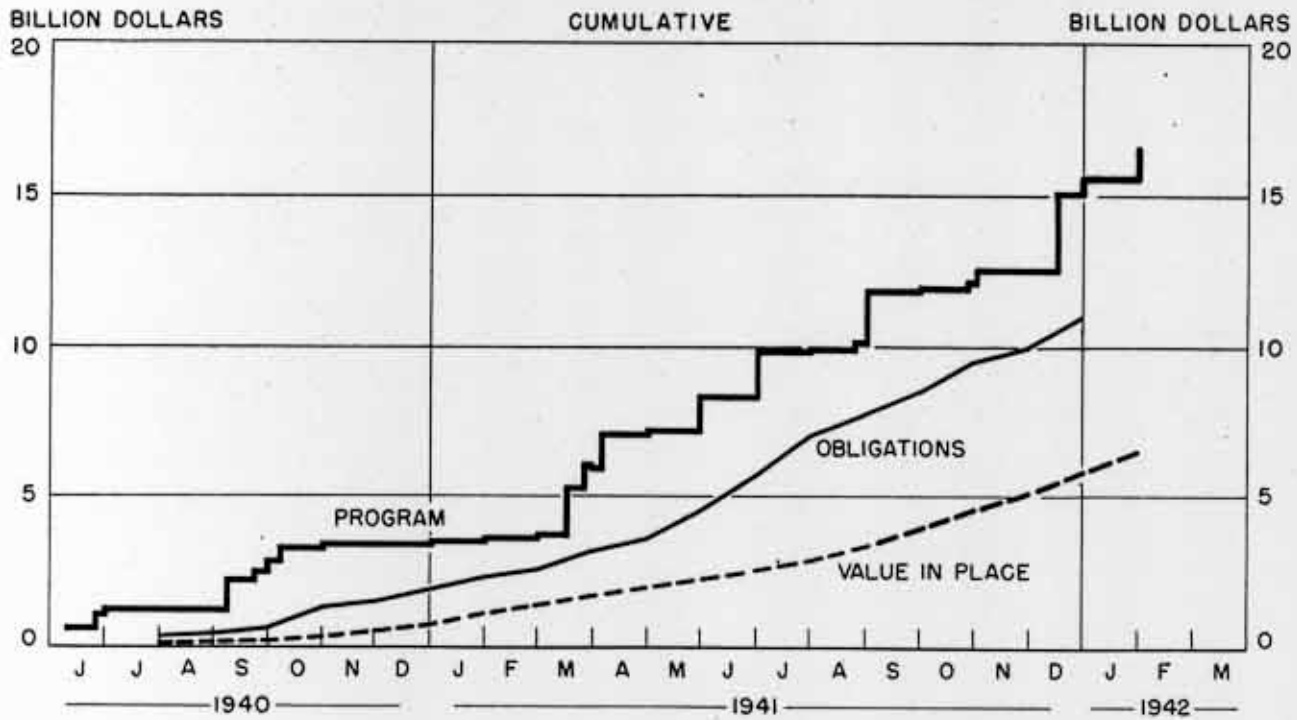
FINANCIAL PROGRAM	Cum. 6/11/40 to		Monthly			
	End 1st full year 6/30/41	End of December 12/31/41	December 1940	November 1941	December 1941	January 1942
(Million dollars.) BREAKDOWN OF MUNITIONS PRODUCTION						
● MUNITIONS PRODUCTION, TOTAL						
Program	28,566	P 53,738	442	163	P 7,627	P 11,630
Unobligated balance	4,901	P 13,929	-	-	-	-
Obligations	23,665	P 39,809	1,118	1,009	P 3,327	n.a.
Value delivered and/or in place ^e	4,290	r 8,940	435	870	r 1,075	P 1,315
Value not delivered nor in place	19,375	P 30,869	-	-	-	-
AIRPLANES, PARTS & ACCESSORIES						
Program	8,582	P 15,072	169	-9	P 1,788	P 9,011
Obligations	7,381	P 13,298	191	692	P 1,443	n.a.
Value delivered	1,010	2,265	80	215	290	345
ORDNANCE						
Program	7,778	P 17,488	71	125	P 3,902	P 1,581
Obligations	5,418	P 10,354	249	-290	P 610	n.a.
Value delivered	700	r 1,685	35	180	r 250	P 285
NAVAL SHIPS						
Program	6,796	9,605	0	498	872	P 25
Obligations	6,442	7,930	301	43	382	n.a.
Value delivered and/or in place	810	r 1,665	60	160	r 200	P 235
MERCHANT SHIPS						
Program	1,442	P 3,288	100	-466	P -54	P 0
Obligations	1,484	P 2,381	103	78	P 52	n.a.
Value delivered and/or in place	r 240	r 510	r 20	r 55	r 70	P 85
OTHER MUNITIONS AND SUPPLIES						
Program	3,968	P 8,285	102	15	P 1,119	P 1,013
Obligations	2,940	P 5,846	274	486	P 840	n.a.
Value delivered	r 1,530	r 2,815	r 240	r 260	r 265	P 365

Table continued on page VII.

For footnotes see Page X.

● Graph appears on opposite page.

WAR CONSTRUCTION



WAR PROGRESS SERIES
TOTAL UNITED STATES WAR PROGRAM

FINANCIAL PROGRAM	Cum. 6/11/40 to		Monthly			
	End 1st full year 6/30/41	End of December 12/31/41	December 1940	November 1941	December 1941	January 1942
(Million dollars)						
BREAKDOWN OF WAR CONSTRUCTION						
● WAR CONSTRUCTION, TOTAL (LAND, BLDGS., EQUIP.)						
Program	8,461	P 15,540	92	32	P 2,851	P 962
Unobligated balance	2,696	P 4,443	-	-	-	-
Obligations	5,765	P 11,097	350	412	P 1,058	n.a.
Value in place ^a	2,505	r 15,810	260	r 565	r 680	P 740
Value not in place	3,260	P 5,287	-	-	-	-
INDUSTRIAL FACILITIES (LAND, BLDGS., EQUIP.)						
Program	5,120	P 8,085	92	11	P 528	P 961
Obligations	2,865	P 6,291	247	213	P 810	n.a.
Value in place	960	2,800	60	300	400	P 450
INDUSTRIAL FACILITIES, BUILDINGS ONLY						
Program	1,607	3,137	n.a.	155	153	n.a.
Value in place	575	1,753	n.a.	202	209	n.a.
POSTS, DEPOTS, STATIONS						
Program	2,849	6,063	0	21	1,573	P 1
Obligations	2,625	4,381	74	185	246	n.a.
Value in place	1,430	r 2,670	200	r 235	r 240	P 250
DEFENSE HOUSING						
Program	492	1,392	0	0	50	P 0
Obligations	275	425	29	14	2	-
Value in place	115	340	0	30	40	P 40
BREAKDOWN OF NON-MUNITIONS						
NON-MUNITIONS, TOTAL						
Program	3,834	P 11,261	8	-29	P 1,688	P 22
Unobligated balance	1,677	P 5,663	-	-	-	-
Obligations	2,157	P 5,598	154	401	P 678	n.a.
Checks issued by agencies ^a	1,752	P 3,823	122	360	P 403	P 410
STOCKPILE						
Program	983	2,399	3	0	768	P 0
Obligations	470	1,050	45	50	90	n.a.
Checks issued by agencies	192	P 488	14	42	P 83	P 80
AGRICULTURAL EXPORTS (LEND-LEASE)						
Program	625	1,522	-	7	0	P 0
Obligations	66	561	-	61	108	n.a.
Checks issued by agencies	1	211	-	45	40	P 45

Table continued on following page.

For footnotes see Page X.

● Graph appears on opposite page.

WAR PROGRESS SERIES
TOTAL UNITED STATES WAR PROGRAM

FINANCIAL PROGRAM	Cum. 6/11/40 to		Monthly			
	End 1st full year 6/30/41	End of December 12/31/41	December 1940	November 1941	December 1941	January 1942
(Million dollars) NON-MUNITIONS (CONTINUED)						
PAY, SUBSISTENCE & TRAVEL^f						
Army Military						
Program	944	3,013	0	0	450	0
Obligations	934	2,030	60	150	196	n.a.
Checks issued	696	P 1,510	43	144	P 148	P 150
Navy Military						
Program	378	963	0	159	0	0
Obligations	334	610	32	62	58	n.a.
Checks issued	388	P 640	31	43	P 43	P 45
Civilian Payroll						
Program	32	247	0	0	77	0
Obligations	32	140	6	10	13	n.a.
Checks issued	356	P 684	28	60	P 60	P 60
MISCELLANEOUS NON-MUNITIONS						
Program	872	P 3,117	5	-195	P 393	P 22
Obligations	321	P 1,207	11	68	P 213	n.a.
Checks issued by agencies	119	P 290	6	26	P 29	P 30
BREAKDOWN BY AGENCIES						
AGENCIES INCLUDED IN TREASURY GENERAL FUND						
U. S. ARMY						
Program	13,134	31,981	0	0	7,376	12,526
Obligations	11,404	23,334	491	404	2,332	n.a.
Checks paid by U. S. Treasury	3,636	7,889	282	704	976	1,088
U. S. NAVY						
Program	12,308	20,024	0	64	2,333	58
Obligations	11,182	16,327	473	421	1,225	955
Checks paid by U. S. Treasury	2,217	4,726	178	441	494	518
LEND-LEASE						
Program	7,000	12,985	-	0	0	0
Allocations	5,177	11,148	-	2,415	1,949	n.a.
Obligations	2,458	6,282	-	430	1,026	n.a.
Checks Paid by U. S. Treasury	21	910	-	198	256	368

Table continued on following page.

For footnotes see Page X.

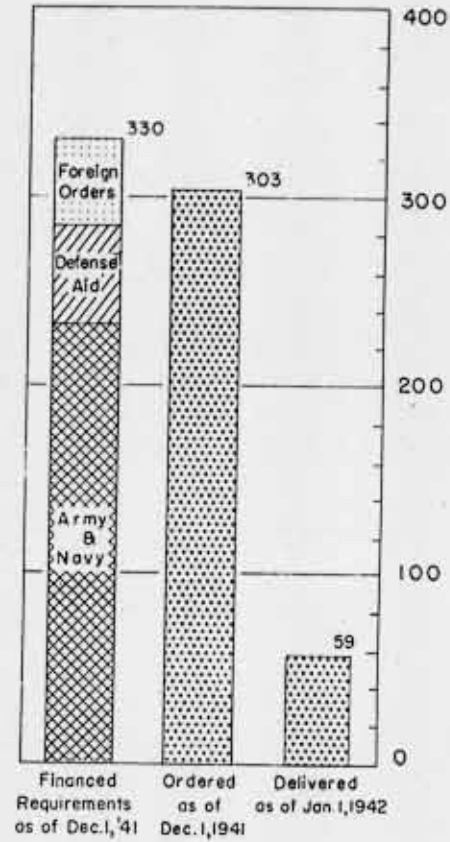
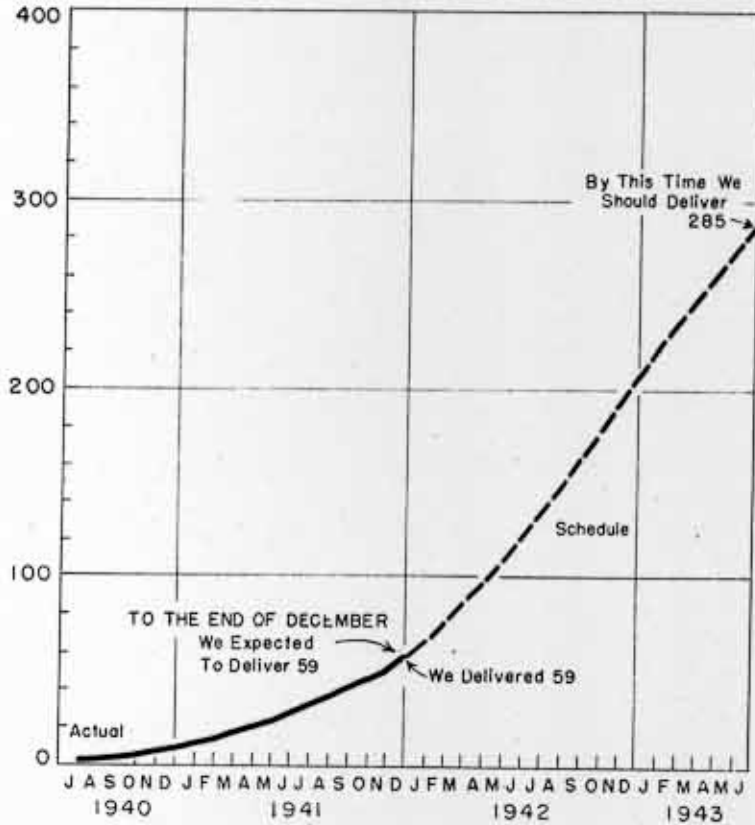
WAR PROGRESS SERIES
TOTAL UNITED STATES WAR PROGRAM

FINANCIAL PROGRAM	Cum. 6/11/40 to		Monthly			
	End 1st full year 6/30/41	End of December 12/31/41	December 1940	November 1941	December 1941	January 1942
(Million dollars)						
AGENCIES INCLUDED IN TREASURY GENERAL FUND (CONT'D)						
U.S. MARITIME COMMISSION						
Program	784	2,734	0	67	-1	P 0
Obligations	886	1,724	3	86	3	n.a.
Checks paid by U.S. Treasury (net)§	44	156	-3	26	36	49
OTHER U.S. AGENCIES						
Program	1,226	3,619	0	0	1,349	30
Obligations	720	1,202	40	96	46	n.a.
Checks paid by U.S. Treasury	163	614	13	68	85	77
ADDITIONAL AGENCIES INCLUDED IN U.S. FINANCED PROGRAM						
R. F. C. AND SUBSIDIARIES						
Program	2,623	5,130	80	-5	1,087	P 0
Obligations	1,151	3,569	153	345	409	n.a.
Checks issued by R.F.C.	350	P 956	13	95	P 150	n.a.
ADDITIONAL AGENCIES INCLUDED IN TOTAL WAR PROGRAM						
FOREIGN ORDERS						
Program (Orders)	3,786	P 4,066	462	40	P 22	P 0
Obligations	3,786	P 4,066	462	40	P 22	n.a.
Checks issued by Purchasing Missions	2,104	P 2,644	188	79	P 103	n.a.

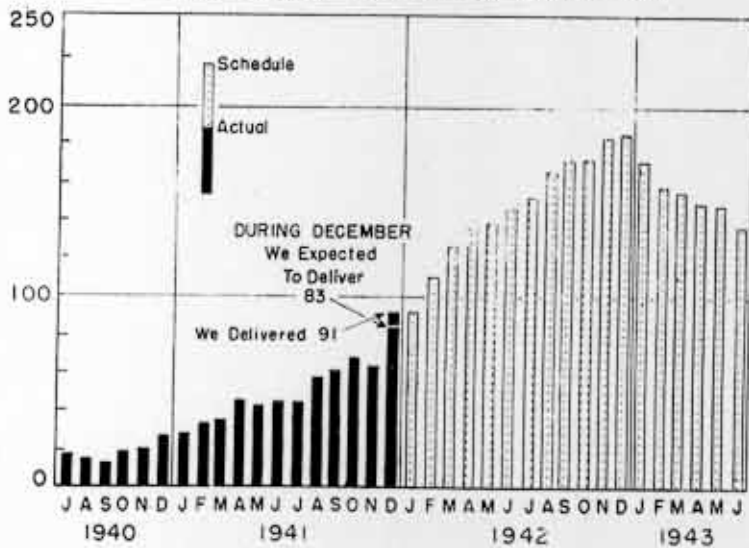
For footnotes see page X.

MILITARY AIRPLANES

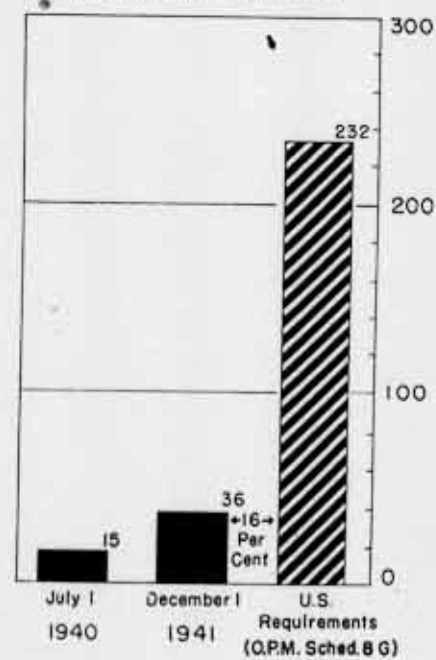
INDEX OF CUMULATIVE TOTAL PRODUCTION
TOTAL PRODUCTION F.Y. 1942 = 100



INDEX OF PRODUCTION DURING MONTH
AVGE. MONTHLY PRODUCTION, F.Y. 1942 = 100



U.S. INVENTORIES
TOTAL PROD, F.Y. 1942 = 100



FOOTNOTES

WAR PROGRESS SERIES

n.a. Not available

* Revised

P Preliminary

- ^a Total war program includes all funds and authorizations made available for war purposes by the United States Government plus foreign orders placed in this country since November 1939. The major portion of the existing program has been approved since June 11, 1940, but some authorizations (particularly portions of the naval expansion program, the merchant shipbuilding program, and the stockpile program) were made available even earlier. All funds are shown during the fiscal year in which they are available for obligation.
- ^b United States financed program includes the war activities of all United States Government agencies (including Lend-Lease) plus the war activities of government owned corporations, but does not include foreign orders.
- ^c United States Treasury General Fund includes the war activities of all United States Government agencies (including Lend-Lease). It does not include the activities of government owned corporations or foreign orders in the United States.
- ^d Checks paid include (1) all checks paid out of the Treasury General Fund (cf. footnote c); (2) checks issued by the Reconstruction Finance Corporation and subsidiary Government corporations; (3) checks issued by foreign purchasing commissions.
- ^e Value delivered and/or in place includes (1) value delivered and/or in place for ships and value of production for other munitions, (2) value in place for war construction, and (3) checks issued by finance officers for non-munitions items.
- ^f Program and obligations for pay for civilians and for the Navy include only that specifically mentioned in appropriation bills, while the cash disbursement figures include, in addition, executive war pay which cannot be separately distinguished in the appropriation bills.
- ^g Report on checks paid by the Treasury for the account of the Maritime Commission makes allowance for receipts credited to the Construction Loan Fund.

ECONOMIC ACTIVITY RELATED TO THE WAR

	1940	1941			
	July	January	September	October	November
UNITED STATES FOREIGN TRADE					
Exports (Million dollars)					
Total exports	317	325	417	666	492
Exports by destination					
United Kingdom	108	117	143	249	161
Canada	65	62	89	103	92
British Asia	24	28	40	43	46
China	10	8	8	17	12
Latin America	58	59	82	135	98
Russia	6	3	11	19	14
Other pro-democratic areas	11	21	28	75	49
Portugal and Spain	4	2	2	2	1
Axis & Axis dominated areas	21	18	6	7	7
All other	8	8	8	16	12
Exports licensed	9.7	37.0	80.8	81.7	83.0
Imports (Million dollars)					
Imports for consumption	218	224	265	292	276
Imports by origin					
United Kingdom	16	10	14	9	10
Canada	37	35	52	56	51
British Asia	55	63	75	75	91
China	10	5	8	10	6
Latin America	52	67	77	104	83
Russia	1	2	3	1	5
Other pro-democratic areas	13	10	11	8	12
Portugal and Spain	2	2	3	3	1
Axis & Axis dominated areas	23	20	10	8	7
All other	9	9	12	18	10
Strategic and critical materials	31.1	40.9	39.0	33.4	P 35.8
(Percent of total imports)					
U. S. WATER-BORNE FOREIGN COMMERCE					
Exports (Million long tons)					
American flag	1.1	.6	1.2	1.3	P 1.4
Foreign flag	4.5	2.3	4.7	4.7	P 4.4
Imports					
American flag	1.6	1.0	2.3	2.4	P 2.5
Foreign flag	2.4	1.8	2.0	2.0	P 2.0

† Revised data.

P Preliminary data

n.a. Data not available.

ECONOMIC ACTIVITY RELATED TO THE WAR

	1940	1941				
	July	January	October	November	December	
EMPLOYMENT IN WAR INDUSTRIES						
	(Thousand workers)					
Private, 18 major industries	1,660	2,038	2,733	2,781	2,847	
Private contractors; public construction	13	448	501	617		
Public	117	171	248	263		
Total	1,790	2,657	3,482	3,661		
	Cumulative 6/11/40 through			Monthly		
	End 1st full year 6/30/41	End of November 1941	End of December 1941	October 1941	November 1941	December 1941
VALUE OF FACIL. ON APPLIC. FOR CERT. OF NECESSITY						
	(Million dollars)					
Total	1,424	P 2,640	P 3,285	340	P 256	P 645
Approved, private funds	829	P 1,166	P 1,400	52	P 120	P 234
Approved, public funds	201	n.a.	n.a.	5	n.a.	n.a.
Disapproved	7	n.a.	n.a.	3	n.a.	n.a.
Pending	387	n.a.	n.a.	280	n.a.	n.a.

P Preliminary data

n.a. Data not available

ECONOMIC ACTIVITY RELATED TO THE WAR

The series on these pages are included for the convenience of readers of War Progress. The data are not confidential and there are no restrictions upon their use through their inclusion in this confidential report.

	1940	1941			1942	
	July	January	November	December	January	Week ending Feb. 7
FED. RES. BD. PROD. INDEXES						
(Unadjusted indexes 1935-39=100)						
Total industrial production	120	135	167	164	P 164	
Durable manufactures	131	166	209	211	P 213	
Non-durable manufactures	111	118	143	139	P 137	
Minerals	121	113	135	124	P 127	
BUR. FOR. & DOM. COM. MFRS.						
ORDERS, SHIPMENTS, INVENTORIES						
(Indexes)						
New orders, total (1/39=100)	127	176	212			
Shipments, total (1/39=100)	117	148	203			
Inventories, (1939av.mo.=100)	112.2	121.8	152.7			
Durable (1939av.mo.=100)	113.9	132.5	170.3			
Non-durable (1939av.mo.=100)	110.7	112.5	137.4			
BLS PRICE INDEXES						
(Indexes)						
Strategic Materials (8/39=100)	123.6	126.1	143.1	143.9	P 144.9	144.1
Critical Materials (8/39=100)	107.5	111.7	116.6	118.2	P 119.7	120.0
Basic Commodities (8/39=100)	108.5	120.5	154.4	158.4		163.0
Machine Tools (8/39=100)	108.7	114.6	119.7	119.7	P 119.7	
All Commodities (1926=100)	77.7	80.8	92.5	93.6	P 95.6	95.7
BLS COST OF LIVING INDEX						
(1935-39=100)						
All items	100.3	100.8	110.2	110.5		
Food	97.4	97.8	113.1	113.1		
Rent	104.6	105.0	107.8	108.2		
TRANSPORTATION & ELEC. POWER						
Freight Cars						
Loadings (thous. per week)	706	684	864	762	772	784
Unloads for export (dly. av.)						
Atlantic & Gulf ports	1,494	1,352	1,704	1,834	P 1,841	1,841
Pacific ports	112		166	159	P 215	309
Surplus, total, dly. av. (thous.)	133	110	61	75	60	
Box cars	57	43	28	27	22	
Coal cars	47	42	18	32	22	
Bad order cars, total, 1st of month (thous.)	153	109	68	68	62	
Power prod. (Mil. kwh.)	12,094	13,641	14,481	15,635	P 15,720	3,475
NATIONAL INCOME						
(Billion dollars, annual rate)						
Total income payments	75.2	81.7	96.3	P 99.9		
FEDERAL DEBT						
(Billion dollars, end of month)						
Net public debt	41.6	43.9	52.7	54.4	56.8	

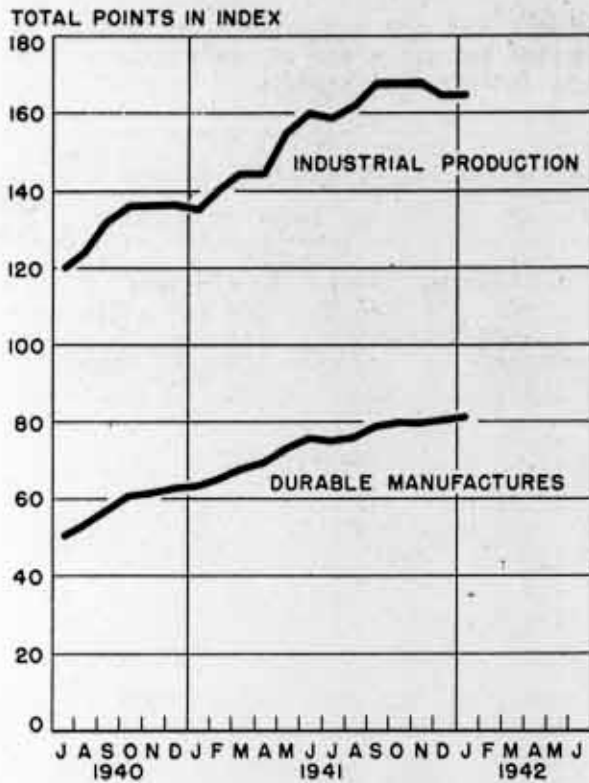
● Graph appears on following page.

P Preliminary data.

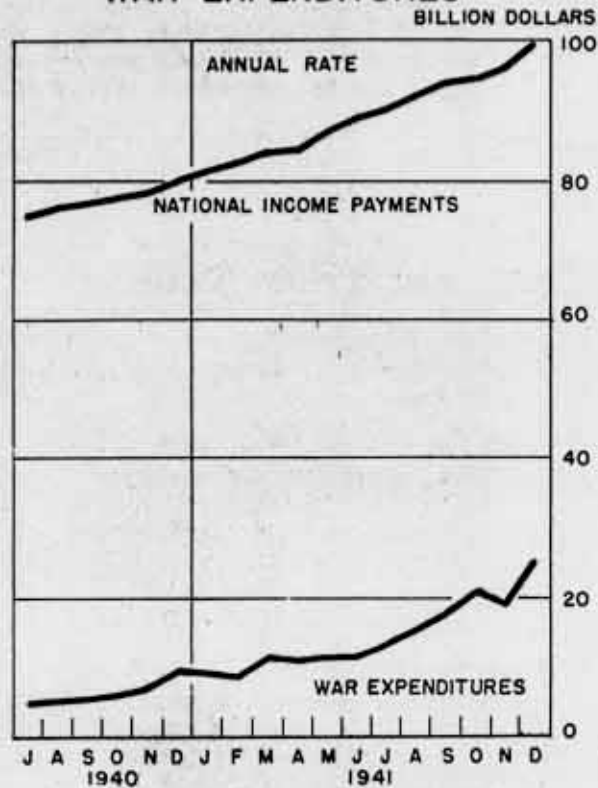
* June, 1940.

▲ Graph appears on page XVI.

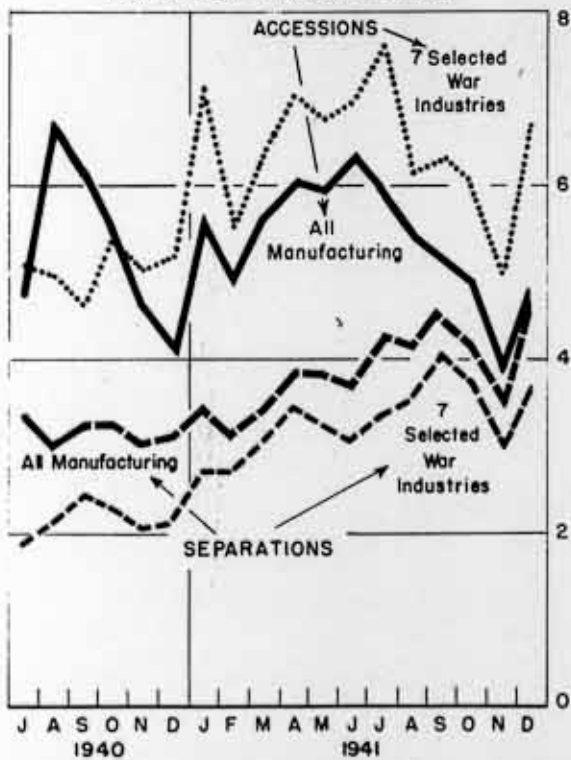
INDUSTRIAL PRODUCTION



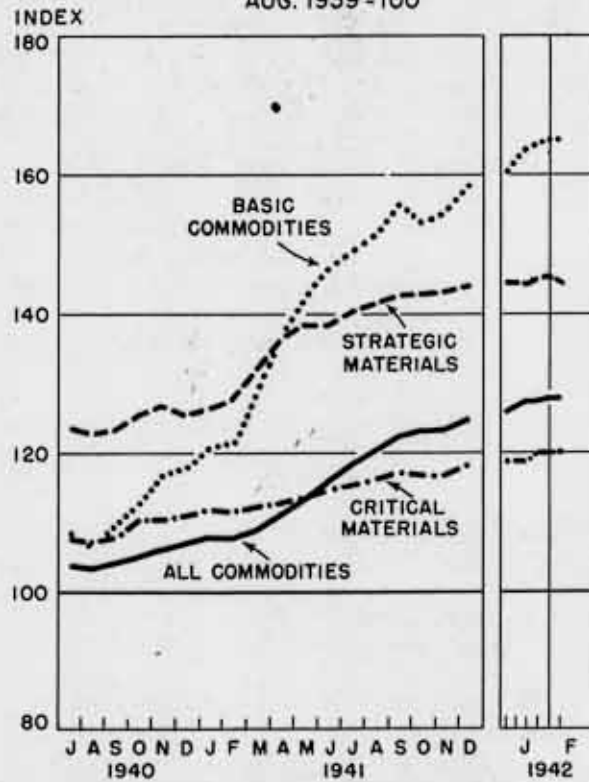
NATIONAL INCOME & WAR EXPENDITURES



LABOR TURNOVER
RATE PER 100 EMPLOYEES



WHOLESALE PRICES
AUG. 1939 = 100



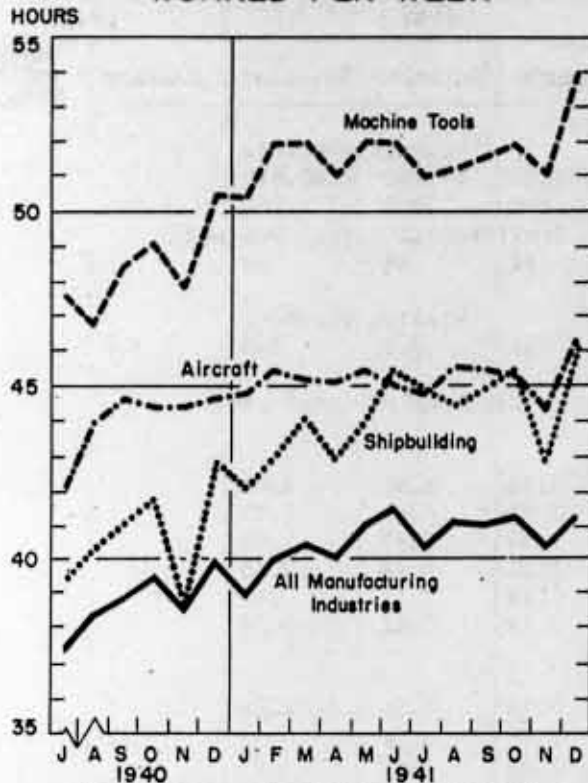
ECONOMIC ACTIVITY RELATED TO THE WAR

	1940	1941		1942		
	July	January	November	December	January	Week ending Feb. 7
EMPLOYMENT						
		(Thousand workers)				
Total civil nonagricultural	35,904	37,142	40,749	P 40,940		
Total WPA employment	1,655	1,890	1,056	1,053	p 1,024	1,032
War industries		Confidential data. See page				
Deep-sea merchant vessels	51	49	49	49		
UNEMPLOYMENT (WPA ESTIMATE)						
		(Million workers)				
Number of unemployed	9.3	7.6	3.9	3.8	4.2	
● LABOR TURN OVER ^h						
		(Rate per 100 employees)				
ALL MANUFACTURING						
Total accession	4.77	5.54	3.91	4.76		
Total separation	3.35	3.41	3.51	4.71		
Quit	0.85	1.31	1.57	1.75		
Layoff	2.25	1.61	1.44	2.15		
Discharge	0.14	0.18	0.24	0.29		
Military separation	n.a.	0.19	0.15	0.39		
7 MAJOR WAR INDUSTRIES						
Total accession	5.09	7.10	4.98	6.67		
Total separation	1.85	2.70	3.01	3.68		
Quit	0.84	1.24	1.61	1.76		
Layoff	0.73	0.79	0.81	0.91		
Discharge	0.15	0.22	0.29	0.36		
Military separation	n.a.	0.23	0.16	0.50		
AIRCRAFT						
Total accession	12.40	12.17	7.84	10.79		
Total separation	3.57	3.65	3.18	3.90		
Quit	2.96	2.44	2.20	2.28		
Layoff	0.15	0.33	0.26	0.06		
SHIPBUILDING						
Total accession	13.00	18.21	12.40	15.26		
Total separation	5.40	7.91	5.02	6.25		
Quit	1.14	1.93	2.39	2.93		
Layoff	3.71	4.78	1.85	2.02		
MACHINE TOOLS						
Total accession	3.05	6.68	3.88	4.96		
Total separation	2.09	2.44	2.31	2.72		
Quit	1.28	1.77	1.59	1.58		
Layoff	0.21	0.09	0.10	0.13		
DEFENSE HOUSING						
		*(Number of dwelling units, cumulative to end of period)				
Fund allocations	1,460	^r 56,528	145,655	184,867	256,743	273,605
Constr. contracts awarded	624	^r 36,191	120,976	121,586	153,410	154,948
Construction completed	0	1,314	65,186	73,012	83,433	86,172

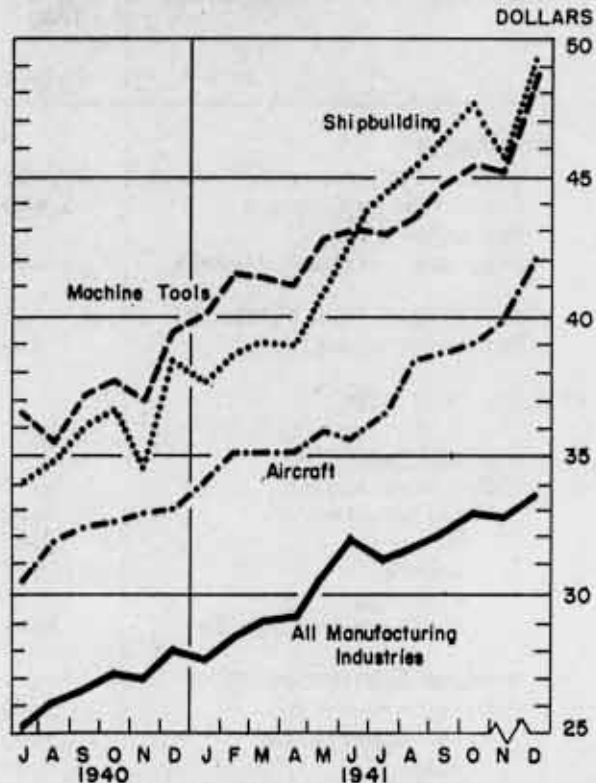
^hBureau of Labor Statistics^pPreliminary data.

● Graph appears on opposite page.

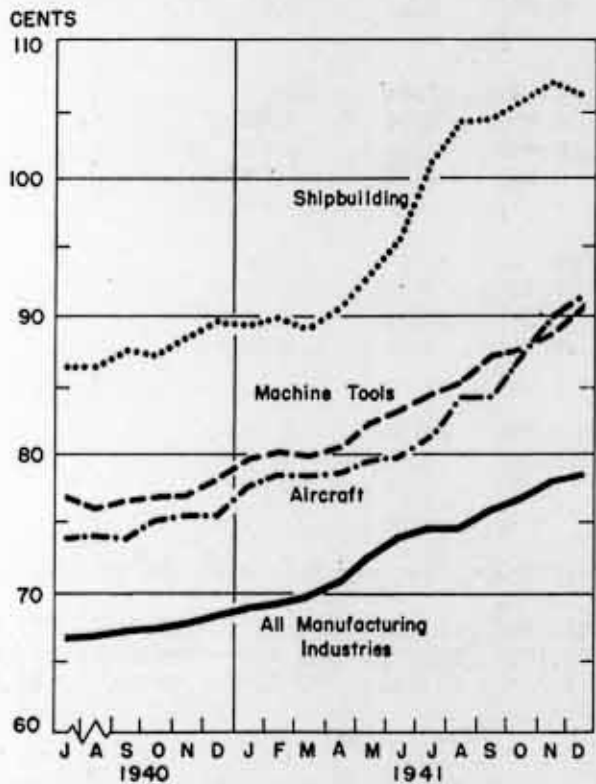
AVERAGE HOURS WORKED PER WEEK



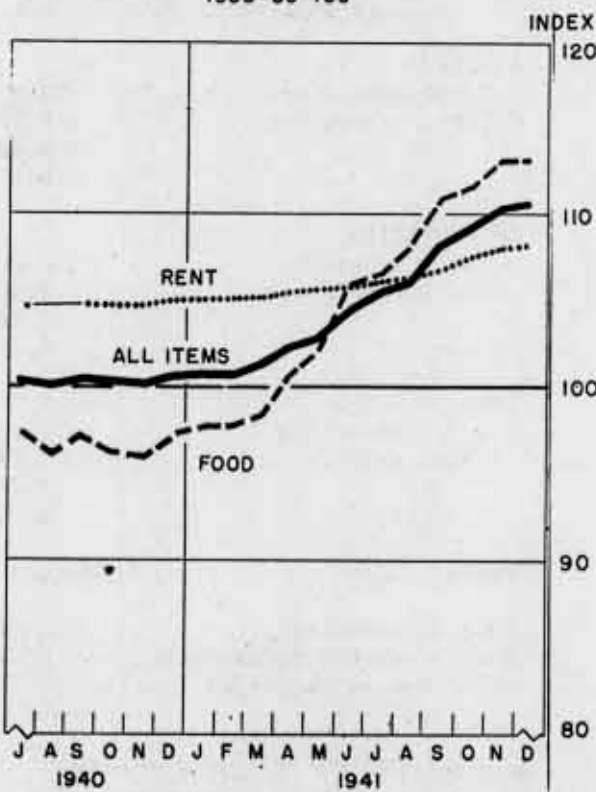
AVERAGE WEEKLY EARNINGS



AVERAGE HOURLY EARNINGS



COST OF LIVING
1935-39=100



WAR PROGRESS SERIES

ECONOMIC ACTIVITY RELATED TO THE WAR

	1940	1941			
	July	January	November	December	
● AVERAGE HOURS WORKED PER WEEK ^h					
		(Hours)			
All manufacturing industries	37.3	39.0	40.3	41.2	
Durable goods	37.9	40.6	41.8	42.8	
Nondurable goods	36.7	37.3	38.6	39.4	
Machine tools	47.5	50.4	51.0	53.8	
Aircraft	42.0	44.7	44.3	46.2	
Shipbuilding	39.3	42.0	42.9	46.0	
● AVERAGE HOURLY EARNINGS ^h					
		(Cents)			
All manufacturing industries	66.7	68.9	78.1	78.7	
Durable goods	72.7	75.8	86.5	87.1	
Nondurable goods	61.5	62.0	68.8	69.5	
Machine tools	76.8	79.7	88.6	90.8	
Aircraft	73.8	77.6	90.2	91.6	
Shipbuilding	86.2	89.3	107.0	106.0	
● AVERAGE WEEKLY EARNINGS ^h					
		(Dollars)			
All manufacturing industries	25.25	27.74	32.80	33.69	
Durable goods	28.52	31.90	37.65	38.65	A
Nondurable goods	21.87	22.65	28.09	26.90	
Machine tools	36.45	40.15	45.17	48.82	
Aircraft	30.48	34.13	39.74	42.32	
Shipbuilding	34.03	37.69	45.90	49.19	

^hBureau of Labor Statistics.

● Graph appears on opposite page.

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XIII

WAR PROGRESS SERIES

WAR EQUIPMENT INDEXES

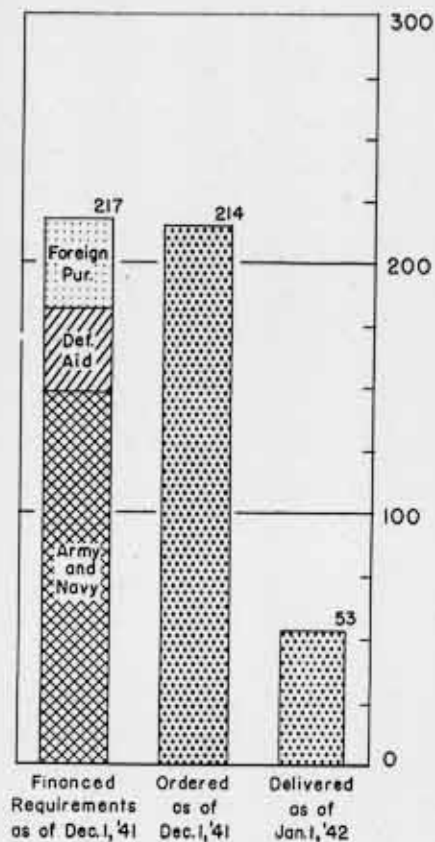
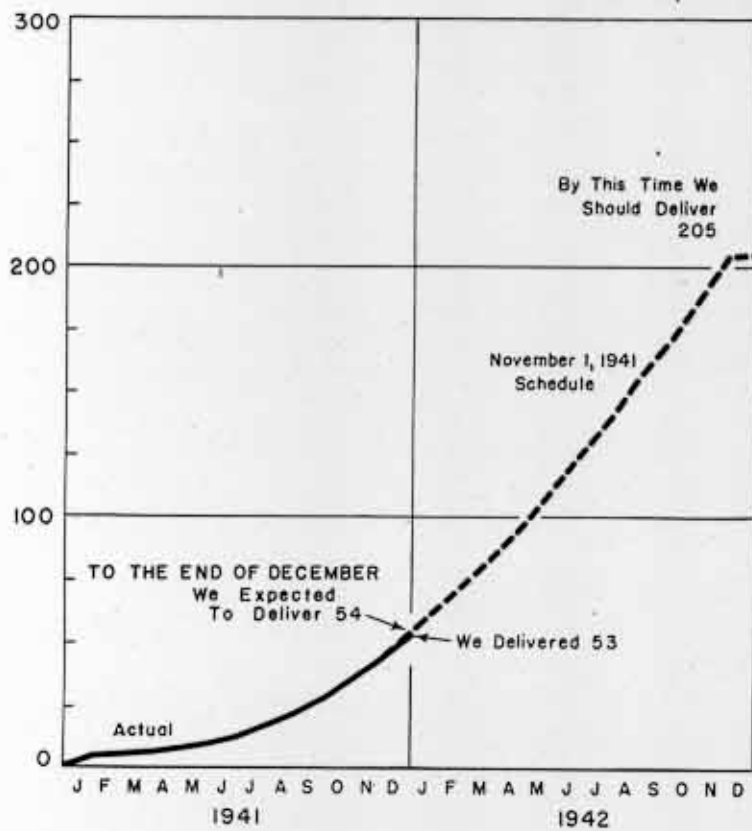
	Airplanes ●		Combat Vehicles ●		Army-type Guns		Ammunition		Major Combat Ships		Merchant Ships	
	SCHED. AS OF NOV. 1	ACTUAL	SCHED. AS OF NOV. 1	ACTUAL	SCHED. AS OF NOV. 1	ACTUAL	SCHED. AS OF NOV. 1	ACTUAL	SCHED. AS OF OCT. 1	ACTUAL	SCHED. AS OF AUG. 1	ACTUAL
MONTHLY PRODUCTION RATE DURING: Average monthly production FY 1942=100												
1940												
July		16	a		a		b			27		9
December		26		7		14		11		38		18
1941												
March		34		11		30				44		r 25
June		45		31		41		13		55		r 24
September		61		73		67		20		87		r 33
October		68		95		84		22	71	109		r 49
November	74	63	96	91	86	71	44	32	98	109	80	74
December	83	P 91	124	P 117	99	P 118	61	P 66	82		93	
1942												
January		93		126		121		101		109		110
February		111		126		127		135		98		126
March		127		132		138		149		115		144
June		147		168		148		244		126		161
September		173		185		142		311		148		155
December		185		37		122		396		137		148
Av. mo. prod. FY 1942		100		100		100		100		100		100
Peak month		185 (12/42)		195 (8/42)		158 (7/42)		396 (12/42)		169 (11/42)		161 (7/42)
TOTAL CUMULATIVE PRODUCTION TO: Total production FY 1942 = 100												
1940												
July 31		1				-				2		1
December 31		8		4		7				16		6
1941												
March 30		16		6		13		c 9		27		12
June 30		27		12		22		11		42		r 18
September 30		41		28		38		15		61		r 25
October 31		46		36		44		17	61	70		r 29
November 30	52	51	44	44	52	50	21	20	69	79	39	35
December 31	59	P 59	54	P 53	60	P 60	26	P 26	76		47	
1942												
January 31		67		65		70		34		85		56
February 28		76		75		81		46		93		67
March 31		87		86		92		58		103		79
June 30		122		127		128		112		133		119
September 30		163		173		166		185		167		158
December 31		208		205		199		274		204		196
Total production FY 1942		100		100		100		100		100		100
Prod. requirements, Dec. 1												
Financed	330		217		272		417		452		321	
Pending	0		245		110		73		0		0	
Ordered to December 1	303		214		264		285		452		n.a.	
To be ordered as of Dec. 1	27		3		8		132		0		n.a.	
INVENTORIES												
July 1, 1940		15		7		n.a.		22		277		282
December 1, 1941		36		25		n.a.		23		337		275

● Graphs appear on pages XII and XV. P Preliminary data n.a. Data not available
 a Average July 1, 1940 - Dec. 31, 1940 b Average July 1, 1940 - Apr. 30, 1941 c April 30, 1941
 d January 1, 1942 e July 1, 1941

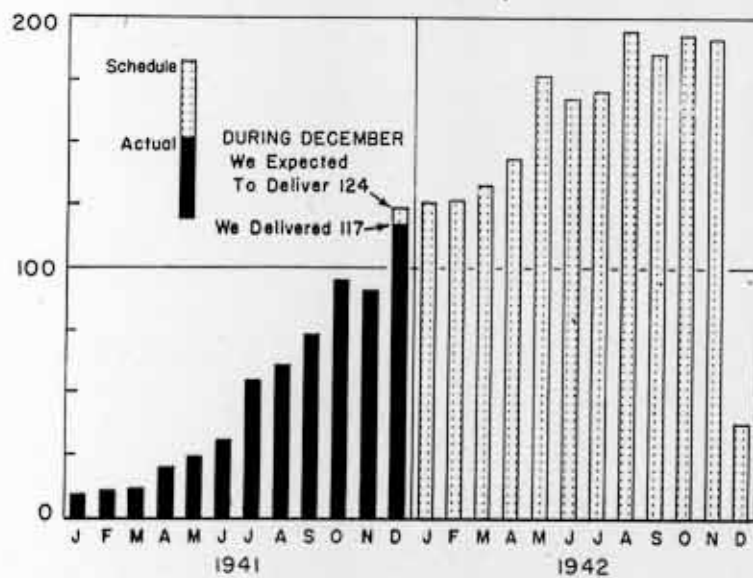
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COMBAT VEHICLES

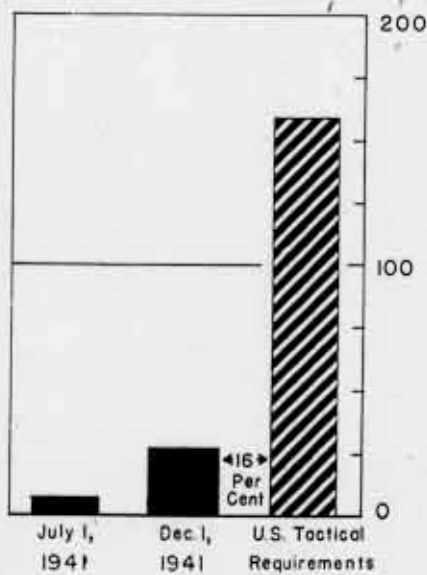
INDEX OF CUMULATIVE TOTAL PRODUCTION
TOTAL PRODUCTION, F.Y. 1942=100



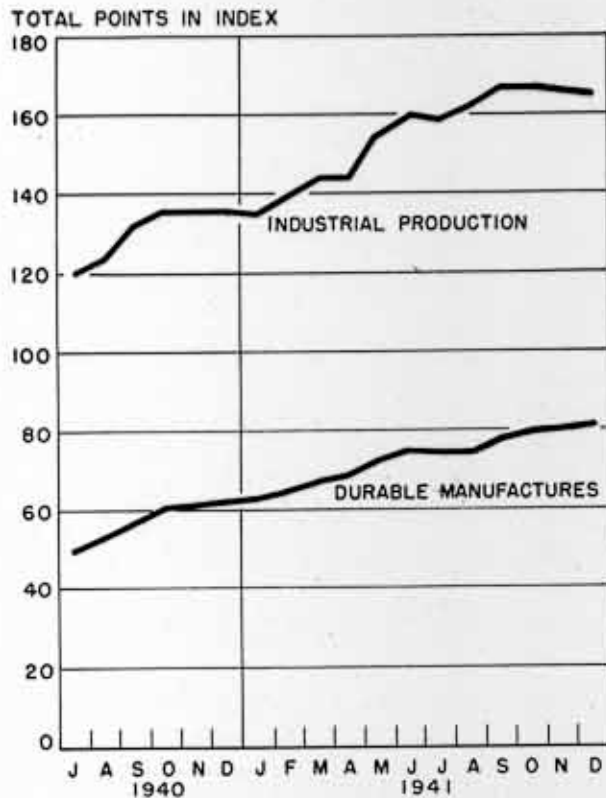
INDEX OF PRODUCTION DURING MONTH
AVG. MONTHLY PRODUCTION, F.Y. 1942=100



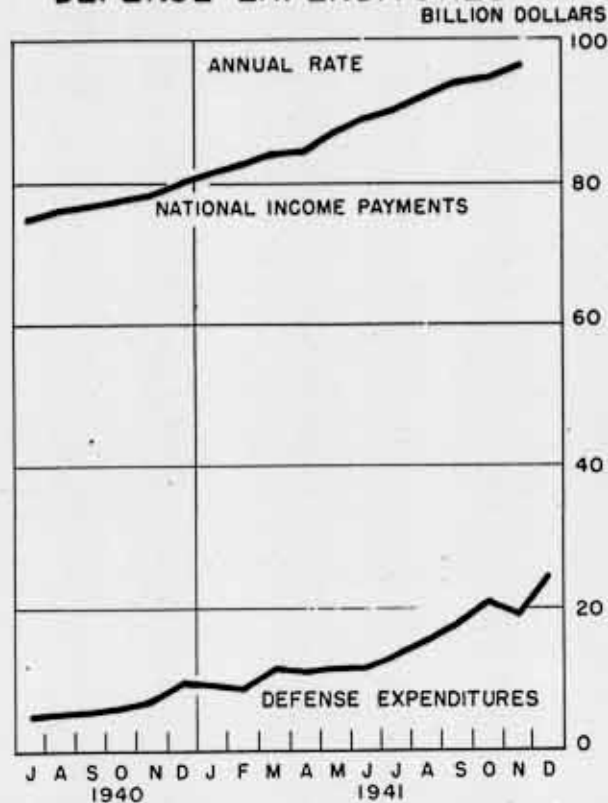
U.S. INVENTORIES
TOTAL PROD., F.Y. 1942=100



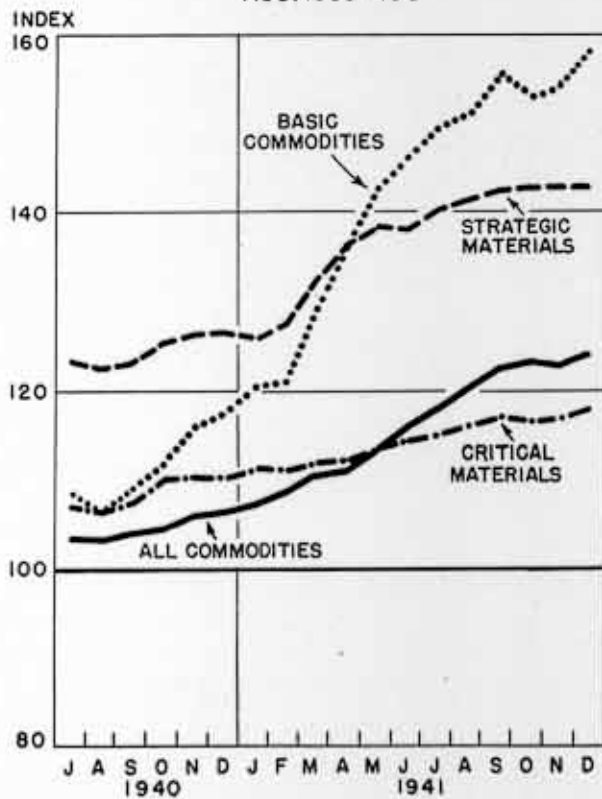
INDUSTRIAL PRODUCTION



NATIONAL INCOME & DEFENSE EXPENDITURES



WHOLESALE PRICES
AUG. 1939 = 100



NET FEDERAL DEBT, 1914-41
GROSS DEBT LESS BALANCE IN GENERAL FUND



Office of Production Management
BUREAU OF RESEARCH & STATISTICS

STACY MAY, CHIEF

WAR PROGRESS

Issued to The President

Copy Number 1

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Rules for Custody of *War Progress*

ECONOMIC ACTIVITY RELATED TO THE WAR

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	1940	1941					Week Ending Jan. 3	
	July	January	October	November	December			
FED. RES. BD. PROD. INDEXES								
(Unadjusted indexes 1935-39 = 100)								
Total industrial production	120	135	167	P 166	165			
Durable manufactures	131	166	210	F 211	214			
Nondurable manufactures	111	118	142	P 141	138			
Minerals	121	113	137	P 133	127			
BUR. FOR. & DOM. COM. MFRS.								
ORDERS, SHIPMENTS, INVENTORIES								
(Indexes)								
New orders, total (1/39=100)	127	176	193	P 211				
Shipments, total (1/39=100)	117	148	203	P 202				
Inventories, (1939av.mo.=100)	112.2	121.8	148.3	P 152.9				
Durable (1939av.mo.=100)	113.9	132.5	166.2	P 169.9				
Nondurable (1939av.mo.=100)	110.7	112.5	132.7	P 138.0				
BLS PRICE INDEXES								
(Indexes)								
Strategic Materials (8/39=100)	123.6	126.1	143.0	143.1 P	143.1	143.1		
Critical Materials (8/39=100)	107.5	111.7	116.7	116.6 P	118.2	118.9		
Basic Commodities (8/39=100)	108.5	120.5	153.1	154.4	158.4	160.1		
Machine Tools (8/39=100)	108.7	114.6	119.4	119.7	n.a.	-		
All Commodities (1926=100)	77.7	80.8	92.4	92.5	n.a.	94.3		
BLS COST OF LIVING INDEX								
	100.3	100.8	109.4	110.2				
TRANSPORTATION & ELECTRIC POWER								
(Averages)								
Freight cars								
Loadings (thous. per week)	706	684	914	864	762	674		
Unloads for export (dly.)	1,502	1,352	1,885	1,704 P	1,762	1,940		
Surplus, total (thous. dly.)	133	110	44	61	75			
Boxcars	57	43	19	28	27			
Coal cars	47	42	11	18	32			
Power prod. (mil. kwh. wkly.)	2,731	3,080	3,439	3,378 P	3,512	3,287		
NATIONAL INCOME								
(Billion dollars, annual rate)								
Total income payments	75.2	81.7 F	94.7 P	96.2				
FEDERAL DEBT								
(Billion dollars, end of month)								
Net public debt	41.6	43.9	50.9	52.7	54.4			
EMPLOYMENT								
(Thousand workers)								
Total civil nonagricultural	35,904	37,142	40,776 P	40,693				
Total WPA employment	1,655	1,890	1,040	1,056 P	1,053	1,041		
War industries			Confidential data. See page XI.					
Deep-sea merchant vessels	51	49	50	49				
UNEMPLOYMENT (WPA ESTIMATE)								
(Million workers)								
Number of unemployed	9.3	7.6	3.9	3.9	3.8			

^F Revised data.

Preliminary data.

n.a. Data not available.

● Graph appears on opposite page.

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■ ECONOMIC DATA

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NUMBER 70

JANUARY 16, 1942

WAR PROGRESS



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ECONOMIC ANALYSIS BRANCH
MORRIS A. COPELAND, CHIEF

LESTER S. KELLOGG,
ASSISTANT CHIEF & EDITOR

This summary contains CONFIDENTIAL information affecting the defense of the United States. Revelation of its contents in any manner to unauthorized persons is prohibited by the Espionage Act.

BRIEFS OF CONTENTSPage

- THE \$40 BILLION WAR MUNITIONS PROGRAM FOR 1942, as compared with December 1, 1941 schedules, calls for the following increased allocations to particular facilities: - \$3.5 billion for airplanes, \$940 million for artillery, and \$1.9 billion for combat vehicles. The major portion of these increases must come from conversion and increased plant utilization. 1
- THERE IS AN IMMEDIATE NEED for advancing the 1942 production schedules for ammunition if the goals of the \$40 billion program are to be reached. 5
- THE JAPANESE EMPIRE today has a male population of conscription age 75 percent as great as that of the United States. Available effective military strength of the United States totals 7.5 million men, while that of Japan excluding the Colonies, totals 5.5 million. However, only 2 million of the American total are trained. All of Japan's reserves have received military training. It is doubtful if Japan can increase her military forces to their full potential strength; however, without seriously impairing her war industries due to labor shortages. 7
- THE ACCUMULATION AT UNITED STATES PORTS OF RAILROAD FREIGHT for export has doubled in recent months. The threat of port congestion is being lessened by diversion of traffic and by the establishment of inland warehouses for temporary storage. 9
- WAR PROGRESS SERIES I

1942 REQUIREMENTS AND SCHEDULED PRODUCTION FOR AIRPLANES, ARTILLERY AND COMBAT VEHICLES

THE \$40 BILLION WAR MUNITIONS PROGRAM FOR 1942, AS COMPARED WITH DECEMBER 1, 1941 SCHEDULES, CALLS FOR THE FOLLOWING INCREASED ALLOCATIONS TO PARTICULAR FACILITIES: - \$3.5 BILLION FOR AIRPLANES, \$940 MILLION FOR ARTILLERY, AND \$1.9 BILLION FOR COMBAT VEHICLES. THE MAJOR PORTION OF THESE INCREASES MUST COME FROM CONVERSION AND INCREASED PLANT UTILIZATION.

The \$40 billion War Munitions Program for 1942 includes \$7.8 billion for airplanes, \$1.75 billion for artillery, and \$3 billion for combat vehicles. It calls for the following increases over the schedules in existence on December 1, 1941, prior to our entry into the war: \$3.5 billion for airplanes, \$940 million for artillery, and \$1.9 billion for combat vehicles. The new 1942 program involves increases over 1941 production of \$6.2 billion

in airplanes, \$1.6 billion in artillery and \$2.7 billion in combat vehicles. The data are shown in the accompanying table.

The bulk of these increases in the \$40 billion program over the previously established schedules has yet to be allocated to particular facilities. Under the schedules in existence on December 1, 1941, most of the production of these three items was scheduled for

1941 OUTPUT AND 1942 REQUIREMENTS
FOR AIRPLANES, ARTILLERY AND COMBAT VEHICLES
(Million Dollars)

Item	1941 Output	Previously Established Schedules ^c	Requirements Under \$40 Billion Program
Airplanes ^a	1,590	4,250	7,800
Artillery ^b	190	810	1,750
Combat vehicles	290	1,120	3,000

^a Exclusive of spare engine and spare parts.

^b Including a large number of tubes multiplied by price of finished gun.

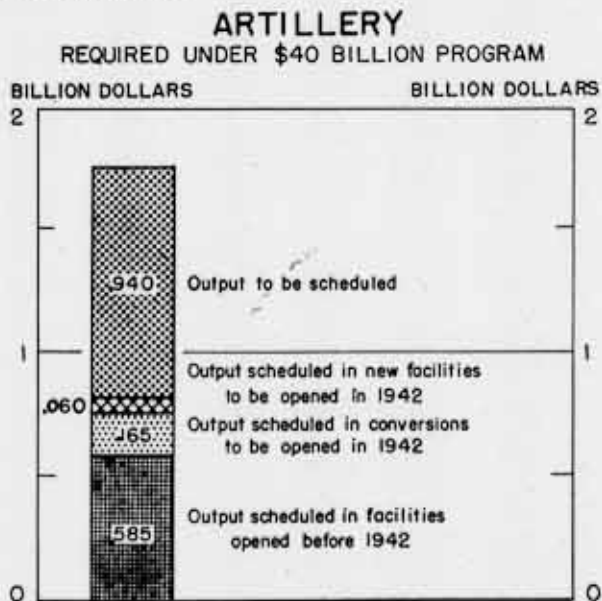
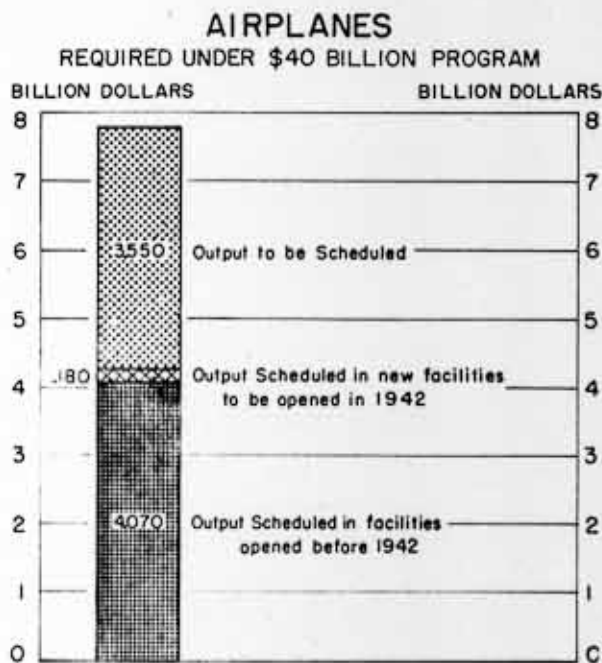
^c Schedules in existence on December 1, 1941.

facilities in operation prior to 1942. Thus, under the previously established schedules, \$5.6 billion or 90 percent of the total of \$6.2 billion for these three items were scheduled in facilities in operation before 1942. Of the balance, \$225 million was scheduled to be produced in converted plants to be available for production in 1942 and \$350 million was scheduled in new facilities and expansions to be in operation sometime in 1942.

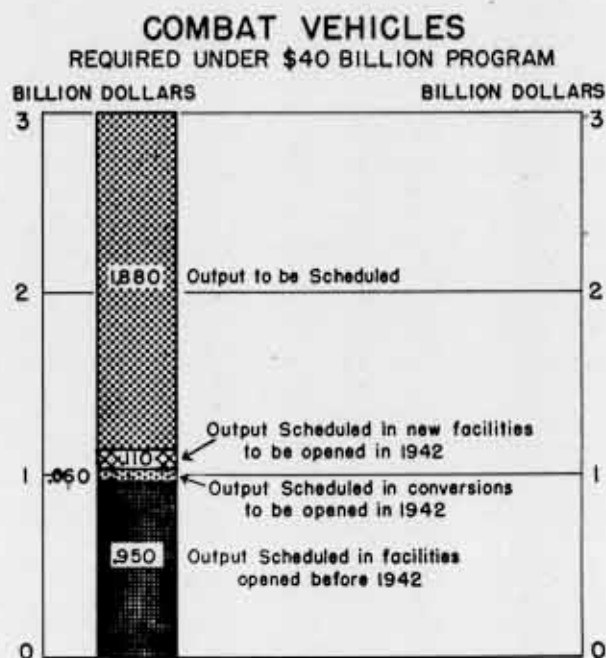
Previously established schedules call for nine new air frame plants and expansions to come into operation during 1942. These new plants as is shown in the chart, were scheduled to produce \$180 million of airplanes. However, some additional production may be had from these new plants if opening dates can be pushed up. Under the previous schedules these plants were to be available for operation on the average for only the last half of the year. When these new plants are in full operation, they will be produc-

ing at an annual rate of almost \$800 million. It is clear that, if we are to provide the required balance of \$3.5 billion of output during 1942, both conversion and increased utilization of existing facilities must be pushed. This program of conversion and expansion, as indicated by Report 8-H, has already been undertaken. However, it still falls considerably short of the President's 60,000 airplane program for 1942.

In the case of plants producing guns of 20 mm or over, a substantial portion of the output previously scheduled for 1942 will come from ten converted and expanded facilities as appears in the Chart namely, \$165 million. Under the old schedules, three new plants have been listed to produce \$60 million worth of guns. Even if these thirteen plants could all be brought into immediate production at peak rates, existing schedules would only be increased by about \$300 million. At least \$600 million must be obtained through increased utilization of existing plants and through further conversion.



Previously established schedules for combat vehicles include production of \$60 million in three converted or expanded plants and \$110 million in two new plants. These facts are illustrated in the accompanying chart. The two new plants were not scheduled to come into operation until late in the year. If opening dates could be pushed up, a substantial increase in output might result. The two new plants when operating at peak will produce at a rate in excess of \$600 million per year. About \$1.25 billion of the added production called for under the \$40 billion program will have to come from conversions or increased utilization of existing plants.



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WAR PROGRESS

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E.O. 11652, Sec. 3(E) and 5(D) or (E)
Commerce Dept. Letter, 11-16-72
By RHP, Date MAR 29 1973



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STATISTICS • STACY MAY, CHIEF

ECONOMIC ANALYSIS BRANCH
MORRIS A. COPELAND, CHIEF

LESTER S. KELLOGG,
ASSISTANT CHIEF & EDITOR

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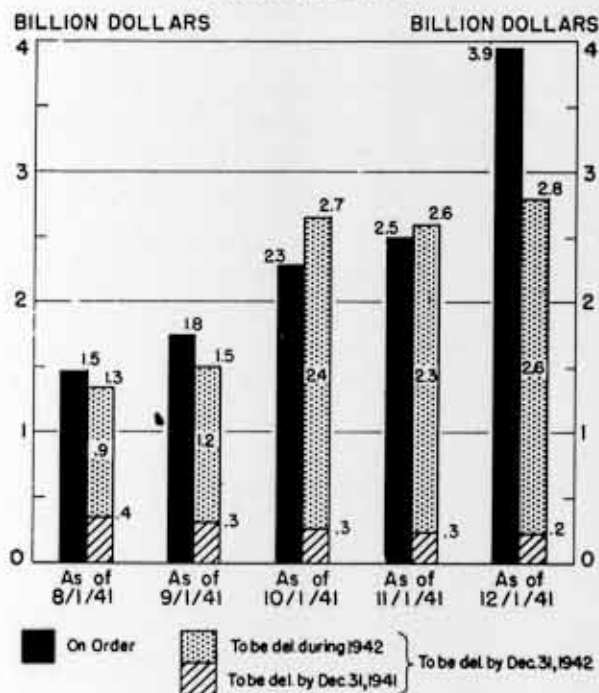
1942 DELIVERIES OF AMMUNITION

THERE IS AN IMMEDIATE NEED FOR ADVANCING THE 1942 PRODUCTION SCHEDULES FOR AMMUNITION IF THE GOALS OF THE \$40 BILLION PROGRAM ARE TO BE REACHED.

The amount of ammunition scheduled to be delivered by the end of 1942 has been continuously increased since August 1, 1941. In

fact, the December 1 schedules calling for delivery of \$2.8 billion of ammunition by the end of 1942 are more than double those of August 1 which called for delivery of \$1.3 billion. The planned increase in 1942 output reflects both a general expansion in the ammunition program and a transfer into 1942 of the unfilled portion of 1941 scheduled output. Chart 1 shows the changes in planned output under each schedule in effect since August 1, 1941.

CHART 1 - ORDERS AND SCHEDULED DELIVERIES OF AMMUNITION



The increase in scheduled output of ammunition during 1942 is larger than that for airplanes, guns, or combat vehicles ^a, but it is still much below what is called for under the \$40 billion program. There is an immediate need for a large volume of orders for ammunition to be delivered during 1942.

^a Defense Progress, Number 68, pp. 5-6. War Progress, Number 69, pp. 7-8.

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MANPOWER RESOURCES OF THE UNITED STATES - JAPAN

THE JAPANESE EMPIRE TODAY HAS A MALE POPULATION OF CONSCRIPTION AGE 75 PERCENT AS GREAT AS THAT OF THE UNITED STATES. AVAILABLE EFFECTIVE MILITARY STRENGTH OF THE UNITED STATES TOTALS 7.5 MILLION MEN, WHILE THAT OF JAPAN EXCLUDING THE COLONIES, TOTALS 5.5 MILLION. HOWEVER, ONLY 2 MILLION OF THE AMERICAN TOTAL ARE TRAINED. ALL OF JAPAN'S RESERVES HAVE RECEIVED MILITARY TRAINING. IT IS DOUBTFUL IF JAPAN CAN INCREASE HER MILITARY FORCES TO THEIR FULL POTENTIAL STRENGTH, HOWEVER, WITHOUT SERIOUSLY IMPAIRING HER WAR INDUSTRIES DUE TO LABOR SHORTAGES.

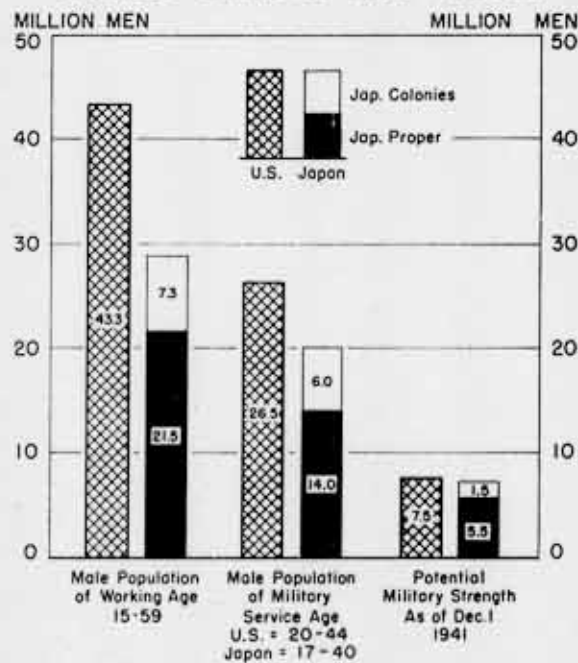
The Japanese Empire today has a "pool" of military manpower approximately 75 percent as great as that of the United States. Total male population of the Japanese Empire falling in the 17-40 military age bracket is about 20 million. The estimated number of males in the United States covered by draft age limits of 20-44 is 26.5 million. If the Japanese conscription age bracket of 17-40 were applied in the United States, there would be little effect since the inclusion of the 17-19 age group would only little more than offset the exclusion of the 41-44 group.

In all considerations of Japanese military strength, the manpower of her colonies, principally Korea and Formosa, must be considered as of secondary value. The compulsory military training program does not extend to the colonies although recruiting is carried on. Moreover, the military value of colonial recruits must be questioned in the light of past discriminatory practices of the Japanese Government against the Colonies. The principal source of additional military reserves must, therefore, be Japan

Proper which contains 70 percent, or 14 million, of the Empire's males of military age.

Japanese male working age limits, usually given as 15-59 years, applied to the populations of the United States and Japan Proper show working groups of about 43.3 million and 21.5 million respectively, as shown in the accompanying chart.

MANPOWER RESOURCES OF THE UNITED STATES AND JAPAN



The male populations of military service age approximate 26.5 million and 14 million respectively. Subtracting from the latter figures the number of men indispensable to industry or exempted due to disability and providership, the United States has available for military service 7.5 million men of whom only the 2 million currently in the armed services can be presumed to have received military training. Japan Proper has potential military strength of 5.5 million men of whom 3 million are currently estimated to be in the armed services, and the remaining 2.5 million have received at least two years of military training.

The induction of these 2.5 million trained reserves into the armed

services, nevertheless, would probably impair the Japanese industrial war effort. The industrial expansion program embarked upon by Japan in 1937 has caused severe shortages of skilled and technical labor. Japanese industry has had to compete with the armed forces for the services of males of the rural population from whom the greatest number of conscripts are ordinarily drawn.

The growth of the Japanese armed forces, therefore, appears to be limited by the necessity of maintaining an industrial labor force sufficiently large to supply the required munitions and food. For the United States the problem is twofold: that of training and that of arming the large numbers of additional effectives.

Technical Note:

Estimates of Japanese manpower are based on projections of the Japanese census of 1935, adjusted for both normal mortalities and estimated war dead since 1937. United States data are based on the census of 1940.

Untapped effective reserves for the United States were based upon World War I experience of about 20-25 percent realization, after allowance for deferments for all reasons. The estimate of effective additional reserves in Japan Proper was based upon Japanese experience with the rejection of conscripts for the period 1928-1936.

CARS FOR EXPORT, UNLOADS AND TONNAGE EXPORTED 1940 - 1941

THE ACCUMULATION AT UNITED STATES PORTS OF RAILROAD FREIGHT FOR EXPORT HAS DOUBLED IN RECENT MONTHS. THE THREAT OF PORT CONGESTION IS BEING LESSENERED BY DIVERSION OF TRAFFIC AND BY THE ESTABLISHMENT OF INLAND WAREHOUSES FOR TEMPORARY STORAGE.

Significant quantities of war materials, supplies, and other merchandise for export have accumulated in ports and terminals awaiting shipment. This condition has arisen primarily on account of a shortage of bottoms. The accumulations of export freight in railroad cars have taken place largely at the ports of New York and San Francisco and have become particularly notice-

able during the past two months. The threat of congestion, though not considered alarming, has caused concern to shippers, carriers, and the Government, and is receiving their continuous attention.

The total accumulation of cars for export has about doubled since the middle of the year, as shown in the accompanying table.

CARS FOR EXPORT
(On Hand at End of Month)*

1941	Total at U. S. Ports	At New York	At Pacific Ports (Largely Los Angeles)
January	11,968 ^a	4,261	---
February	12,508	4,178	458
March	13,638	3,976	704
April	10,292	3,922	454
May	10,656	5,275	802
June	9,655	4,691	746
July	11,091	5,306	836
August	10,801	4,420	927
September	12,865	6,207	1,041
October	14,346	7,403	750
November	16,658	8,493	958
December	22,493	11,216	1,395
1942			
January 9	22,235	10,169 ^b	1,781 ^c

* As reported by the Association of American Railroads

^a Pacific Coast not included

^b Includes 1,267 export cars held outside of New York

^c About a thousand additional cars, loaded with military equipment, have accumulated on the West Coast, but there is some uncertainty as to whether the equipment is for domestic off-shore or export destinations.

In addition to a shortage of bottoms the practice of maintaining a substantial inventory of finished products at export points in order that a choice of war materials may be available as soon as shipping space is ready, is a factor contributing to the current accumulations.

During the past month the reports of the Association of American Railroads have noted that certain cars were being held outside of ports. These cars are held on sidings to avoid terminal congestion, while awaiting ocean shipping space. In 1941 the car unloads for export at Baltimore, Hampton Roads, (Norfolk and Newport News) on the Atlantic, and at New Orleans, Galveston, and Houston on the Gulf of Mexico substantially decreased below the 1940 level, as shown in Chart 1. Some export freight during 1941 was diverted from the Middle Atlantic to New England ports.

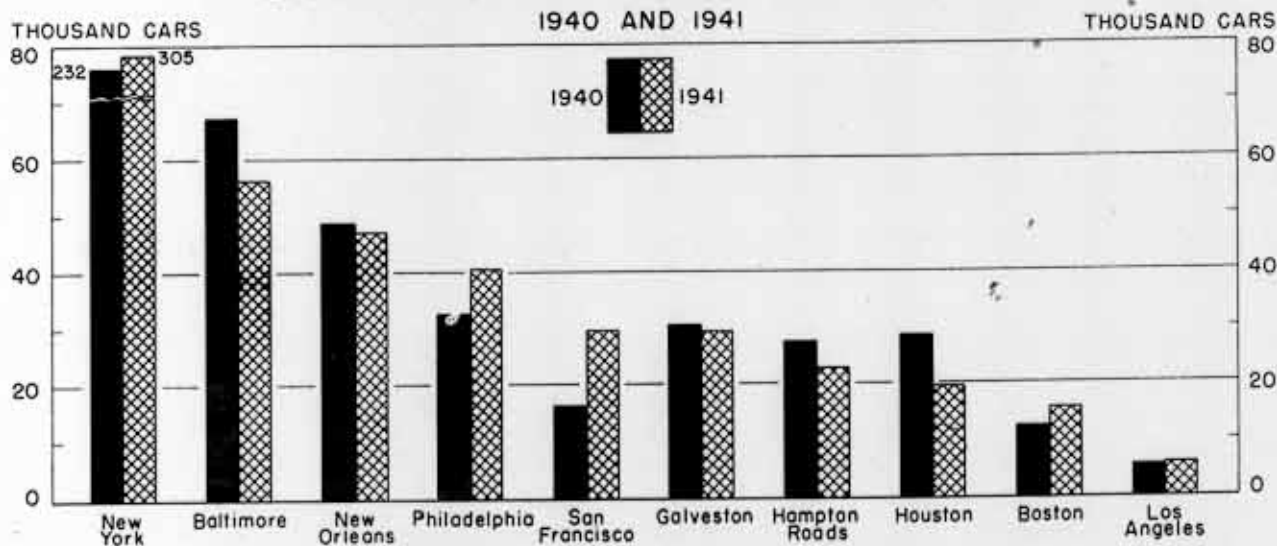
It is proposed to prevent piers from being crowded with war materials, foodstuffs, and other supplies, as was the case during World War I,

by the construction of regulating depots. These temporary depositories are to be built at a distance from coastal areas, where they may be less vulnerable to bombing. The first of these regulating depots which has been constructed at Marietta, Pennsylvania includes six storage warehouses, 960 feet by 180 feet and has several acres of open space which have been leveled and surfaced for outside storage.

Military materials which can be stored are sent to the depot by manufacturers in the Middle Atlantic and Mid-western states, instead of directly from factory to wharves. The freight is sorted and classified in cargo lots in order that movement to ports may be expedited. When notice is received of the arrival of ships at the ports of New York, Philadelphia, Baltimore, or Norfolk it is anticipated that trains can be made up and shunted to any of these points within 24 to 36 hours.

Car unloads for export at the principal ports during the first six

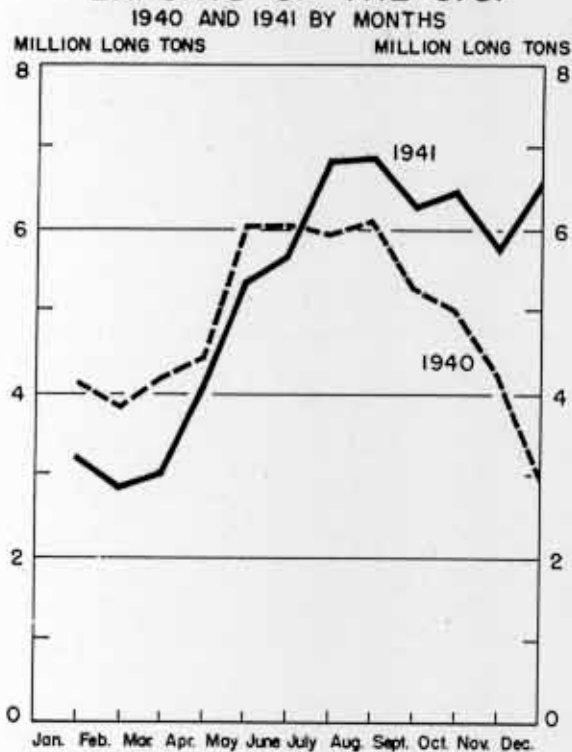
CHART 1 - CAR UNLOADS FOR EXPORT



months of 1941 were slightly greater than for the corresponding period of 1940; in the second half of 1941 the unloads at these ports increased by about 20 percent over the second

half of 1940. The unloads for export in December 1941 were the highest since the war began in September 1939. This increase in unloads for export, however, did not apply to all ports; there were substantial decreases in unloads at about half of the important ports, placing a heavier burden on a few ports.

CHART 2—TONNAGE OF WATERBORNE EXPORTS OF THE U. S.



The tonnage exported during each of the first six months of 1940 exceeded the tonnage for the corresponding month of 1941, as shown in Chart 2^a. During July 1941 the export tonnage exceeded that of July 1940. In the last eight months of 1941 the average monthly exports exceeded 5 million cargo tons. The chart shows that the export tonnage for December—a preliminary estimate—was more than double that of December 1940. The total export tonnage for 1941, including the Great Lakes, is estimated at 63 million long tons in comparison with 58 million during 1940.

^a Includes water-borne commerce with noncontiguous territories which accounts for 5 to 10 percent of the total. Also includes tanker cargo, little, if any, of which is represented by "Car unloads for export."

WAR PROGRESS SERIES

Labor Turnover, November 1941

Employment on defense work in November continued to expand but the rate of expansion has tapered off since last summer. The net accession rate for 7 key defense industries combined, in November, was 1.97 per 100 employees, as compared with 4.33 per 100 in July. Quits, discharges, and miscellaneous separations were at approximately the same levels in the 7 defense industries as in all-manufacturing combined. Lay-offs, however, were considerably smaller for the defense industries (0.81 per 100 employees) than for all manufacturing (1.44 per 100). The only munitions industry showing increased lay-offs over October was brass, bronze and copper products, where the shift from civilian to military production has caused a slowing down of activity.

Private shipyards in November reported an accession rate of 12.40 per 100 employees, as compared with 14.60 in October and 7.80 a year ago. Aircraft firms were taking on

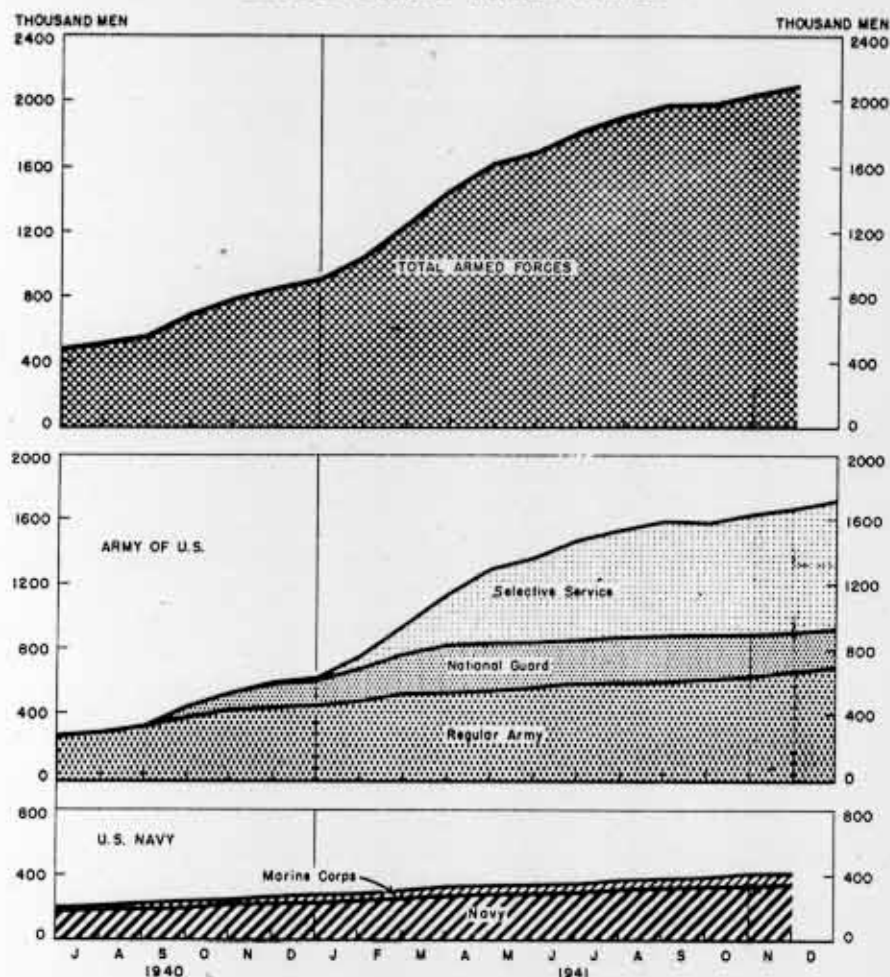
workers at the rate of 7.84 per 100 employees as compared with 10.62 in October and 10.33 in November 1940. In the heavy metal working industries, where capacity operation levels were reached in mid-summer, accession rates have declined rapidly in recent months; and have been exceeded by separation rates since September. Accession rates in each of the 7 key defense industries in November were below those of October.

The military separation rate for all manufacturing in November was 0.15, as compared with 0.21 in October and 0.13 in September. The average military separation rate for 7 selected defense industries in November was 0.16, as compared with 0.23 in October and 0.14 in September.

Legislation

A bill to increase the strength of the Navy to 500,000 enlisted men and the Marine Corps to 104,000 has been signed by the President.

UNITED STATES ARMED FORCES



UNITED STATES ARMED FORCES

	1940		1941			
	June 30	Dec. 31	June 30	Sept. 30	Nov. 31	Dec. 31
	(Thousand men)					
ARMED FORCES ON ACTIVE DUTY						
TOTAL	468	896	1,810	1,977	2,091	n.a.
ARMY - TOTAL	268	621	1,462	1,587	1,677	1,705
Regular	265	426	510	535	591	603
Nat'l. Guard in Fed. Serv.	-	156	284	273	233	233
Reserve Officers	3	22	61	79	84	85
Selective Service Trainees	-	17	607	700	769	784
NAVY - TOTAL	172	227	293	328	348	n.a.
Regular	151	186	221	236	242	n.a.
Reserve	7	24	53	69	81	n.a.
Coast Guard	14	17	19	23	25	28
MARINE CORPS - TOTAL	28	48	55	62	66	n.a.

WAR PROGRESS SERIES
TOTAL UNITED STATES WAR PROGRAM

FINANCIAL PROGRAM SUMMARY	Cum. 6/11/40 to		Monthly			
	End 1st full year 6/30/41	End of November 1941	November 1940	October 1941	November 1941	December 1941
(Million dollars)						
● TOTAL WAR PROGRAM IN U.S. ^a						
Program	40,761	68,115	291	6,532	139	P 12,141
Unobligated balance	9,264	16,932	-	-	-	-
Obligations	31,497	51,183	1,300	5,323	1,795	n.a.
Value delivered and/or in place	8,697	P 16,532	608	P 1,744	P 1,770	P 1,998
Checks paid ^d	8,503	P 15,803	567	1,737	P 1,674	P 1,991
U. S. FINANCED PROGRAM ^b						
Program	37,075	64,329	-19	6,471	126	P 12,141
Unobligated balance	9,264	16,932	-	-	-	-
Obligations	27,811	47,397	990	5,262	1,782	n.a.
Checks paid ^d	6,430	P 13,299	391	P 1,657	P 1,578	P 1,927
TREASURY GENERAL FUND ^c						
Program	34,452	60,286	0	6,116	131	12,058
Unobligated balance	7,792	16,049	-	-	-	-
Obligations	26,660	44,237	980	4,984	1,437	n.a.
Checks paid by U. S. Treasury ^d	6,080	12,448	379	1,526	1,438	1,847
MUNITIONS PROD. & WAR CONSTRUCTION						
Program	36,927	58,542	283	4,980	168	P 11,273
Unobligated balance	7,587	12,279	-	-	-	-
Obligations	29,340	46,263	1,175	4,942	1,394	n.a.
Value delivered and/or in place ^e	6,945	P 13,135	495	P 1,370	P 1,395	P 1,580
Value not delivered nor in place	22,395	P 33,128	-	-	-	-
NON-MUNITIONS ITEMS, TOTAL						
Program	3,834	9,573	8	1,552	-29	P 868
Unobligated balance	1,677	4,653	-	-	-	-
Obligations	2,157	4,920	125	381	401	n.a.
Checks issued by agencies ^e	1,752	P 3,397	113	P 374	P 375	P 418

Table continued on page V.

For footnotes see Page X.

● Graph appears on following page.

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WAR PROGRESS

JANUARY 9, 1942

BRIEFS OF CONTENTS

Page

- THE \$40 BILLION WAR MUNITIONS PROGRAM FOR 1942 will require an increase in the yearly production rate of manufacture of War Industries from \$13.6 billion as of December 1941 to \$48.2 billion as of December 1942. This production increase must be supplied from four sources: increased utilization of facilities currently employed in manufacturing munitions; conversion of existing facilities not currently engaged in manufacturing munitions; production by new industrial facilities now built or building; and increased efficiency. 1

- TO MEET THE PRESIDENT'S OBJECTIVE production schedules for airplanes must be stepped up considerably and new contracts for airplanes must emphasize quicker delivery in 1942. Orders placed between August 1 and December 1, 1941 totaled \$1.8 billion but the value of planes scheduled to be delivered by the end of 1942 was increased only \$60 million. 7

- AXIS MERCHANT MARINE LOSSES during World War II totaled 5 million gross tons at the end of 1941. Among losses for which cause is known, capture and the submarine have taken the heaviest toll of Axis merchantmen. 9

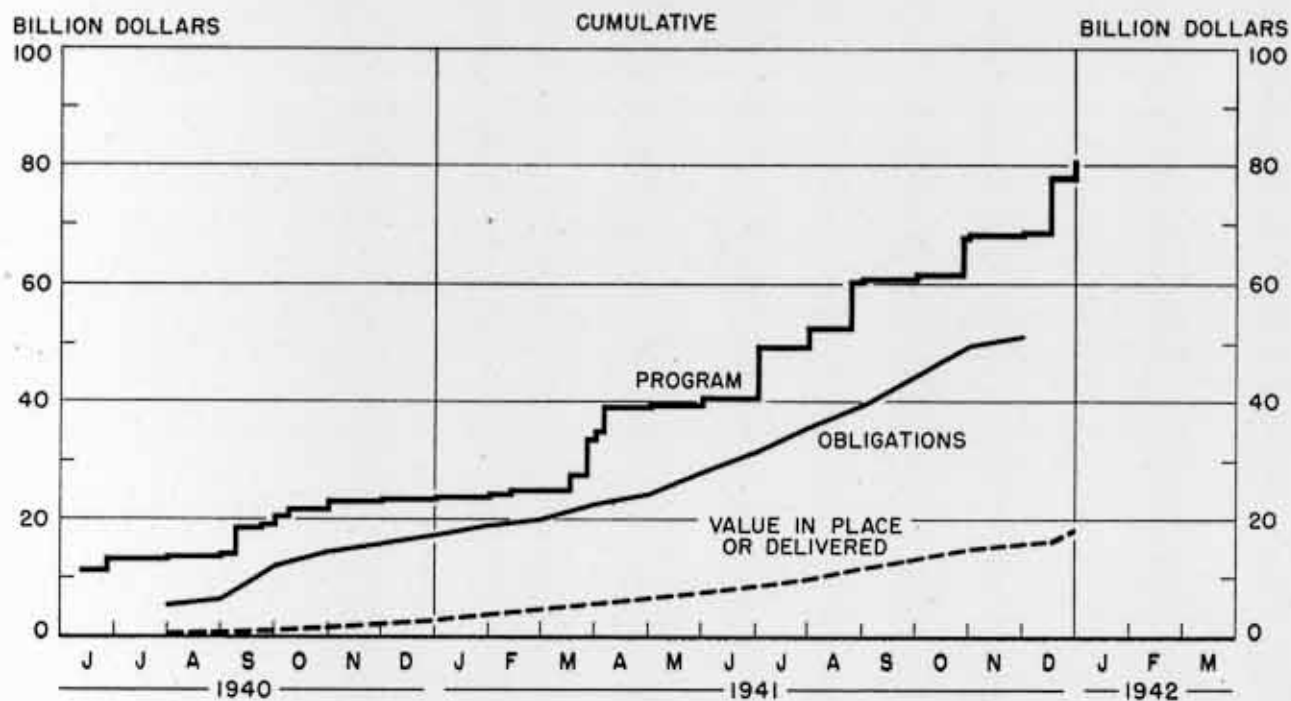
- WAR PROGRESS SERIES. The total war program in the United States will exceed \$100 billion if the new Presidential budget is passed in its present form. Production of combat vehicles, ammunition, and army-type guns all hit new highs in December. I

JANUARY 9, 1942

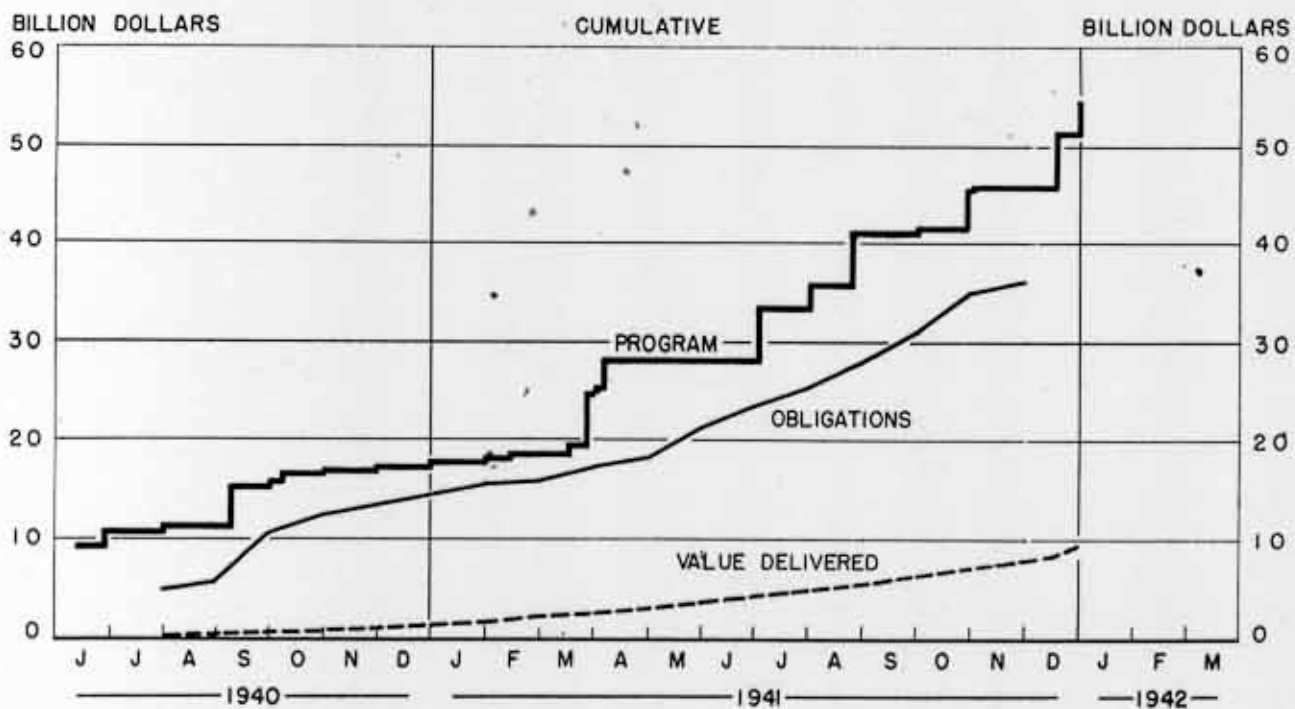
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Commerce Dept. Letter, 11-15-72
By RHP, Date MAR 29 1973

TOTAL WAR PROGRAM



MUNITIONS PRODUCTION



WAR PROGRESS SERIES
TOTAL UNITED STATES WAR PROGRAM

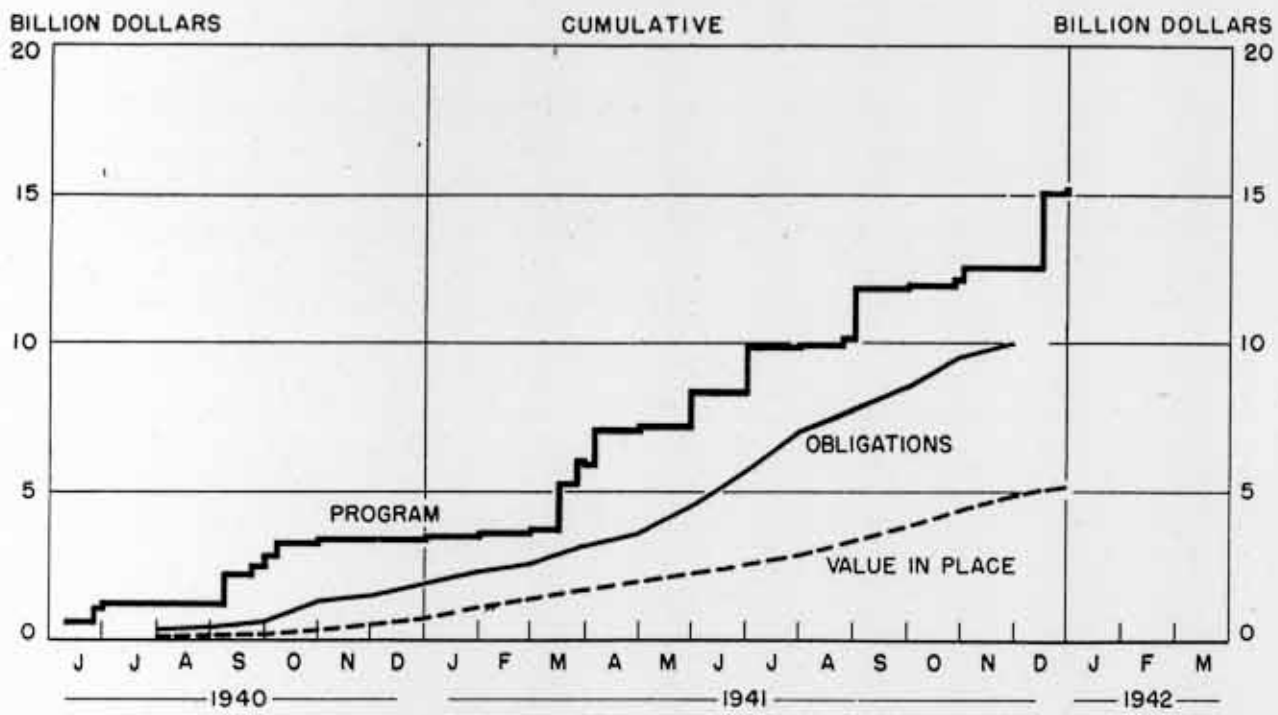
FINANCIAL PROGRAM	Cum. 6/11/40 to		Monthly			
	End 1st full year 6/30/41	End of November 1941	November 1940	October 1941	November 1941	December 1941
	(Million dollars)					
	<u>BREAKDOWN OF MUNITIONS PRODUCTION</u>					
● MUNITIONS PRODUCTION, TOTAL						
Program	28,466	45,853	303	4,311	136	P 8,638
Unobligated balance	4,891	9,629	-	-	-	-
Obligations	23,575	36,224	940	3,839	982	n.a.
Value delivered and/or in place ^a	4,440	P 8,230	305	P 855	P 910	P 1,135
Value not delivered nor in place	19,135	P 27,994	-	-	-	-
AIRPLANES, PARTS&ACCESSORIES						
Program	8,482	13,164	183	645	-11	P 1,752
Obligations	7,281	11,735	438	1,383	690	n.a.
Value delivered	1,010	1,975	60	240	215	P 290
ORDNANCE						
Program	7,778	13,448	67	1,614	100	P 4,079
Obligations	5,418	9,606	245	2,130	-315	n.a.
Value delivered	700	1,435	55	155	180	F 300
NAVAL SHIPS						
Program	6,796	8,733	0	101	498	P 1,868
Obligations	6,452	7,548	101	142	43	n.a.
Value delivered and/or in place	960	1,830	65	200	200	P 210
MERCHANT SHIPS						
Program	1,442	3,342	2	849	-466	P -49
Obligations	1,484	2,329	2	132	78	n.a.
Value delivered and/or in place	190	370	10	40	60	P 85
OTHER MUNITIONS AND SUPPLIES						
Program	3,968	7,166	51	1,102	15	P 988
Obligations	2,940	5,006	154	52	486	n.a.
Value delivered	1,580	P 2,620	115	P 220	P 255	P 250

Table continued on page VII.

For footnotes see Page X.

● Graph appears on opposite page.

WAR CONSTRUCTION



WAR PROGRESS SERIES
TOTAL UNITED STATES WAR PROGRAM

FINANCIAL PROGRAM	Cum. 6/11/40 to		Monthly			
	End 1st full year 6/30/41	End of November 1941	November 1940	October 1941	November 1941	December 1941
(Million dollars)						
BREAKDOWN OF WAR CONSTRUCTION						
● WAR CONSTRUCTION, TOTAL (LAND, BLDGS., EQUIP.)						
Program	8,461	12,689	-20	669	32	P 2,635
Unobligated balance	2,696	2,650	-	-	-	-
Obligations	5,765	10,039	235	1,103	412	n.a.
Value in place	2,505	P 4,905	190	P 515	P 485	P 445
Value not in place	3,260	P 5,134	-	-	-	-
INDUSTRIAL FACILITIES (LAND, BLDGS., EQUIP.)						
Program	5,120	7,557	-20	672	11	P 312
Obligations	2,865	5,481	92	670	213	n.a.
Value in place	960	P 2,240	35	P 265	P 265	P 270
INDUSTRIAL FACILITIES, BUILDINGS ONLY						
Program	1,607	2,984	n.a.	303	155	n.a.
Value in place	575	1,544	n.a.	181	202	n.a.
POSTS, DEPOTS, STATIONS						
Program	2,849	4,490	0	-3	21	P 1,573
Obligations	2,625	4,135	112	392	185	n.a.
Value in place	1,430	2,365	155	215	190	P 130
DEFENSE HOUSING						
Program	492	642	0	0	0	P 750
Obligations	275	423	31	41	14	n.a.
Value in place	115	300	0	35	30	P 45
BREAKDOWN OF NON-MUNITIONS						
NON-MUNITIONS, TOTAL						
Program	3,834	9,573	8	1,552	-29	P 868
Unobligated balance	1,677	4,653	-	-	-	-
Obligations	2,157	4,920	125	381	401	n.a.
Checks issued by agencies	1,752	P 3,397	113	374	P 375	P 418
STOCKPILE						
Program	983	1,631	0	60	0	P 50
Obligations	470	960	20	55	50	n.a.
Checks issued by agencies	192	P 390	9	P 45	P 50	P 55
AGRICULTURAL EXPORTS (LEND-LEASE)						
Program	625	1,522	-	975	7	P 0
Obligations	66	453	-	65	61	n.a.
Checks issued by agencies	1	171	-	63	45	P 59

Table continued on following page. \ For footnotes see Page X.
● Graph appears on opposite page.

WAR PROGRESS SERIES

TOTAL UNITED STATES WAR PROGRAM

FINANCIAL PROGRAM	Cum. 6/11/40 to		Monthly			
	End 1st full year 6/30/41	End of November 1941	November 1940	October 1941	November 1941	December 1941
(Million dollars)						
<u>NON-MUNITIONS (CONT'D)</u>						
<u>PAY, SUBSISTENCE & TRAVEL f</u>						
Army Military Program	934	2,539	0	0	0	449
Obligations	934	1,834	57	146	150	n.a.
Checks issued	696 P	1,355	40 P	140 P	145 P	155 P
Navy Military Program	371	963	0	0	159	0
Obligations	334	552	30	29	62	57
Checks issued	388 P	588	31 P	40 P	40 P	42 P
Civilian Payroll Program	49	194	0	16	0	78 P
Obligations	32	127	4	4	10	n.a.
Checks issued	356 P	639	26 P	60 P	65 P	71 P
<u>MISCELLANEOUS NON-MUNITIONS</u>						
Program	872	2,724	8	501	-195	291 P
Obligations	321	994	14	82	68	n.a.
Checks issued by agencies	119 P	254	7 P	26 P	30 P	36 P
<u>BREAKDOWN BY AGENCIES</u>						
<u>AGENCIES INCLUDED IN TREASURY GENERAL FUND *</u>						
U. S. ARMY Program	13,134	24,605	0	0	0	7,376
Obligations	11,404	21,002	446	3,746	404	n.a.
Checks paid by U. S. Treasury	3,636	6,913	196	785	704	976
U. S. NAVY Program	12,308	17,691	0	113	64	3,333
Obligations	11,182	15,102	483	560	421	897
Checks paid by U. S. Treasury	2,217	4,232	169	442	441	494
LEND-LEASE Program	7,000	12,985	-	5,985	0	0
Allocations	5,177	9,199	-	315	2,415	1,949
Obligations	2,458	5,256	-	488	430	736 P
Checks paid by U. S. Treasury	21	654	-	192	198	256

Table continued on following page. For footnotes see Page X.

WAR PROGRESS SERIES

TOTAL UNITED STATES WAR PROGRAM						
FINANCIAL PROGRAM	Cum. 6/11/40 to		Monthly			
	End 1st full year 6/30/41	End of November 1941	November 1940	October 1941	November 1941	December 1941
(Million dollars)						
<u>AGENCIES INCLUDED IN TREASURY GENERAL FUND (CONT'D)</u>						
U. S. MARITIME COMMISSION Program	784	2,735	0	0	67	P 0
Obligations	886	1,721	0	132	86	n.a.
Checks paid by U. S. Treasury (net)	44	120	3	21	26	36
OTHER U. S. AGENCIES Program	1,226	2,270	0	18	0	1,349
Obligations	730	1,156	51	58	96	n.a.
Checks paid by U. S. Treasury	162	529	11	86	69	85
<u>ADDITIONAL AGENCIES INCLUDED IN U. S. FINANCED PROGRAM</u>						
R. F. C. AND SUBSIDIARIES Program	2,623	4,043	-19	355	-5	P 83
Obligations	1,151	3,160	10	278	345	n.a.
Checks issued by R. F. C.	350	P 851	12	P 131	P 140	P 80
<u>ADDITIONAL AGENCIES INCLUDED IN TOTAL WAR PROGRAM</u>						
FOREIGN ORDERS Program (orders)	3,686	3,786	310	61	13	P 0
Obligations	3,686	3,786	310	61	13	P 0
Checks issued by Purchasing Missions	2,073	P 2,504	176	P 80	P 96	P 64

For footnotes see page X.

FOOTNOTES

WAR PROGRESS SERIES

Data on obligations and unobligated balances are tentative pending determination of reserves not available for immediate obligation.

n.a. Not available

^R Revised

^P Preliminary

^aTotal war program includes all funds and authorizations made available for war purposes by the United States Government plus foreign orders placed in this country since November 1939. The major portion of the existing program has been approved since June 11, 1940, but some authorizations (particularly portions of the naval expansion program, the merchant shipbuilding program, and the stockpile program) were made available even earlier. All funds are shown during the fiscal year in which they are available for obligation.

^bUnited States financed program includes the war activities of all United States Government agencies (including Lend-Lease) plus the war activities of government owned corporations, but does not include foreign orders.

^cUnited States Treasury General Fund includes the war activities of all United States Government agencies (including Lend-Lease). It does not include the activities of government owned corporations or foreign orders in the United States.

^dChecks paid include (1) all checks paid out of the Treasury General Fund (cf. footnote c); (2) checks issued by the Reconstruction Finance Corporation and subsidiary Government corporations; (3) checks issued by foreign purchasing commissions.

^eValue delivered and/or in place includes (1) value delivered and/or in place for ships and value of production for other munitions, (2) value in place for war construction, and (3) checks issued by finance officers for non-munitions items.

^fProgram and obligations for pay for civilians and for the Navy include only that specifically mentioned in appropriation bills, while the cash disbursement figures include, in addition, executive war pay which cannot be separately distinguished in the appropriation bills.

^gReport on checks paid by the Treasury for the account of the Maritime Commission makes allowance for receipts credited to the Construction Loan Fund.

Revisions have been made in the data on program, obligations, and checks issued, due to a reallocation of funds between "agricultural and miscellaneous exports" and "other munitions and supplies". "Agricultural commodities" now includes only the food-stuffs being purchased under the Lend-Lease Program.

WAR PROGRESS SERIES
WAR EQUIPMENT INDEXES

	Airplanes		Combat Vehicles		Army-type Guns		Ammunition		Major Combat Ships		Merchant Ships	
	SCHED. AS OF NOV. 1	ACTUAL	SCHED. AS OF NOV. 1	ACTUAL	SCHED. AS OF NOV. 1	ACTUAL	SCHED. AS OF NOV. 1	ACTUAL	SCHED. AS OF OCT. 1	ACTUAL	SCHED. AS OF AUG. 1	ACTUAL
MONTHLY PRODUCTION RATE DURING: Average monthly production FY 1942=100												
1940												
July		16		a		a		b		27		9
December		26		7		14		11		38		18
1941												
March		34		11		30				44		r 25
June		45		31		41		13		55		r 24
September		61		73		67		20		87		r 33
October		68		95		84		22	71	109		r 49
November	74	63	96	91	86	71	44	32	98	109	80	74
December	83	91	124	127	99	p 118	61	p 66	82		93	
1942												
January		93		126		121		101		109		110
February		111		126		127		135		98		126
March		127		132		138		149		115		144
June		147		168		148		244		126		161
September		173		185		142		311		148		155
December		185		37		122		396		137		148
Av. mo. prod. FY 1942		100		100		100		100		100		100
Peak month		185 (12/42)		195 (8/42)		158 (7/42)		396 (12/42)		169 (11/42)		161 (7/42)
TOTAL CUMULATIVE PRODUCTION TO: Total production FY 1942 = 100												
1940												
July 31		1								2		1
December 31		8		4		7				16		6
1941												
March 30		16		6		13		c 9		27		12
June 30		27		12		22		11		42		r 18
September 30		41		28		38		15		61		r 25
October 31		46		36		44		17	61	70		r 29
November 30	52	51	44	44	52	50	21	20	69	79	39	35
December 31	59	59	54	54	60	p 60	26	p 26	76		47	
1942												
January 31		67		65		70		34		85		56
February 28		76		75		81		46		93		67
March 31		87		86		92		58		103		79
June 30		122		127		128		112		133		119
September 30		163		173		166		185		167		158
December 31		208		205		199		274		204		196
Total production FY 1942		100		100		100		100		100		100
Prod. requirements, Dec. 1												
Financed		330		217		272		417		452		321
Pending		0		245		110		73		0		0
Ordered to December 1		303		214		264		285		452		n.a.
To be ordered as of Dec. 1		27		3		8		132		0		n.a.
INVENTORIES												
July 1, 1940		15		7		n.a.		# 22		277		282
December 1, 1941		36		25		n.a.		23		337		275

PPreliminary data

*Average July 1, 1940 - Dec. 31, 1940

qJanuary 1, 1942

n.a. Data not available

bAverage July 1, 1940 - Apr. 30, 1941

*July 1, 1941

cApril 30, 1941

ECONOMIC ACTIVITY RELATED TO THE WAR

	1940	1941			
	July	January	September	October	November
	(Thousand workers)				
EMPLOYMENT IN WAR INDUSTRIES					
Private, 18 major industries	1,660	2,038	2,670	2,733	2,781
Private contractors, public construction	13	448	435	501	617
Public	117	171	233	248	263
Total direct defense	1,790	2,657	3,338	3,482	3,661

ECONOMIC ACTIVITY RELATED TO THE WAR

The series on these pages are included for the convenience of readers of War Progress. The data are not confidential and there are no restrictions upon their use through their inclusion in this confidential report.

	1940	1941			1942	
	July	January	November	December	Week Ending Jan. 3	Jan. 10
(Unadjusted indexes 1935-39 = 100)						
● FED. RES. BD. PROD. INDEXES						
Total industrial production	120	135	P 166	165		
Durable manufactures	131	166	P 211	214		
Nondurable manufactures	111	118	P 141	138		
Minerals	121	113	P 133	127		
(Indexes)						
BUR. FOR. & DOM. COM. MFRS. ORDERS, SHIPMENTS, INVENTORIES						
New orders, total (1/39=100)	127	176	P 211			
Shipments, total (1/39=100)	117	148	P 202			
Inventories (1939av.mo.=100)	112.2	121.8	P 152.9			
Durable (1939av.mo.=100)	113.9	132.5	P 169.9			
Nondurable (1939av.mo.=100)	110.7	112.5	P 138.0			
(Indexes)						
BLS PRICE INDEXES						
Strategic Materials (8/39=100)	123.6	126.1	143.1	P 143.1	r 144.5	144.5
Critical Materials (8/39=100)	107.5	111.7	116.6	P 118.2	118.9	118.9
Basic Commodities (8/39=100)	108.5	120.5	154.4	158.4	160.1	162.4
Machine Tools (8/39=100)	108.7	114.6	119.7	119.7	-	-
All Commodities (1926=100)	77.7	80.8	92.5	P 92.7	94.3	95.0
(1935-39 = 100)						
BLS COST OF LIVING INDEX	100.3	100.8	110.2			
(Averages)						
TRANSPORTATION & ELECTRIC POWER						
Freight cars						
Loadings (thous. per week)	706	684	864	762	r 677	737
Unloads for export (dly.)	1,502	1,352	1,704	1,234	1,940	1,766
Surplus, total (thous. dly.)	133	110	61	75	89	
Boxcars	57	43	28	27	32	
Coal cars	47	42	18	32	41	
Power prod. (mil. kwh. wkly.)	2,731	3,080	3,378	P 3,512	r 3,289	3,480
(Billion dollars, annual rate)						
● NATIONAL INCOME						
Total income payments	75.2	81.7	P 96.2			
(Billion dollars, end of month)						
● FEDERAL DEBT						
Net public debt	41.6	43.9	52.7	54.4		
(Thousand workers)						
EMPLOYMENT						
Total civil nonagricultural	35,904	37,142	P 40,693			
Total WPA employment	1,655	1,890	1,056	P 1,053	1,041	1,017
War industries			Confidential data. See opposite page.			
Deep-sea merchant vessels	51	49	49			
(Million workers)						
UNEMPLOYMENT (WPA ESTIMATE)						
Number of unemployed	9.3	7.6	3.9	3.8		

r Revised data.

p Preliminary data.

● Graph appears on opposite page.

DECLASSIFIED

NUMBER 69

THE 1942 WAR MUNITIONS PROGRAM

THE \$40 BILLION WAR MUNITIONS PROGRAM FOR 1942 WILL REQUIRE AN INCREASE IN THE YEARLY PRODUCTION RATE OF MANUFACTURE OF WAR INDUSTRIES FROM \$13.6 BILLION AS OF DECEMBER 1941 TO \$48.2 BILLION AS OF DECEMBER 1942. THIS PRODUCTION INCREASE MUST BE SUPPLIED FROM FOUR SOURCES: INCREASED UTILIZATION OF FACILITIES CURRENTLY EMPLOYED IN MANUFACTURING MUNITIONS; CONVERSION OF EXISTING FACILITIES NOT CURRENTLY ENGAGED IN MANUFACTURING MUNITIONS; PRODUCTION BY NEW INDUSTRIAL FACILITIES NOW BUILT OR BUILDING; AND INCREASED EFFICIENCY.

To realize the \$40 billion War Munitions Program for 1942 there must be a drastic upward revision of monthly production rates for each month of this calendar year. The total value of munitions production and war construction during December 1941 was about \$1.6 billion, or 12 percent greater than November output according to preliminary estimates. The value of munitions production alone during December 1941 was at least \$1.1 billion, an increase of more than 20 percent over the previous high of \$910 million in November. For each of the succeeding months of 1942 (as indicated in Chart 1) there must be regular production increases of from \$200 million to \$250 million, or a total rise from \$2 billion in January 1942 to \$4.6 billion in December 1942.

The \$40 billion War Munitions Program is subdivided into two main parts, an estimated total of \$33.5 billion for munitions, including ordnance, merchant ships, naval vessels, and other munitions, and \$6.5 billion for construction, and for miscellaneous supplies, equipment, and services. The total yearly rate of production by War Industries, (those manufacturing industries on which we must count for production of the \$33.5 billion of munitions and other necessary basic materials and parts) rose from \$15.2 billion

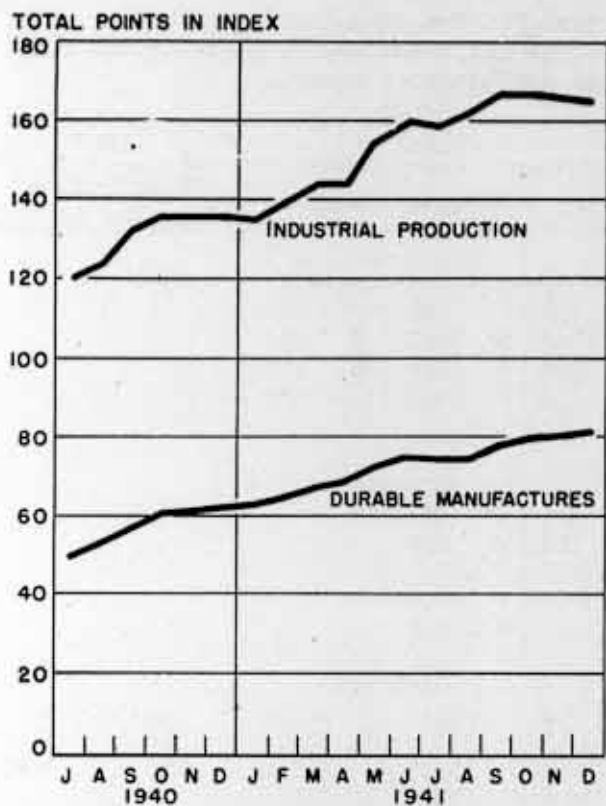
as of March 1940 to \$28.2 billion as of December 1941 (as indicated in Chart 2). The yearly rate of manufactures for all other industries during the same period rose from \$18.5 billion to \$23.3 billion (as in Chart 3).

The civilian share of manufactures between March 1940 and June 1941 from War Industries rose from an annual rate of \$14.8 billion to \$18.4 billion, while in the Other Industries it rose from \$17.8 billion to \$21.1 during the same period. This tremendous rise in civilian production of manufactured goods can be largely attributed to the increase in purchasing power resulting from war expenditures. However, it also includes some indirect war production. It was not until after June 1941 that civilian production began to show a positive decline. By December 1941 it had fallen to an annual rate of \$14.8 billion in War Industries and \$20.3 billion in Other Industries.

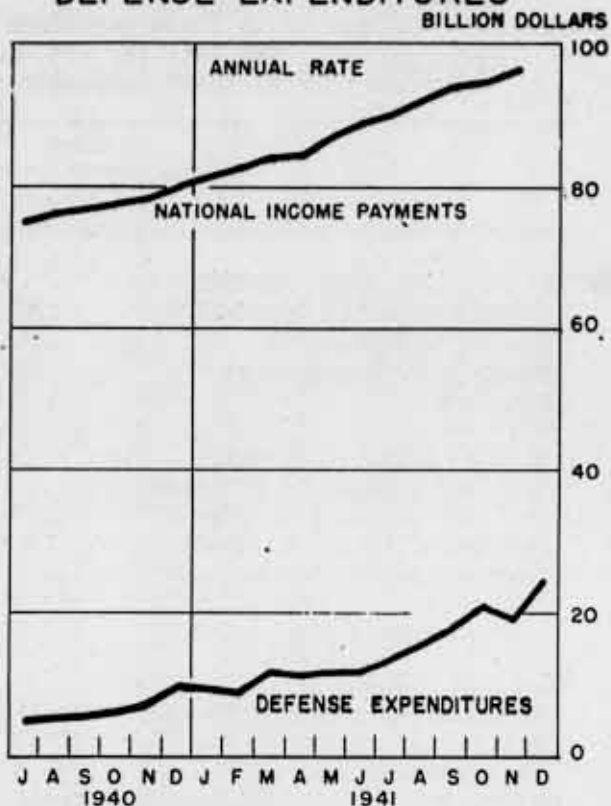
Production problems involved in connection with Other Industries are evidently of minor importance compared to those presented by the War Industries. To achieve the 1942 goal, War Industries must produce munitions at an annual rate of \$48.2 billion by December 1942, an increase of \$34.6 billion over the

JANUARY 9, 1942

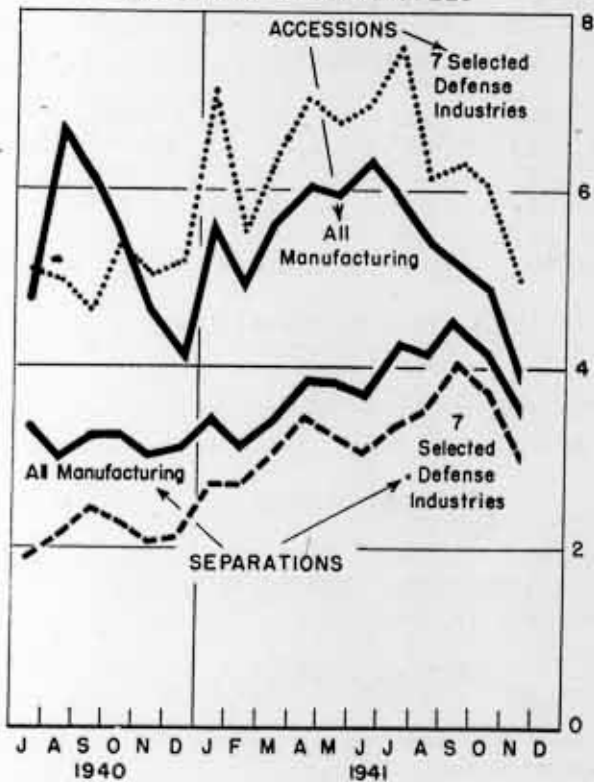
INDUSTRIAL PRODUCTION



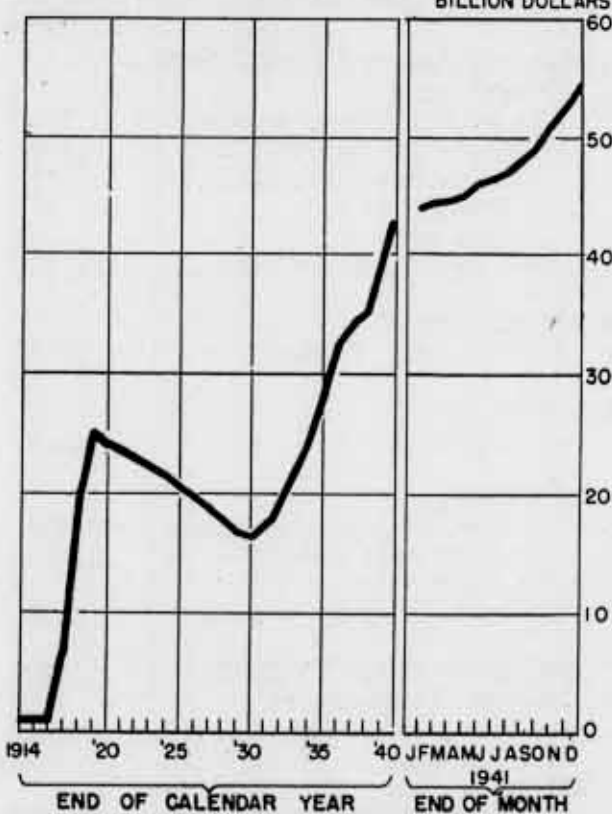
NATIONAL INCOME & DEFENSE EXPENDITURES



LABOR TURNOVER
RATE PER 100 EMPLOYEES



NET FEDERAL DEBT, 1914-41
GROSS DEBT LESS BALANCE IN GENERAL FUND



ECONOMIC ACTIVITY RELATED TO THE WAR

	1940		1941		1942	
	July	January	November	December	Week Ending Jan. 3	Jan. 10
LABOR TURN OVER ^h	(Rate per 100 employees)					
● ALL MANUFACTURING						
Total accession	4.77	5.54	3.91			
Total separation	3.35	3.41	3.51			
Quit	0.85	1.31	1.57			
Layoff	2.25	1.61	1.44			
Discharge	0.14	0.18	0.24			
Military separation	n.a.	0.19	0.15			
● 7 MAJOR DEFENSE INDUSTRIES						
Total accession	5.09	7.10	4.98			
Total separation	1.85	2.70	3.01			
Quit	0.84	1.24	1.61			
Layoff	0.73	0.79	0.81			
Discharge	0.15	0.22	0.29			
Military separation	n.a.	0.23	0.16			
AIRCRAFT						
Total accession	12.40	12.17	7.84			
Total separation	3.57	3.65	3.18			
Quit	2.96	2.44	2.20			
Layoff	0.15	0.33	0.26			
SHIPBUILDING						
Total accession	13.00	18.21	12.40			
Total separation	5.40	7.91	5.02			
Quit	1.14	1.93	2.39			
Layoff	3.71	4.78	1.85			
MACHINE TOOLS						
Total accession	3.05	6.68	3.88			
Total separation	2.09	2.44	2.31			
Quit	1.28	1.77	1.59			
Layoff	0.21	0.09	0.10			
DEFENSE HOUSING	(Number of Dwelling Units, cumulative to end of period)					
Fund allocations	1,460	54,083	145,655	148,950	163,240	
Constr. contracts awarded	624	34,791	120,976	121,586	122,547	
Construction completed	0	1,314	65,186	73,012	74,564	

^hBureau of Labor Statistics

● Graph appears on opposite page.

PSF

WAR PROGRESS

DECLASSIFIED
E.O. 11652, Sec. 8(K) and 8(D) or (E)
Commerce Dept. Letter, 11-14-72
By RHP, Date MAR 29 1973

~~CONFIDENTIAL~~

NUMBER 71

JANUARY 23, 1942

WAR PROGRESS



This summary contains CONFIDENTIAL information affecting the defense of the United States. Revelation of its contents in any manner to unauthorized persons is prohibited by the Espionage Act.

BRIEFS OF CONTENTSPage

- THE BUREAU OF LABOR STATISTICS ESTIMATES THAT 10 MILLION ADDITIONAL WORKERS will be required for the War Munitions Program in 1942. This addition will increase estimated war employment from five million at the end of 1941 to 15 million in the last quarter of 1942. The Bureau of Labor Statistics indicates that the securing of the total necessary labor force should present no insuperable difficulties but that a major problem will be that of utilizing this force so that adequately trained workers will be available in sufficient numbers when and where they are required. 1

- FOLLOWING THE DECLARATION OF WAR plant utilization in the airplane industry rose sharply in December. 5

- AS OF JANUARY 10, 1942 MAJOR AUTOMOBILE MANUFACTURERS have received \$4.1 billion in Army and Navy supply contracts. This total, part of which was delivered in 1941 and most of which must be scheduled in 1942, is little more than the \$4 billion of automotive equipment sold by these manufacturers during the single calendar year 1940. The quicker conversion in this industry can be accomplished, the quicker the industry will be able to produce munitions in the quantities required for the 1942 program. 7

- WAR PROGRESS SERIES. The total war program in the United States will reach \$102.8 billion if the President's request of January 19 is approved. For the war industries group as a whole increases continued to be registered in both hours and earnings. Average hours worked per week declined in several war industries between October and November. I

LABOR REQUIREMENTS OF THE WAR

MUNITIONS PROGRAM

THE BUREAU OF LABOR STATISTICS ESTIMATES THAT 10 MILLION ADDITIONAL WORKERS WILL BE REQUIRED FOR THE WAR MUNITIONS PROGRAM IN 1942. THIS ADDITION WILL INCREASE ESTIMATED WAREMPLOYMENT FROM FIVE MILLION AT THE END OF 1941 TO 15 MILLION IN THE LAST QUARTER OF 1942. THE BUREAU OF LABOR STATISTICS INDICATES THAT THE SECURING OF THE TOTAL NECESSARY LABOR FORCE SHOULD PRESENT NO INSUPERABLE DIFFICULTIES BUT THAT A MAJOR PROBLEM WILL BE THAT OF UTILIZING THIS FORCE SO THAT ADEQUATELY TRAINED WORKERS WILL BE AVAILABLE IN SUFFICIENT NUMBERS WHEN AND WHERE THEY ARE REQUIRED.

The Bureau of Labor Statistics estimates that 10 million additional workers will be required during 1942 for the War Munitions Program. This will increase the total number of workers engaged in the Munitions Program from an estimated five million in the last quarter of 1941 to 15 million in the last quarter of 1942. To reach this total, according to the Bureau, 7.9 million workers will have been transferred to war production from nonwar production. Since the Bureau of Labor Statistics estimates indicate that during this period there will be a continuous growth in the labor force, it appears that we should experience no insuperable difficulty in providing sufficient numbers of workers for our industries and armed forces. The success of the War Munitions Program in 1942, however, will not

depend merely upon the existence of a sufficiently large total labor force; it will depend on making efficient use of this force by shifting skilled employees from peacetime to wartime production and by training additional workers for war production. Accurate forecasts of labor requirements by industries, by occupation, and by area are also essential parts of the planning necessary to obtain efficient use of the labor force.

By the last quarter of 1942, according to the Bureau of Labor Statistics estimates, wage and salary workers engaged in nonagricultural employment will number 37 million which is the largest number so engaged at any time in the nation's history. From less than half a million persons engaged in war production early in 1940 employment in war production will have increased by

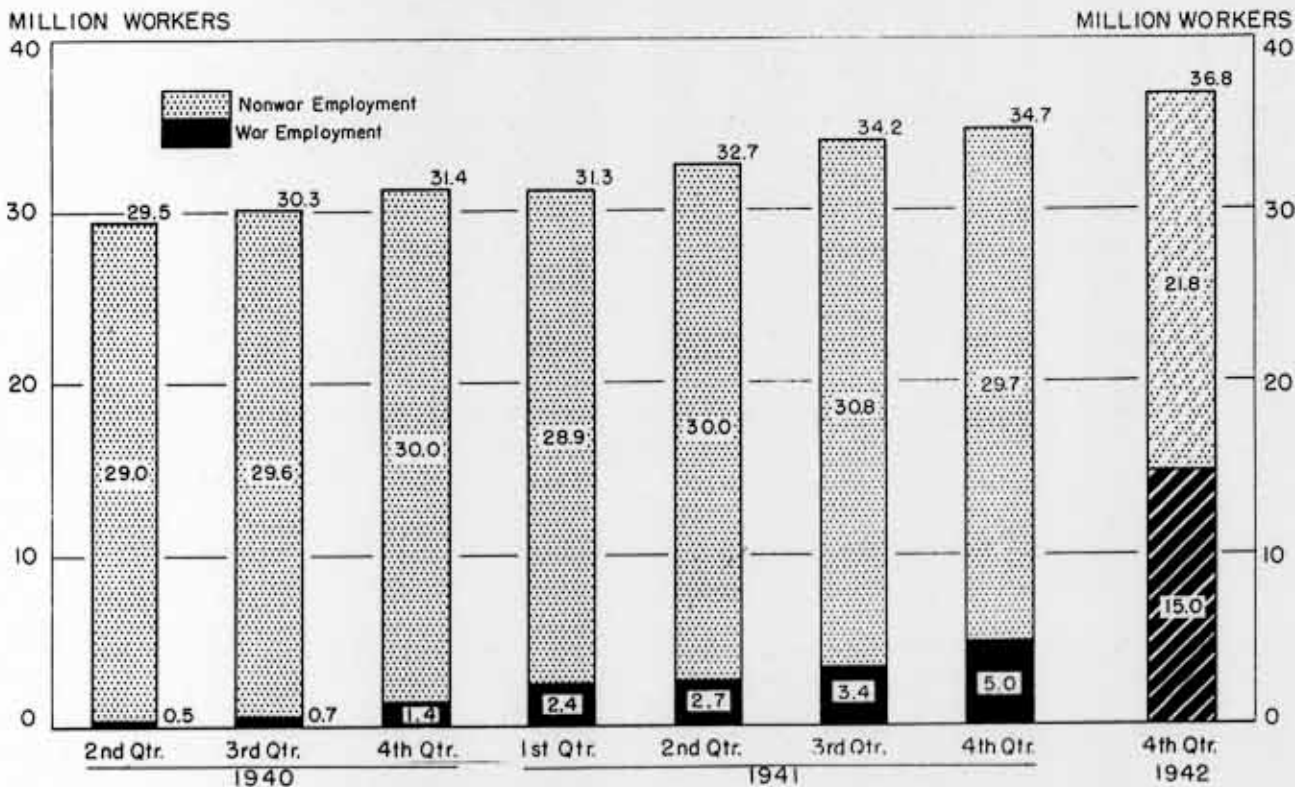
the end of 1942 to 15 million, which at that time may be as much as 40 percent of all nonagricultural wage and salary workers, as shown in Chart 1.

The total United States labor force, it is expected, will number approximately 57.4 million workers by the last quarter of 1942. Of this number the Bureau of Labor Statistics estimates that approximately 4.2 millions will be in the armed forces and 2.4 millions will be in

the ranks of the unemployed, leaving, as Chart 2 indicates, 50.8 million to engage in work to maintain the war and civilian efforts of the United States.

As in all warring nations, the labor force available for agricultural employment in the United States will feel very sharply the effect of withdrawals of men for service in the armed forces. The Bureau of Labor Statistics expects that the number of agricultural

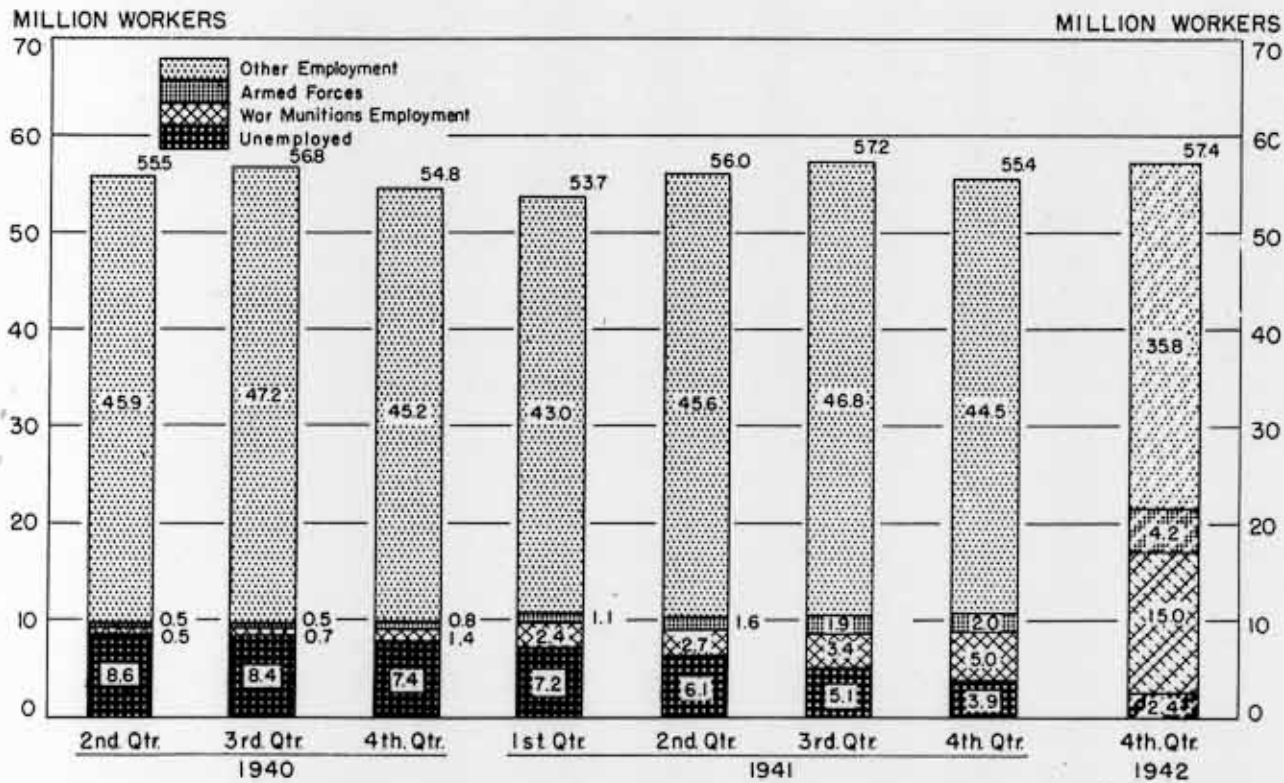
CHART 1—WAR AND NONWAR EMPLOYMENT IN U.S. NONAGRICULTURAL INDUSTRIES



workers in the total labor force may decrease from 8.9 million in the fourth quarter of 1941 to 8.5 million in the fourth quarter of 1942. Demands for more intensive work will unquestionably be made on this sec-

tion of the labor force for, while declining in numbers, it must provide subsistence for an increasingly active civilian population and the armed forces of our own country, as well as assistance in feeding our allies.

CHART 2—UNITED STATES LABOR FORCE BY EMPLOYMENT STATUS



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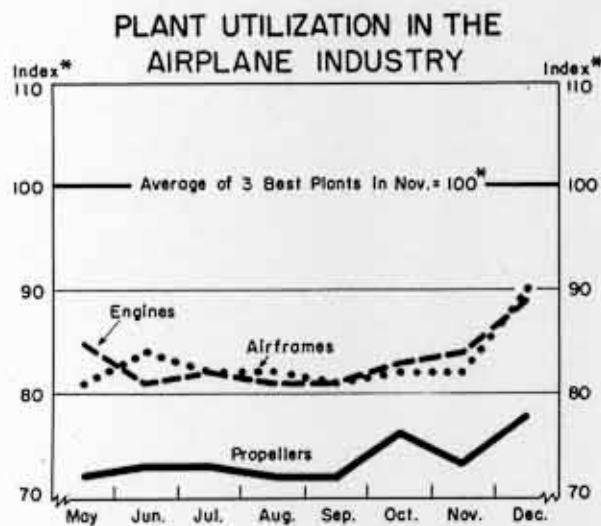
INDEXES OF PLANT UTILIZATION IN THE AIRCRAFT INDUSTRY

DECEMBER, 1941

FOLLOWING THE DECLARATION OF WAR PLANT UTILIZATION IN THE AIRPLANE INDUSTRY ROSE SHARPLY IN DECEMBER.

Plant utilization in the three main branches of the aircraft industry increased sharply in December, reaching the highest level since the beginning of the munitions production program. The improvement in plant utilization in all three of

a modest increase in plant utilization and 15 new plants and plant conversions from which 1942 production will be slight. The principal possibility of greater increases in output, at least during the next six months, is from further increased utilization. If the 60 thousand plane goal is to be met the average of plant utilization should be brought up to the level of the best plants in December.

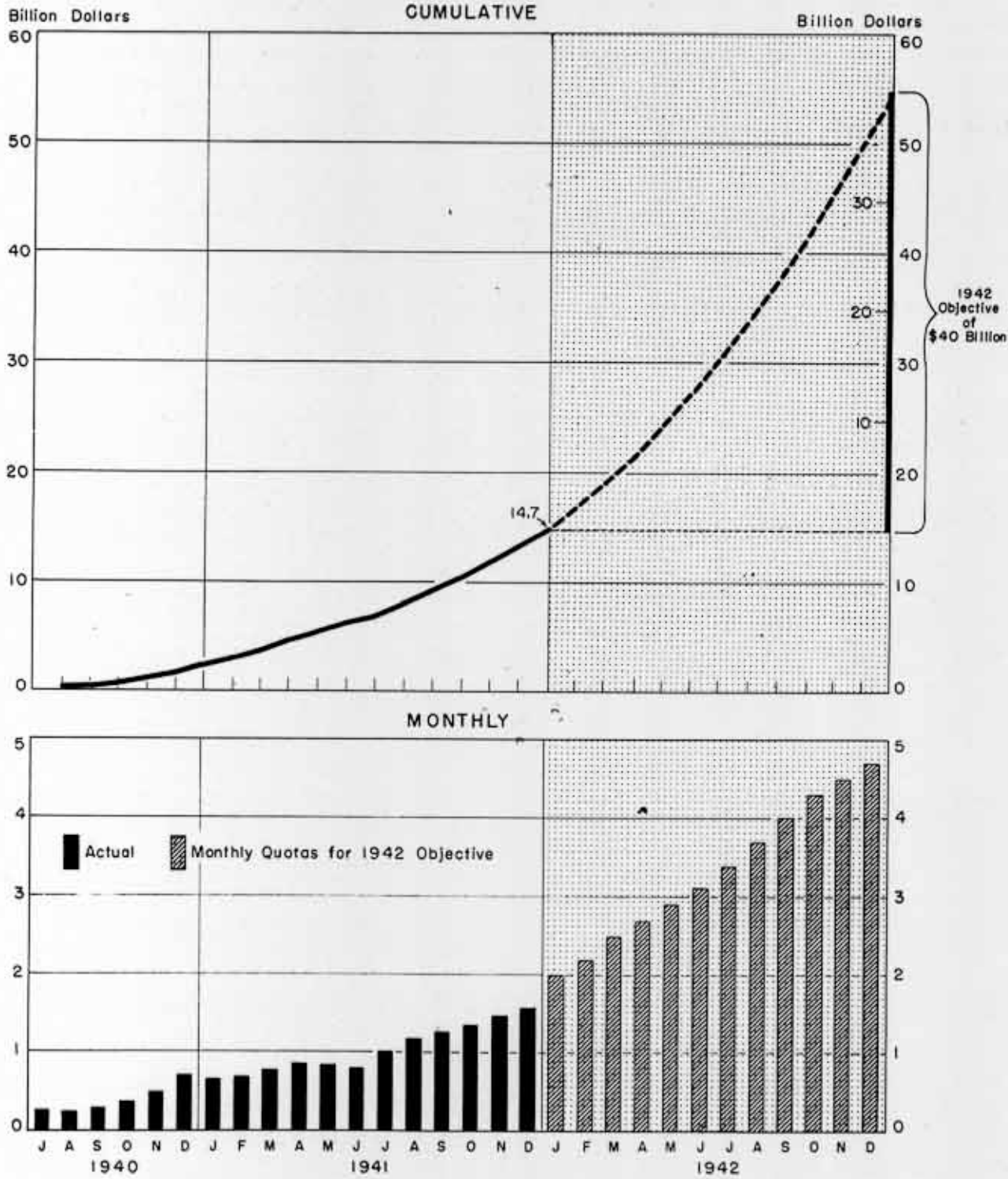


the main branches of the aircraft industry appears to have been due chiefly to an increase in the length of the working week. Details of the 60 thousand plane program are not yet fully settled. However, it will call for deliveries of some 35 percent more military planes than are provided for in the new 8-H Schedule. This schedule takes account of

Airframes. An index of plant utilization in the airframe industry is shown in the accompanying chart. It increased from 82 in November to 90 in December. The index represents the average hours in plant utilization prevailing in the industry expressed as a percentage of the average hours of plant utilization shown by the three best plants in November. Despite the general improvement, four of the 38 airframe plants included in the index showed decreases in utilization between November and December and two showed no change.

Aero-engines. The index of plant utilization in the aero-engine industry also increased sharply from an index of 84 in November to 89 in December (average of three best plants in November = 100). Four of

CHART I - MUNITIONS PRODUCTION AND WAR CONSTRUCTION
VALUE DELIVERED OR IN PLACE



the 17 plants represented, nevertheless, showed a decrease in December and one showed no change.

Propellers. The increase in plant utilization in the propeller industry in December equalling that of the engine industry caused a rise in the index from 73 in November to 78 in December (average of three best plants in November = 100).

The fact that in each of the main branches of the industry the three best plants showed increases about as great as the increase of utilization for the average plant between November and December indicates that there is still substantial room for improving the practice of the average plant.

* TECHNICAL NOTE: The "index of plant utilization" equals the average of plant utilization of all plants divided by the average of plant utilization of the three best plants in November. "Plant utilization" is the ratio of the weekly total of the man hours to the number of persons on the first shift. Plant utilization for the three best firms in the main branches of the industry in November was:

Airframes	92.9 hours
Aero-engines	115.9 hours
Propellers	125.2 hours

WAR PRODUCTION BY AUTOMOBILE COMPANIES

AS OF JANUARY 10, 1942 MAJOR AUTOMOBILE MANUFACTURERS HAVE RECEIVED \$4.1 BILLION IN ARMY AND NAVY SUPPLY CONTRACTS. THIS TOTAL, PART OF WHICH WAS DELIVERED IN 1941 AND MOST OF WHICH MUST BE SCHEDULED IN 1942, IS LITTLE MORE THAN THE \$4 BILLION OF AUTOMOTIVE EQUIPMENT SOLD BY THESE MANUFACTURERS DURING THE SINGLE CALENDAR YEAR 1940. THE QUICKER CONVERSION IN THIS INDUSTRY CAN BE ACCOMPLISHED, THE QUICKER THE INDUSTRY WILL BE ABLE TO PRODUCE MUNITIONS IN THE QUANTITIES REQUIRED FOR THE 1942 PROGRAM.

The wholesale conversion of industrial facilities to war production is necessary to achieve the 1942 \$40 billion production objective. The first major conversion program is now being worked out for automotive manufacturers because of their strategic importance. Programs for other groups will follow shortly. While the part which the automotive manufacturers have so far been called up to play in the war program is large, under schedules to date only a part of their existing facilities were to be used for the production of munitions. In addition a large program of new facilities was undertaken.

Thus, \$4.1 billion of war contracts were awarded to the automotive manufacturers as of January 10, 1942. These were exclusive of subcontracts farmed out or of subcontracts accepted by these companies and of direct purchases made by the British. Of the total, \$1.5 billion, or 37 percent, were to be produced in new facilities. Practically all the airplanes and over half the tanks, as shown in Chart 1, were to be produced in the new facilities.

\$2.6 billion or 63 percent of the total contracts awarded were to be produced in existing facilities.

Of this amount, \$1.7 billion consists of automotive vehicles (trucks, tractors, scout cars, passenger vehicles, and trailers) whose production entails comparatively slight modification or retooling of existing facilities. The production of the balance, amounting to \$0.9 billion, consisting of ordnance, marine engines, other munitions, and tanks, involves considerable modification and retooling of facilities.

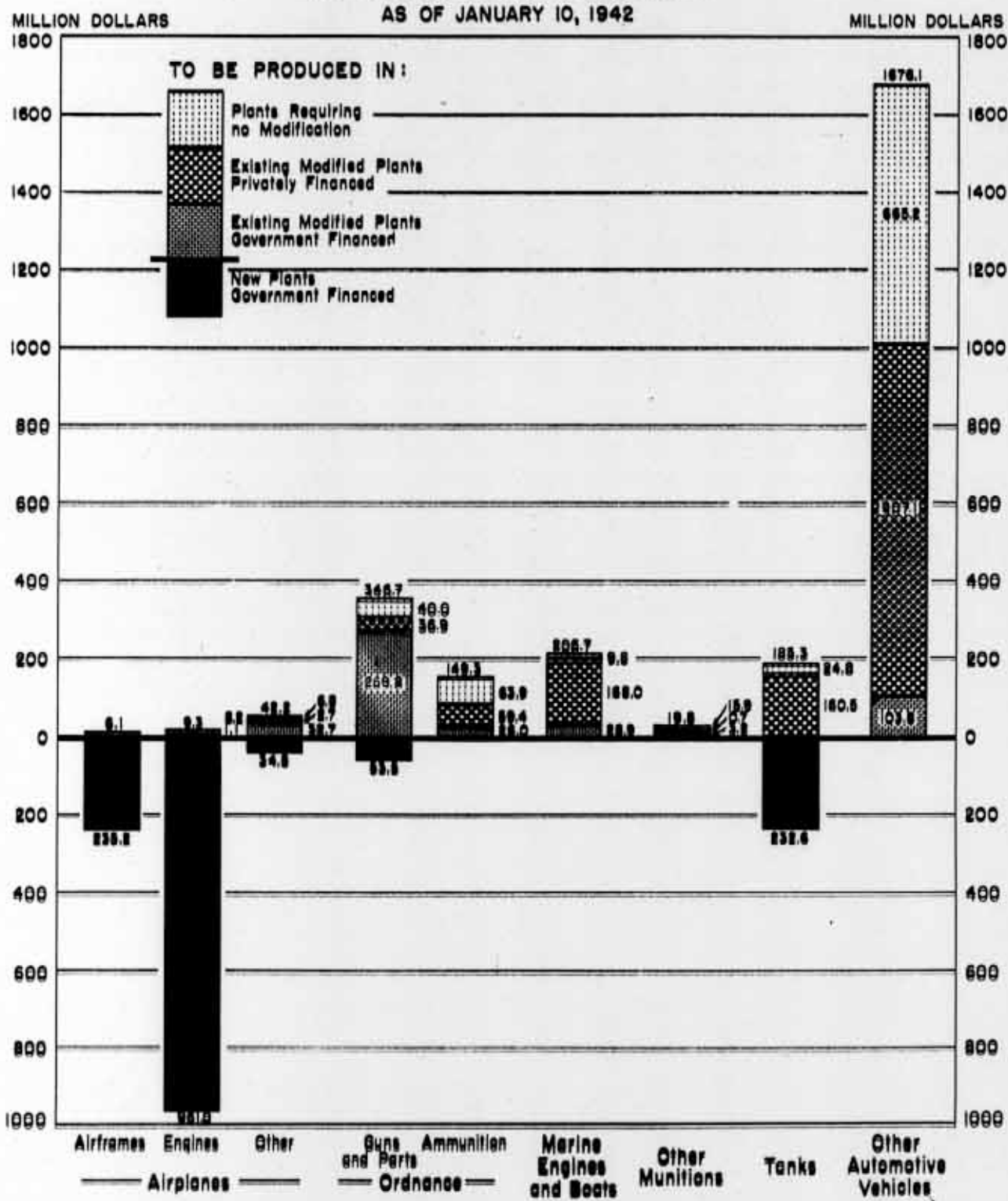
Of the \$4.1 billion of contracts awarded to the automotive manufacturers \$2.2 billion were placed after October 15, 1941. Most of this latter amount utilizes existing facilities. Prior to October 15, most of the orders placed were scheduled for production in new facilities.

This sharply changed the ratio of orders involving new plants to the orders involving existing plants as follows:

As of	Percent Orders	
	New Plants	Scheduled Plants
Oct. 15, 1941	62	38
Jan. 10, 1942	37	63

In contracts awarded to January 10, 1942 substantial quantities of

CHART I - VALUE OF U.S. WAR CONTRACTS AWARDED TO AUTOMOBILE COMPANIES



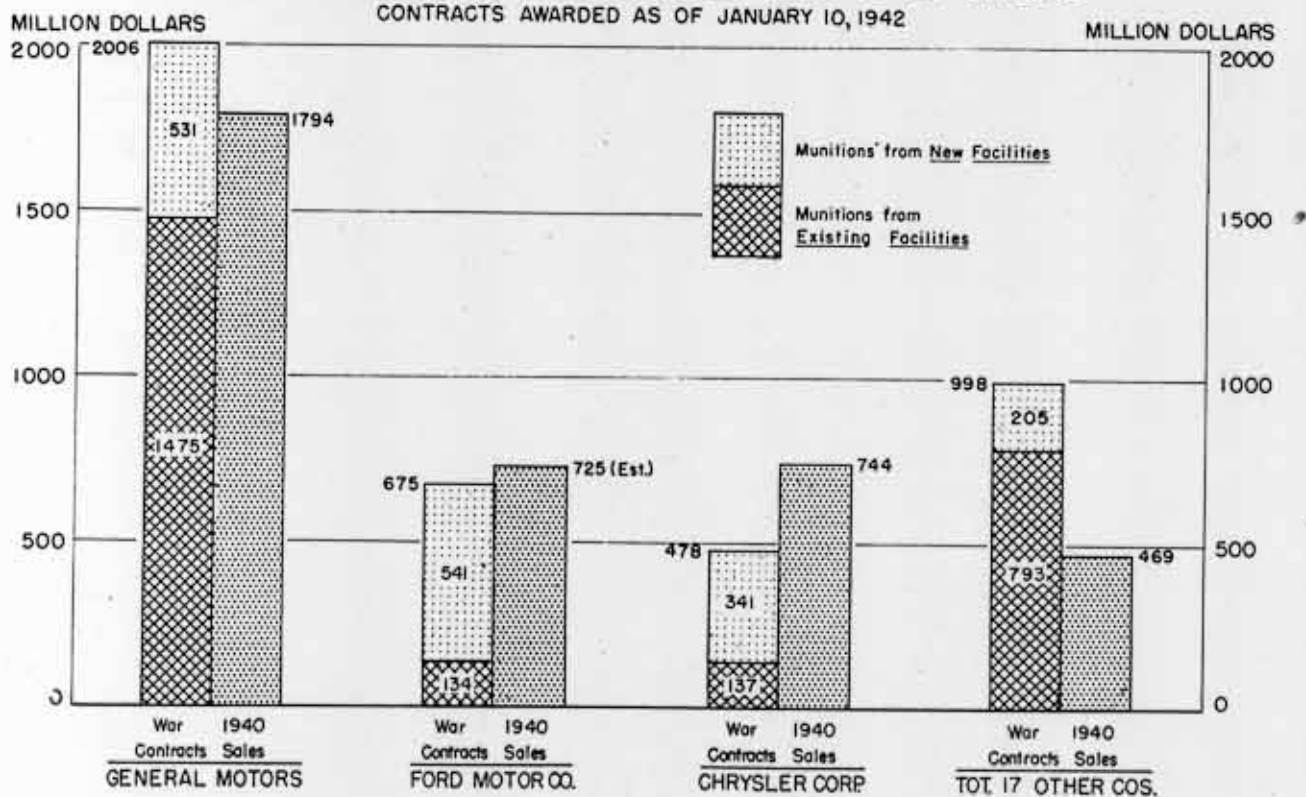
munitions were scheduled for delivery in 1943. Under the exigencies of the present emergency there is need for shifting delivery dates forward into 1942.

The total value of United States war contracts awarded to General Motors up to January 10, 1942, as indicated in Chart 2, was greater than its 1940 sales. War contracts awarded to Ford and Chrysler were less than 1940 sales. Contracts to be handled in solely existing facilities of each company constituted 82 percent of 1940 sales for General Motors, 18 percent each of the 1940 sales of Ford and Chrysler. Seventeen other companies have war contracts to be handled in existing facilities far in excess of their

1940 sales. In fact, most truck manufacturers included in the total of 17 other companies have, for some months past, devoted their entire existing capacities to production on Army and Navy contracts.

To profit most from the productive capacity of the automobile manufacturers rapid conversion is necessary. In 1940 the total value of their production in existing facilities was \$4 billion. The quicker the facilities which produced this value can be converted to war production the more likely it will be that the automobile industry will be able to produce munitions at least equal in value to its 1940 production of civilian automobiles and equipment.

CHART 2 - VALUE OF U.S. WAR CONTRACTS AWARDED TO AUTOMOBILE COMPANIES AND 1940 SALES



WAR PROGRESS SERIES

Pending Legislation

A request for defense appropriations, amounting to \$21.6 billion, was submitted to Congress by the President on January 19, 1942. This request includes \$12.5 billion for the War Department, \$8.8 billion for the Navy Department, \$4.2 billion of which is a contract authorization and \$0.3 billion for other agencies. A breakdown of the estimates by object and agency is given in the table below.

If this request is approved in its present form, the total war program in the United States will amount to \$102.8 billion. The program for the Army and Navy alone will amount to nearly \$75 billion.

Hours and Earnings in War Manufacturing Industries, November 1941

Working hours decreased in several war industries from mid-October to mid-November, partly as a result of shutdowns for Armistice Day.

ESTIMATES OF SUPPLEMENTAL APPROPRIATIONS SUBMITTED TO CONGRESS,
JANUARY 19, 1942

OBJECT	War	Navy	Other Agencies	Total
	(Million dollars)			
TOTAL	12,526	8,769	304	21,599
MUNITIONS PROD. & CONSTRUCTION, TOTAL	12,526	8,729	-	21,255
MUNITIONS PRODUCTION, TOTAL	11,593	6,836	-	18,429
Airplanes	9,041	232	-	9,273
Ordnance	1,548	1,286	-	2,834
Naval ships	-	4,910	-	4,910
Other munitions & supplies	1,004	408	-	1,412
WAR CONSTRUCTION, TOTAL	933	1,893	-	2,826
Industrial facilities	933	1,570	-	2,503
Posts, Depots, Stations	-	323	-	323
NONMUNITIONS, TOTAL	-	40	304	344
Pay, subsistence & Travel	-	18	-	18
Miscellaneous	-	22	304	326

Gains since November 1940 were particularly marked in the following war industries: explosives, 14 percent; shipbuilding, 11 percent; engines, turbines, etc., 10 percent; foundries and machine shop products, 8 percent; and machine tools, 6 percent. War industries reporting decreased hours over the year were brass, bronze, and copper products (-1.8 percent) and aircraft (-0.6 percent). Several brass, bronze, and copper products plants have reported delays in copper and zinc deliveries.

Average hourly earnings of wage earners in all manufacturing industries combined rose 1.5 percent to a new high of 78.1 cents in November, but weekly earnings declined slightly because of the reduction in hours. The rise in average hourly earnings was partly a result of the substantial seasonal decline in employment in the low-wage canning industries. Wage rate increases were only a minor factor as fewer were reported than in any month since March 1941. Gains in hourly earnings in the war

industries were noted over both the monthly and yearly intervals. The largest gains over the year occurred in engines, turbines, etc., 27 percent; shipbuilding, 22 percent; aircraft, 19 percent; and aluminum, 17 percent. War industries in which the largest numbers of workers were granted wage rate increases during the month were: aircraft, 24,700; foundries and machine shop products, 11,850; blast furnaces, steel works and rolling mills, 8,000; smelting and refining--copper, lead, and zinc, 6,300.

All of the selected war industries reported average weekly earnings substantially above the average of \$32.81 for all manufacturing. Engines, turbines, etc. reported the highest weekly earnings, \$50.64 (40 percent above November 1940) followed by shipbuilding, \$45.62 (33 percent above November 1940) and machine tools, \$45.17 (22 percent above November 1940). Practically all the war industries reported considerable amounts of overtime work at premium rates.

WAR PROGRESS SERIES
TOTAL UNITED STATES WAR PROGRAM

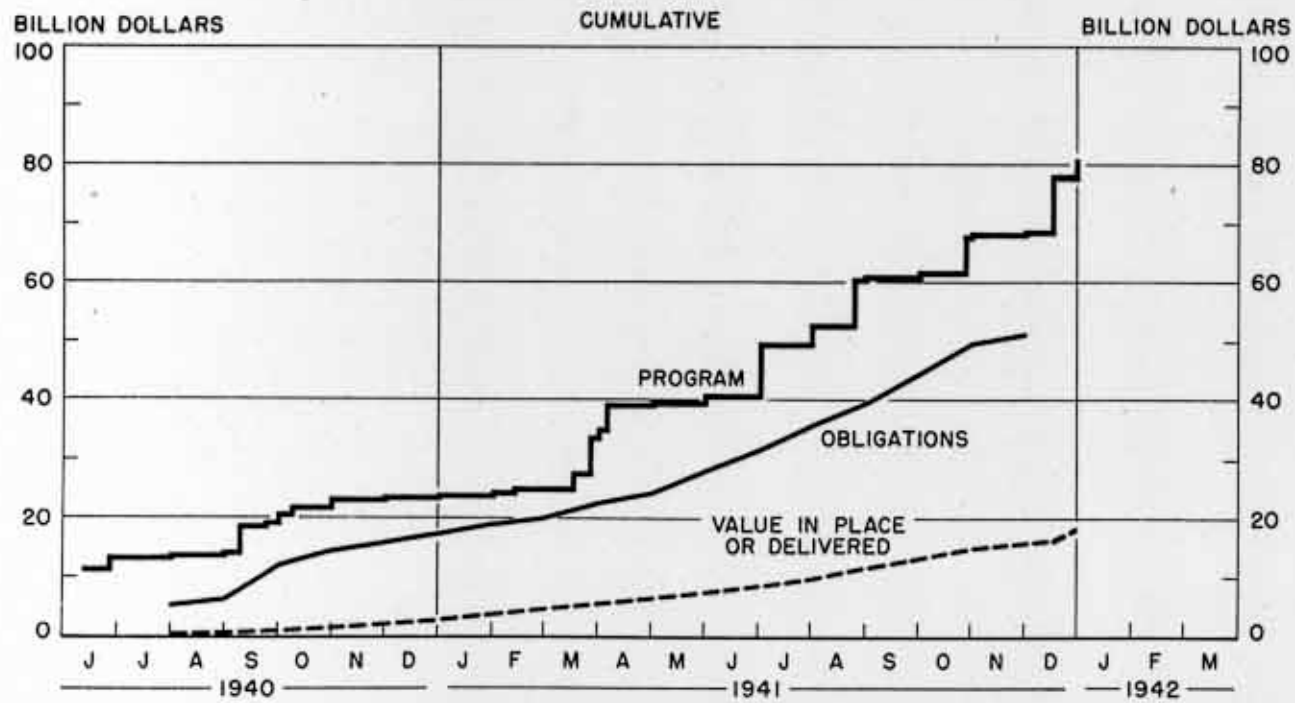
FINANCIAL PROGRAM SUMMARY	Cum. 6/11/40 to		Monthly			
	End 1st full year 6/30/41	End of November 1941	November 1940	October 1941	November 1941	December 1941
(Million dollars)						
● TOTAL WAR PROGRAM IN U.S. ^a						
Program	40,761	68,115	291	6,532	139	13,144
Unobligated balance	9,264	16,932	-	-	-	-
Obligations	31,497	51,183	1,300	5,323	1,795	n.a.
Value delivered and/or in place	8,697	P 16,532	608	P 1,744	P 1,770	P 1,998
Checks paid ^d	8,503	P 15,803	567	1,737	P 1,674	P 1,991
U. S. FINANCED PROGRAM ^b						
Program	37,075	64,329	-19	6,471	126	13,144
Unobligated balance	9,264	16,932	-	-	-	-
Obligations	27,811	47,397	990	5,262	1,782	n.a.
Checks paid ^d	6,430	P 13,299	391	P 1,657	P 1,578	P 1,927
TREASURY GENERAL FUND ^c						
Program	34,452	60,286	0	6,116	131	12,057
Unobligated balance	7,792	16,049	-	-	-	-
Obligations	26,660	44,237	980	4,984	1,437	n.a.
Checks paid by U. S. Treasury ^d	6,080	12,448	379	1,526	1,438	1,847
MUNITIONS PROD. & WAR CONSTRUCTION						
Program	36,927	58,542	283	4,980	168	P 11,456
Unobligated balance	7,587	12,279	-	-	-	-
Obligations	29,340	46,263	1,175	4,942	1,394	n.a.
Value delivered and/or in place ^e	6,945	P 13,135	495	P 1,370	P 1,395	P 1,580
Value not delivered nor in place	22,395	P 33,128	-	-	-	-
NON-MUNITIONS ITEMS, TOTAL						
Program	3,834	9,573	8	1,552	-29	P 1,688
Unobligated balance	1,677	4,653	-	-	-	-
Obligations	2,157	4,920	125	381	401	n.a.
Checks issued by agencies ^e	1,752	P 3,397	113	P 374	P 375	P 418

Table continued on page V.

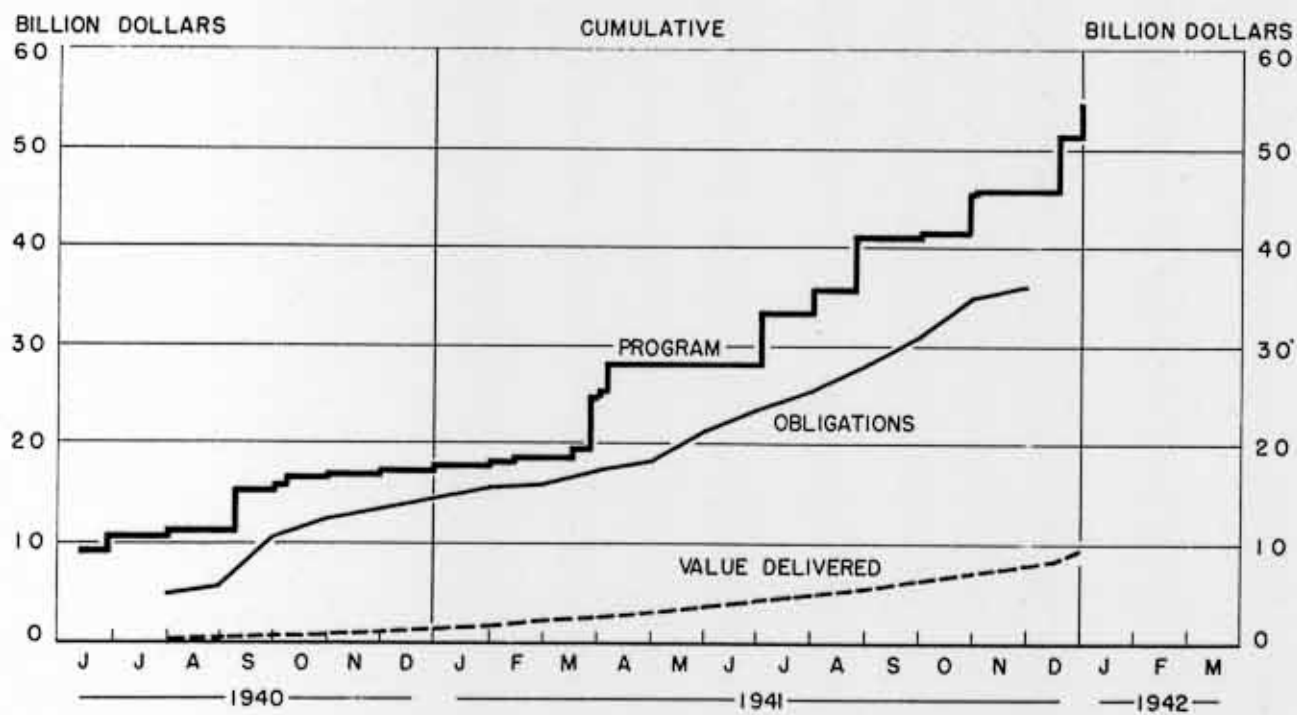
For footnotes see Page X.

● Graph appears on following page.

TOTAL WAR PROGRAM



MUNITIONS PRODUCTION



WAR PROGRESS SERIES
TOTAL UNITED STATES WAR PROGRAM

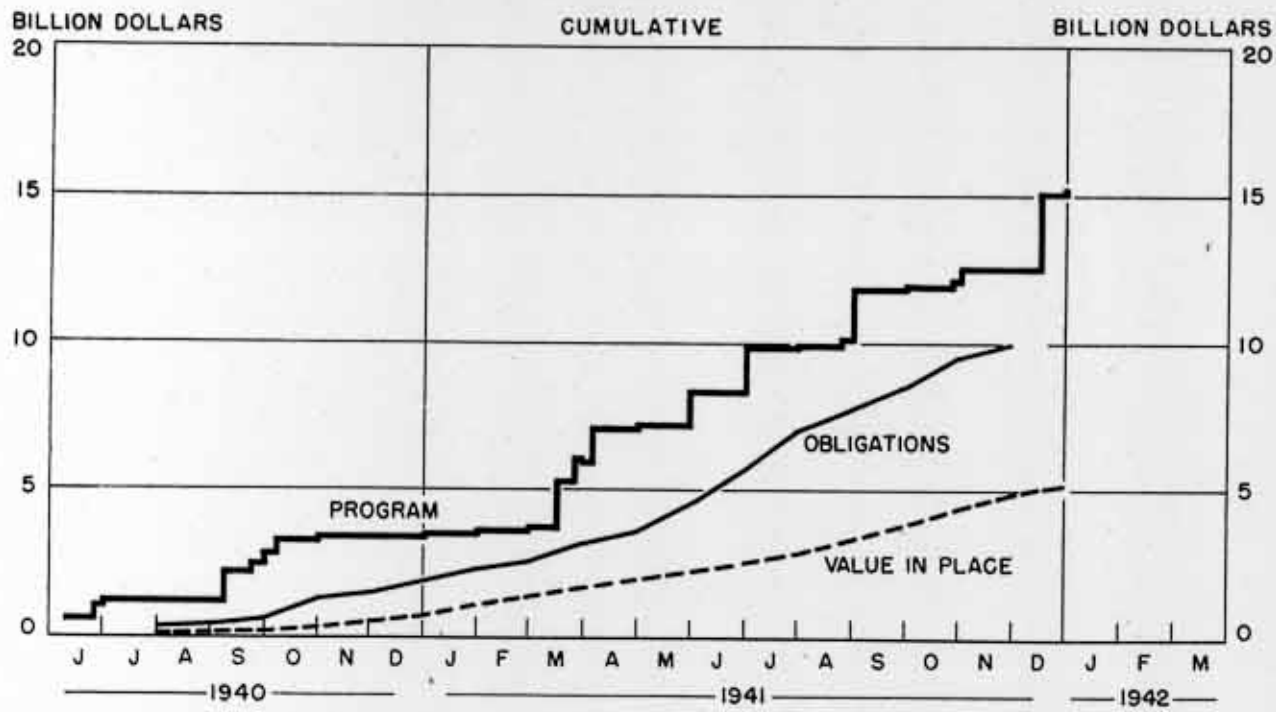
FINANCIAL PROGRAM	Cum. 6/11/40 to		Monthly			
	End 1st full year 6/30/41	End of November 1941	November 1940	October 1941	November 1941	December 1941
	(Million dollars)					
	BREAKDOWN OF MUNITIONS PRODUCTION					
● MUNITIONS PRODUCTION, TOTAL						
Program	28,466	45,853	303	4,311	136	P 8,605
Unobligated balance	4,891	9,629	-	-	-	-
Obligations	23,575	36,224	940	3,839	982	n.a.
Value delivered and/or in place ^e	4,440	P 8,230	305	P 855	P 910	P 1,135
Value not delivered nor in place	19,135	P 27,994	-	-	-	-
AIRPLANES, PARTS&ACCESSORIES						
Program	8,482	13,164	183	645	-11	P 1,782
Obligations	7,281	11,735	438	1,383	690	n.a.
Value delivered	1,010	1,975	60	240	215	P 290
ORDNANCE						
Program	7,778	13,448	67	1,614	100	P 3,944
Obligations	5,418	9,606	245	2,130	-315	n.a.
Value delivered	700	1,435	55	155	180	P 300
NAVAL SHIPS						
Program	6,796	8,733	0	101	498	P 1,872
Obligations	6,452	7,548	101	142	43	382
Value delivered and/or in place	960	1,830	65	200	200	P 210
MERCHANT SHIPS						
Program	1,442	3,342	2	849	-466	P -54
Obligations	1,484	2,329	2	132	78	P 62
Value delivered and/or in place	190	370	10	40	60	P 85
OTHER MUNITIONS AND SUPPLIES						
Program	3,968	7,166	51	1,102	15	P 1,061
Obligations	2,940	5,006	154	52	486	n.a.
Value delivered	1,580	P 2,620	115	P 220	P 255	P 250

Table continued on page VII.

For footnotes see Page X.

● Graph appears on opposite page.

WAR CONSTRUCTION

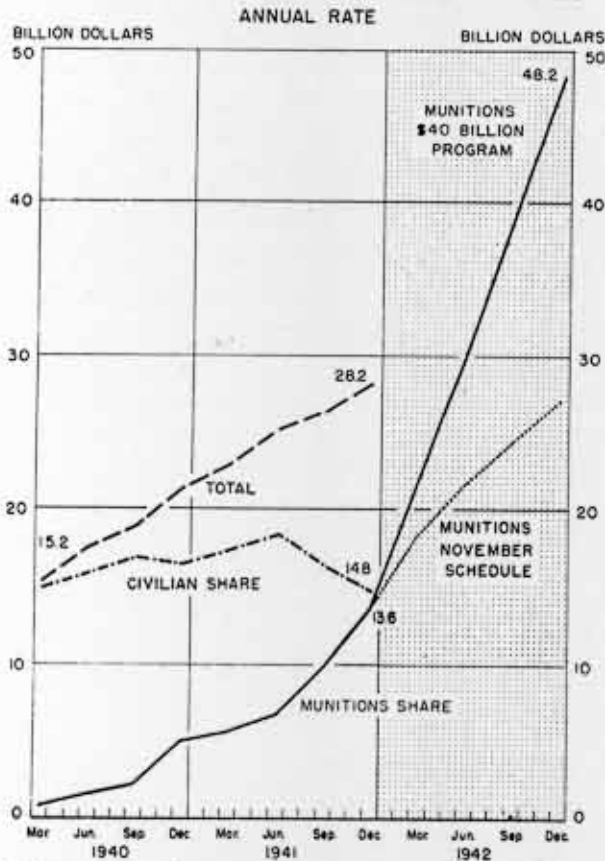


rate of munitions production as of the end of December 1941. This calls for an immediate all-out production effort. If this program is to be achieved, we must push to the full large scale conversion of War Industries to the production of munitions; we must speed up the completion and equipping of new munitions facilities now under construction; we must intensify the use of all facilities currently engaged in war production and we must increase productive efficiency. Only by full exploitation of these factors can we

attain the \$40 billion production goal we have set for ourselves in 1942.

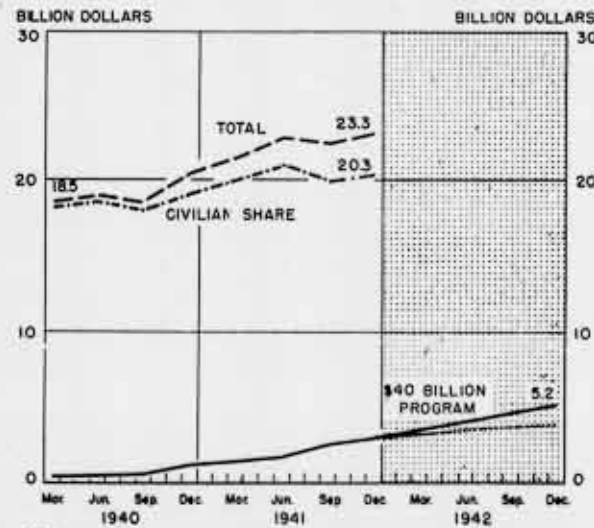
NOTE ON DATA: The estimates of the value of manufactures are based on net output of the manufacturing industries computed from the Department of Commerce estimates of national income, the Census of Manufactures for 1939 and the Federal Reserve Index of manufacturing production. The net output estimates were increased by ratios of total value to net manufacturing output for major industries developed from the information contained in the Census of Manufacture and in the Statistics of Income of the United States Bureau of Internal Revenue.

CHART 2-RATE OF PRODUCTION OF WAR INDUSTRIES — VALUE OF MANUFACTURES*



* Metals and Machinery, (including Iron and Steel, Airplanes, Shipbuilding, Railroad Equipment, Automobiles, and Metal Furniture); Chemicals; Petroleum and Coal; Rubber, and Instruments and Optics.

CHART 3-RATE OF PRODUCTION OF OTHER MANUFACTURING INDUSTRIES VALUE OF MANUFACTURES **



** Non-metal Construction Materials; Wood Products; Stone, Clay and Glass; Textiles; Leather, Paper; Foods; Tobacco; Printing; etc.

WAR PROGRESS SERIES
TOTAL UNITED STATES WAR PROGRAM

FINANCIAL PROGRAM	Cum. 6/11/40 to		Monthly			
	End 1st full year 6/30/41	End of November 1941	November 1940	October 1941	November 1941	December 1941
(Million dollars)						
BREAKDOWN OF WAR CONSTRUCTION						
WAR CONSTRUCTION, TOTAL (LAND, BLDGS., EQUIP.)						
Program	8,461	12,689	-20	669	32	P 2,851
Unobligated balance	2,696	2,650	-	-	-	-
Obligations	5,765	10,039	235	1,103	412	n.a.
Value in place	2,505	P 4,905	190	P 515	P 485	P 445
Value not in place	3,260	P 5,134	-	-	-	-
INDUSTRIAL FACILITIES (LAND, BLDGS., EQUIP.)						
Program	5,120	7,557	-20	672	11	P 528
Obligations	2,865	5,481	92	670	213	n.a.
Value in place	960	P 2,240	35	P 265	P 265	P 270
INDUSTRIAL FACILITIES, BUILDINGS ONLY						
Program	1,607	2,984	n.a.	303	155	n.a.
Value in place	575	1,544	n.a.	181	202	n.a.
POSTS, DEPOTS, STATIONS						
Program	2,849	4,490	0	-3	21	1,573
Obligations	2,625	4,135	112	392	185	n.a.
Value in place	1,430	2,365	155	215	190	P 130
DEFENSE HOUSING						
Program	492	642	0	0	0	750
Obligations	275	423	31	41	14	2
Value in place	115	300	0	35	30	P 45
BREAKDOWN OF NON-MUNITIONS						
NON-MUNITIONS, TOTAL						
Program	3,834	9,573	8	1,552	-29	P 1,688
Unobligated balance	1,677	4,653	-	-	-	-
Obligations	2,157	4,920	125	381	401	n.a.
Checks issued by agencies	1,752	P 3,397	113	374	P 375	P 418
STOCKPILE						
Program	983	1,631	0	60	0	768
Obligations	470	960	20	55	50	n.a.
Checks issued by agencies	192	P 390	9	P 45	P 50	P 55
AGRICULTURAL EXPORTS (LEND-LEASE)						
Program	625	1,522	-	975	7	0
Obligations	66	453	-	65	61	108
Checks issued by agencies	1	171	-	63	45	P 59

Table continued on following page.
● Graph appears on opposite page.

For footnotes see Page X.

WAR PROGRESS SERIES

TOTAL UNITED STATES WAR PROGRAM

FINANCIAL PROGRAM	Cum. 6/11/40 to		Monthly			
	End 1st full year 6/30/41	End of November 1941	November 1940	October 1941	November 1941	December 1941
(Million dollars)						
<u>NON-MUNITIONS (CONT'D)</u>						
<u>PAY, SUBSISTENCE & TRAVEL, f</u>						
Army Military Program	934	2,539	0	0	0	450
Obligations	934	1,834	57	146	150	n.a.
Checks issued	696	P 1,355	40	P 140	P 145	P 155
Navy Military Program	371	963	0	0	159	0
Obligations	334	552	30	29	62	57
Checks issued	388	P 588	31	P 40	P 40	P 42
Civilian Payroll Program	49	194	0	16	0	77
Obligations	32	127	4	4	10	n.a.
Checks issued	356	P 639	26	P 60	P 65	P 71
<u>MISCELLANEOUS NON-MUNITIONS</u>						
Program	872	2,724	8	501	-195	P 393
Obligations	321	994	14	82	68	n.a.
Checks issued by agencies	119	P 254	7	P 26	P 30	P 36
<u>BREAKDOWN BY AGENCIES</u>						
<u>AGENCIES INCLUDED IN TREASURY GENERAL FUND</u>						
U. S. ARMY Program	13,134	24,605	0	0	0	7,376
Obligations	11,404	21,002	446	3,746	404	n.a.
Checks paid by U. S. Treasury	3,636	6,913	196	785	704	976
U. S. NAVY Program	12,308	17,691	0	113	64	3,333
Obligations	11,182	15,102	483	560	421	1,225
Checks paid by U. S. Treasury	2,217	4,232	169	442	441	494
LEND-LEASE Program	7,000	12,985	-	5,985	0	0
Allocations	5,177	9,199	-	315	2,415	1,949
Obligations	2,458	5,256	-	488	430	1,026
Checks paid by U. S. Treasury	21	654	-	192	198	256

Table continued on following page. For footnotes see Page X.

WAR PROGRESS SERIES

TOTAL UNITED STATES WAR PROGRAM						
FINANCIAL PROGRAM	Cum. 6/11/40 to		Monthly			
	End 1st full year 6/30/41	End of November 1941	November 1940	October 1941	November 1941	December 1941
(Million dollars)						
<u>AGENCIES INCLUDED IN TREASURY GENERAL FUND (CONT'D)</u>						
U. S. MARITIME COMMISSION						
Program	784	2,735	0	0	67	.1
Obligations	886	1,721	0	132	86	3
Checks paid by U. S. Treasury (net)	44	120	3	21	26	36
OTHER U. S. AGENCIES						
Program	1,226	2,270	0	18	0	1,349
Obligations	730	1,156	51	58	96	46
Checks paid by U. S. Treasury	162	529	11	86	69	85
<u>ADDITIONAL AGENCIES INCLUDED IN U. S. FINANCED PROGRAM</u>						
R. F. C. AND SUBSIDIARIES						
Program	2,623	4,043	-19	355	-5	1,087
Obligations	1,151	3,160	10	278	345	n.a.
Checks issued by R. F. C.	350	P 851	12	P 131	P 140	P 80
<u>ADDITIONAL AGENCIES INCLUDED IN TOTAL WAR PROGRAM</u>						
FOREIGN ORDERS						
Program (orders)	3,686	3,786	310	61	13	P 0
Obligations	3,686	3,786	310	61	13	P 0
Checks issued by Purchasing Missions	2,073	P 2,504	176	P 80	P 96	P 64

For footnotes see page X.

FOOTNOTES

WAR PROGRESS SERIES

Data on obligations and unobligated balances are tentative pending determination of reserves not available for immediate obligation.

n.s. Not available

^r Revised

^P Preliminary

^aTotal war program includes all funds and authorizations made available for war purposes by the United States Government plus foreign orders placed in this country since November 1939. The major portion of the existing program has been approved since June 11, 1940, but some authorizations (particularly portions of the naval expansion program, the merchant shipbuilding program, and the stockpile program) were made available even earlier. All funds are shown during the fiscal year in which they are available for obligation.

^bUnited States financed program includes the war activities of all United States Government agencies (including Lend-Lease) plus the war activities of government owned corporations, but does not include foreign orders.

^cUnited States Treasury General Fund includes the war activities of all United States Government agencies (including Lend-Lease). It does not include the activities of government owned corporations or foreign orders in the United States.

^dChecks paid include (1) all checks paid out of the Treasury General Fund (cf. footnote c); (2) checks issued by the Reconstruction Finance Corporation and subsidiary Government corporations; (3) checks issued by foreign purchasing commissions.

^eValue delivered and/or in place includes (1) value delivered and/or in place for ships and value of production for other munitions, (2) value in place for war construction, and (3) checks issued by finance officers for non-munitions items.

^fProgram and obligations for pay for civilians and for the Navy include only that specifically mentioned in appropriation bills, while the cash disbursement figures include, in addition, executive war pay which cannot be separately distinguished in the appropriation bills.

^gReport on checks paid by the Treasury for the account of the Maritime Commission makes allowance for receipts credited to the Construction Loan Fund.

Revisions have been made in the data on program, obligations, and checks issued, due to a reallocation of funds between "agricultural and miscellaneous exports" and "other munitions and supplies". "Agricultural commodities" now includes only the food-stuffs being purchased under the Lend-Lease Program.

WAR PROGRESS SERIES

WAR EQUIPMENT INDEXES

	Airplanes		Combat Vehicles		Army-type Guns		Ammunition		Major Combat Ships		Merchant Ships	
	SCHED. AS OF NOV. 1	ACTUAL AS OF NOV. 1	SCHED. AS OF NOV. 1	ACTUAL AS OF NOV. 1	SCHED. AS OF NOV. 1	ACTUAL AS OF NOV. 1	SCHED. AS OF NOV. 1	ACTUAL AS OF NOV. 1	SCHED. AS OF OCT. 1	ACTUAL AS OF OCT. 1	SCHED. AS OF AUG. 1	ACTUAL AS OF AUG. 1
MONTHLY PRODUCTION RATE DURING:												
Average monthly production FY 1942=100												
1940												
July		16	a	7	a	14	b	11		27		9
December		26								38		18
1941												
March		34		11		30				44		r 25
June		45		31		41		13		55		r 24
September		61		73		67		20		87		r 33
October		68		95		84		22	71	109		r 49
November	74	63	96	91	86	71	44	32	98	109	80	74
December	83	91	124	127	99	p 118	61	p 66	82		93	
1942												
January		93		126		121		101		109		110
February		111		126		127		135		98		126
March		127		132		138		149		115		144
June		147		168		148		244		126		161
September		173		185		142		311		148		155
December		185		37		122		396		137		148
Av. mo. prod. FY 1942		100		100		100		100		100		100
Peak month		185 (12/42)		195 (8/42)		158 (7/42)		396 (12/42)		169 (11/42)		161 (7/42)
TOTAL CUMULATIVE PRODUCTION TO:												
Total production FY 1942 = 100												
1940												
July 31		1				-				2		1
December 31		8		4		7				16		6
1941												
March 30		16		6		13		c 9		27		12
June 30		27		12		22		11		42		r 18
September 30		41		28		38		15		61		r 25
October 31		46		36		44		17	61	70		r 29
November 30	52	51	44	44	52	50	21	20	69	79	39	35
December 31	59	59	54	54	60	p 60	26	p 26	76		47	
1942												
January 31		67		65		70		34		85		56
February 28		76		75		81		46		93		67
March 31		87		86		92		58		103		79
June 30		122		127		128		112		133		119
September 30		163		173		166		185		167		158
December 31		208		205		199		274		204		196
Total production FY 1942		100		100		100		100		100		100
Prod. requirements, Dec. 1												
Financed	330		217		272		417		452		321	
Pending	0		245		110		73		0		0	
Ordered to December 1	303		214		264		285		452		n.a.	
To be ordered as of Dec. 1	27		3		8		132		0		n.a.	
INVENTORIES												
July 1, 1940		15		* 7		n.a.		* 22		277		282
December 1, 1941		16		25		n.a.		23		337		275

PPreliminary data
 *Average July 1, 1940 - Dec. 31, 1940
 dJanuary 1, 1942
 n.a. Data not available
 bAverage July 1, 1940 - Apr. 30, 1941
 eJuly 1, 1941
 cApril 30, 1941

ECONOMIC ACTIVITY RELATED TO THE WAR

	1940	1941			
	July	January	September	October	November
			(Thousand workers)		
EMPLOYMENT IN WAR INDUSTRIES					
Private, 18 major industries	1,660	2,038	2,670	2,733	2,781
Private contractors, public construction	13	448	435	501	617
Public	117	171	233	248	263
Total	1,790	2,657	3,338	3,482	3,661

ECONOMIC ACTIVITY RELATED TO THE WAR

The series on these pages are included for the convenience of readers of War Progress. The data are not confidential and there are no restrictions upon their use through their inclusion in this confidential report.

	1940	1941			1942	
	July	January	November	December	Week Ending	
					Jan. 10	Jan. 17
FED. RES. BD. PROD. INDEXES	(Unadjusted indexes 1935-39 = 100)					
Total industrial production	120	135	167	P 165		
Durable manufactures	131	166	209	P 212		
Nondurable manufactures	111	118	143	P 139		
Minerals	121	113	135	P 124		
BUR. FOR. & DOM. COM. MFRS.	(Indexes)					
ORDERS, SHIPMENTS, INVENTORIES						
New orders, total (1/39=100)	127	176	P 211			
Shipments, total (1/39=100)	117	148	P 202			
Inventories ¹ (1939av.mo.=100)	112.2	121.8	P 152.9			
Durable (1939av.mo.=100)	113.9	132.5	P 169.9			
Nondurable (1939av.mo.=100)	110.7	112.5	P 138.0			
BLS PRICE INDEXES	(Indexes)					
Strategic Materials (8/39=100)	123.6	126.1	143.1	143.9	144.5	144.3
Critical Materials (8/39=100)	107.5	111.7	116.6	118.2	118.9	118.9
Basic Commodities (8/39=100)	108.5	120.5	154.4	158.4	162.4	163.8
Machine Tools (8/39=100)	108.7	114.6	119.7	119.7	—	—
All Commodities (1926=100)	77.7	80.8	92.5	93.6	95.0	95.6
TRANSPORTATION & ELECTRIC POWER	(Averages)					
Freight cars						
Loadings (thous. per week)	706	684	864	762	737	811
Unloads for export (dly.)	1,502	1,352	1,704	1,834	1,766	2,007
Surplus, total (thous. dly.)	133	110	61	75	81	
Boxcars	57	43	28	27	34	
Coal cars	47	42	18	32	32	
Power prod (mil.kwh.wkly.)	2,731	3,080	3,378	3,530	3,473	3,450
NATIONAL INCOME	(Billion dollars, annual rate)					
Total income payments	75.2	81.7	P 96.2			
FEDERAL DEBT	(Billion dollars, end of month)					
Net public debt	41.6	43.9	52.7	54.4		
EMPLOYMENT	(Thousand workers)					
Total civil nonagricultural	35,904	37,142	P 40,693			
Total WPA employment	1,655	1,890	1,056	1,053	1,017	1,020
War industries	Confidential data. See opposite page.					
Deep-sea merchant vessels	51	49	49			
UNEMPLOYMENT (WPA ESTIMATE)	(Million workers)					
Number of unemployed	9.3	7.6	3.9	3.8		

Graph appears on page IV.

P Preliminary data.

R Revised data.

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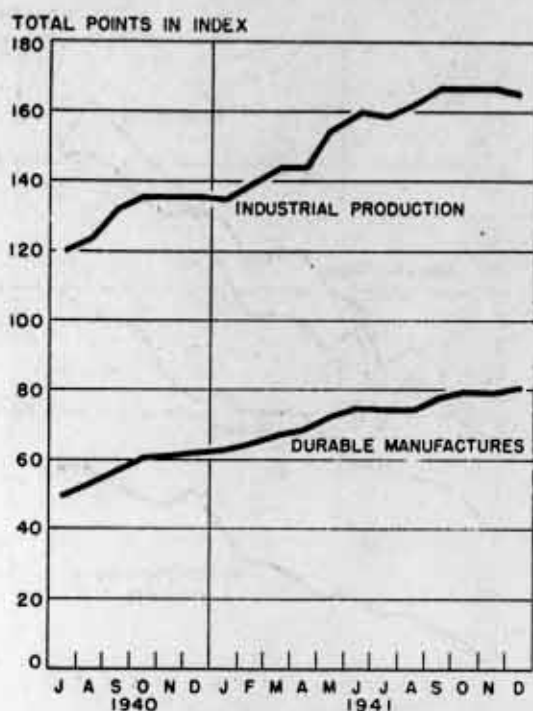
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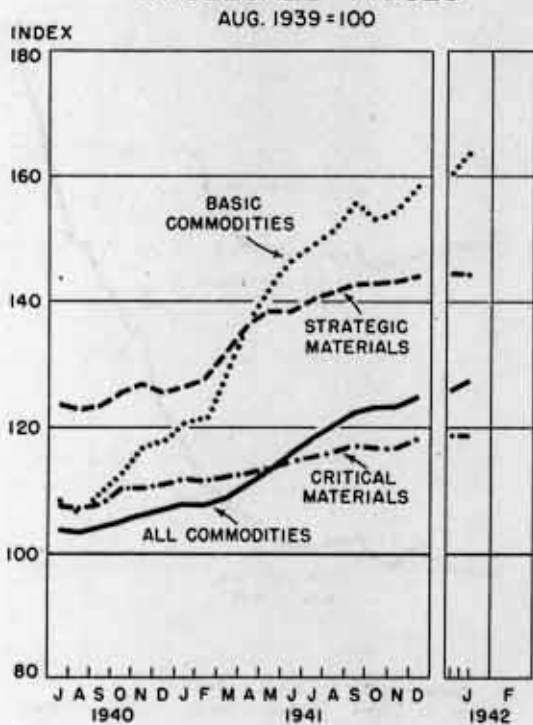
INDUSTRIAL PRODUCTION



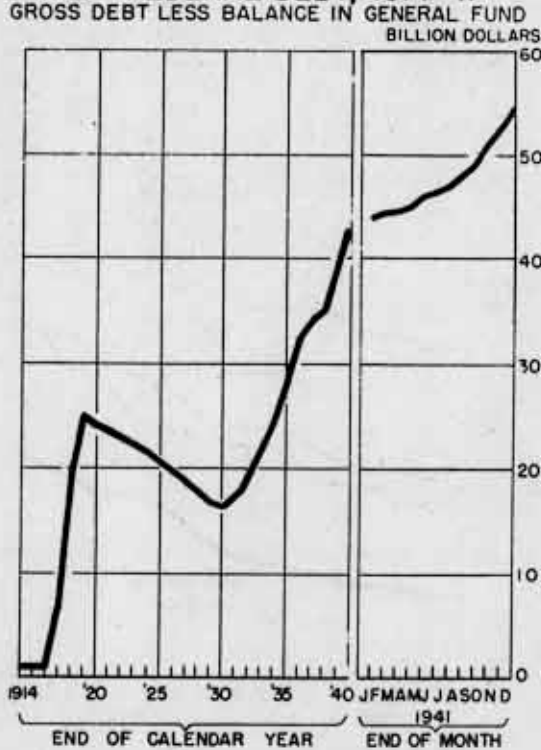
NATIONAL INCOME & DEFENSE EXPENDITURES

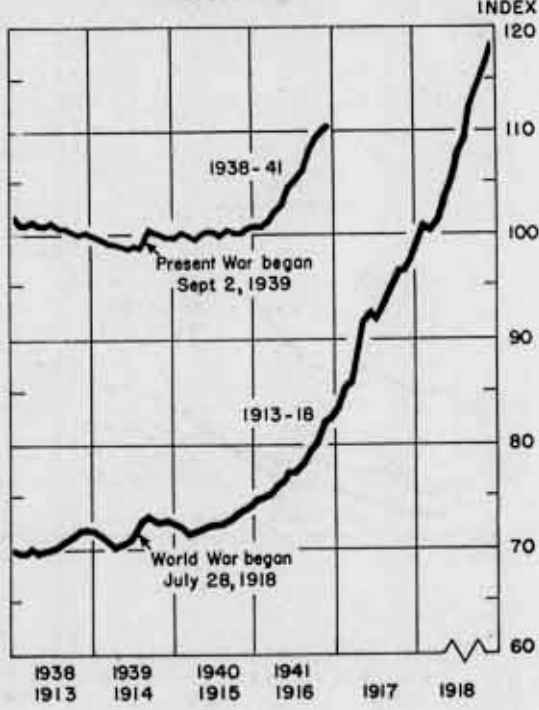
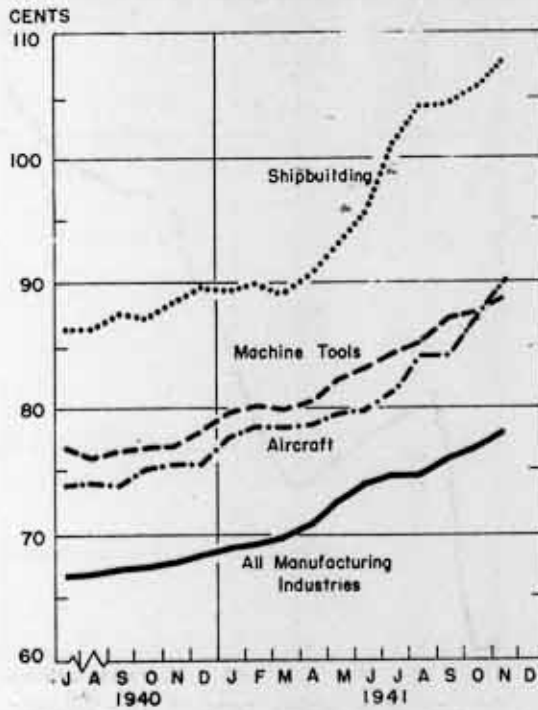
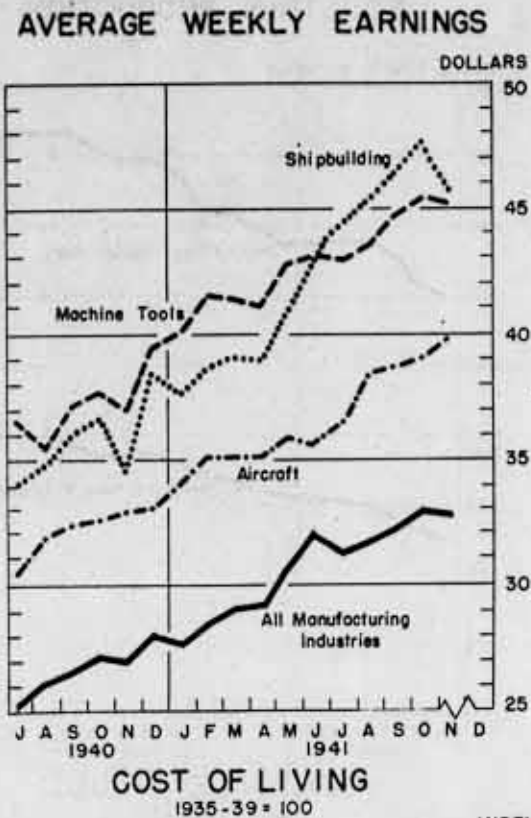
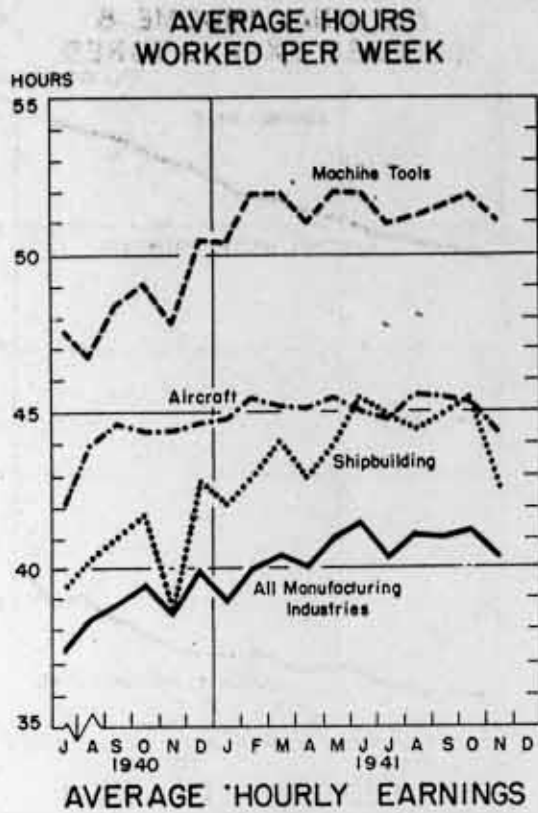


WHOLESALE PRICES



NET FEDERAL DEBT, 1914-41





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WAR PROGRESS SERIES

ECONOMIC ACTIVITY RELATED TO THE WAR

	1940	1941				1942
	July	January	October	November	December	Week Ending Jan. 17
● BLS COST OF LIVING INDEX	100.3	100.8	(1935-39 = 100)		110.5	
			109.4	110.2		
● AVERAGE HOURS WORKED PER WEEK ^h			(Hours)			
All manufacturing industries	37.3	39.0	41.1	P 40.3		
Durable goods	37.9	40.6	42.9	P 41.8		
Nondurable goods	36.7	37.3	39.1	P 38.6		
Machine tools	47.5	50.4	52.0	P 51.0		
Aircraft	42.0	44.7	45.2	P 44.3		
Shipbuilding	39.3	42.0	45.4	P 42.5		
● AVERAGE HOURLY EARNINGS ^h			(Cents)			
All manufacturing industries	66.7	68.9	77.0	P 78.1		
Durable goods	72.7	75.8	85.3	P 86.5		
Nondurable goods	61.5	62.0	68.0	P 68.8		
Machine tools	76.8	79.7	87.6	P 88.6		
Aircraft	73.8	77.6	86.9	P 90.1		
Shipbuilding	86.2	89.3	105.9	P 107.6		
● AVERAGE WEEKLY EARNINGS ^h			(Dollars)			
All manufacturing industries	25.25	^r 27.74	32.92	P 32.81		
Durable goods	28.52	^r 31.90	37.96	P 37.64		
Nondurable goods	21.87	^r 22.65	26.10	P 26.12		
Machine tools	36.45	40.15	45.54	P 45.17		
Aircraft	30.48	34.13	39.21	P 39.81		
Shipbuilding	34.03	37.69	47.84	P 45.62		
DEFENSE HOUSING	(Number of dwelling units, cumulative to end of period)					
Fund allocations	1,460	54,083	141,522	145,655	184,867	246,394
Constr. contracts awarded	624	34,791	115,141	120,976	121,586	150,593
Construction completed	0	1,314	54,884	65,186	73,012	78,229

^rRevised data.^PPreliminary data.^hBureau of Labor Statistics.

● Graph appears on opposite page.

WAR PROGRESS

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E.O. 11652, Sec. 8(E) and 8(D) or (A)
Commerce Dept. Letter, 11-14-72
By RHP, Date MAR 29 1973

~~Confidential~~

January 30, 1942
Number 72

Prepared by the
WAR PRODUCTION BOARD

Under the Supervision of
STACY MAY

WAR PROGRESS

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WAR PROGRESS



BRIEFS OF CONTENTS

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|---|------|
| ● THE 1942 PRODUCTION OBJECTIVE requires rapid increases in production rates during the early months of the year. Immediate industrial planning is necessary for this purpose. For such planning to be successful, prompt settlement of details and the drawing up of adequate schedules for the 1942 production objective are necessary. | 1 |
| ● DESPITE DRASTIC CURTAILMENT IN OCEAN SHIPPING FACILITIES during 1941 water-borne import tonnage increased by 23 percent over 1940. All the principal trade areas, except Europe, contributed to the rise and a substantial part of it represented large quantities of vital defense materials. | 5 |
| ● PLANT UTILIZATION HAS INCREASED sharply in four war industries since September, according to preliminary data. | 7 |
| ● "RESEARCH NOTES AND TABLES" on the distribution of war expenditures in 1942 and national output by type of industry are presented in <u>War Progress</u> for the first time in this issue. | 9 |
| ● WAR PROGRESS SERIES. War appropriations now pending amount to \$26.9 billion and will raise the total United States war program to more than \$108 billion. Man-days lost in strikes in all industries and in plants with important defense contracts fell sharply from November to December 1941. | I |

1942 MUNITIONS PRODUCTION AND WAR CONSTRUCTION

THE 1942 PRODUCTION OBJECTIVE REQUIRES RAPID INCREASES IN PRODUCTION RATES DURING THE EARLY MONTHS OF THE YEAR. IMMEDIATE INDUSTRIAL PLANNING IS NECESSARY FOR THIS PURPOSE. FOR SUCH PLANNING TO BE SUCCESSFUL, PROMPT SETTLEMENT OF DETAILS AND THE DRAWING UP OF ADEQUATE SCHEDULES FOR THE 1942 PRODUCTION OBJECTIVES ARE NECESSARY.

Existing contract schedules^a call for \$47.3 billion of munitions production and war construction to be delivered or put in place from the beginning of the program in June 1940 to December 31, 1942. The program outlined by the President in his annual message to Congress called for production by the end of 1942 of approximately \$55 billion. Additional munitions production and war construction amounting to nearly \$8 billion, mostly planes, ships, and ordnance, must therefore be scheduled for delivery within the present calendar year.

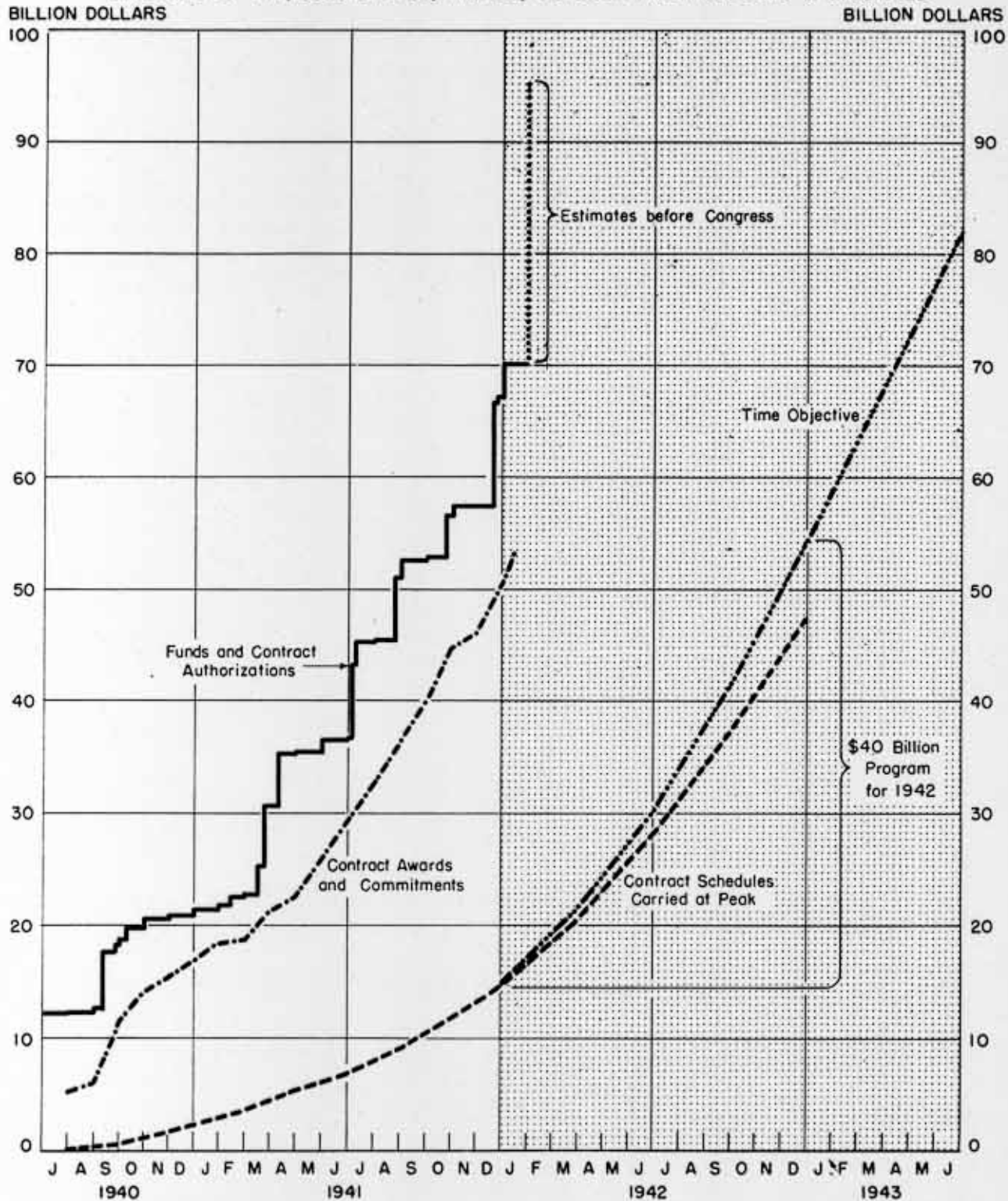
Early in December, Production Forecast II (based largely on the contract schedules existing in October and November) was presented.^b This forecast showed a total of \$41.8 billion of munitions and war construction to be delivered or put in place by the end of 1942. Revised schedules based on contracts in existence on January 1, 1942 provided for \$47.3 billion, an increase of \$5.5 billion.

Nearly half of this scheduled increase, however, was for munitions classed as "other industrial production." The major increases in scheduled deliveries in this group were for radio sets for the Signal Corps, automotive equipment largely for noncombat use, and a variety of other Quartermaster and Engineer Corps items. These miscellaneous items can in general be regarded as coming from plants usually devoted to normal civilian needs and hence should not raise the most serious production problems. Scheduled deliveries in 1942 of items whose production requires more specialized facilities, planes, ships, and ordnance have not been greatly increased according to the January 1 schedules. The 1942 schedules for major munitions items according to both Production Forecast II and January 1 schedules, are shown in Chart 2.

As of January 1, 1942 the total of funds and contract authorizations was \$70.0 billion, \$19.4 billion of which remained uncommitted. At the present time there are before Con-

CHART-1 VALUE OF MUNITIONS PRODUCTION AND WAR CONSTRUCTION, AUTHORIZED FUNDS* & CONTRACT AWARDS CUMULATIVE

EXCLUSIVE OF PAY, SUBSISTENCE, TRAVEL, AGRICULTURAL PRODUCTS & STOCKPILE



*Including pending bills.

gross fund requests amounting to approximately \$25 billion. Additional estimates before the Budget Bureau will raise the total funds and authorizations to an amount more than double the \$59 billion which was available on December 7. Shortly there will be provided sufficient funds not only to finance all orders for munitions and construction required in 1942, but also a substantial volume of the requirements thereafter. If these orders are properly placed in large volumes immediately American manufacturers will have assurance that they may plan on continuous capacity operations.

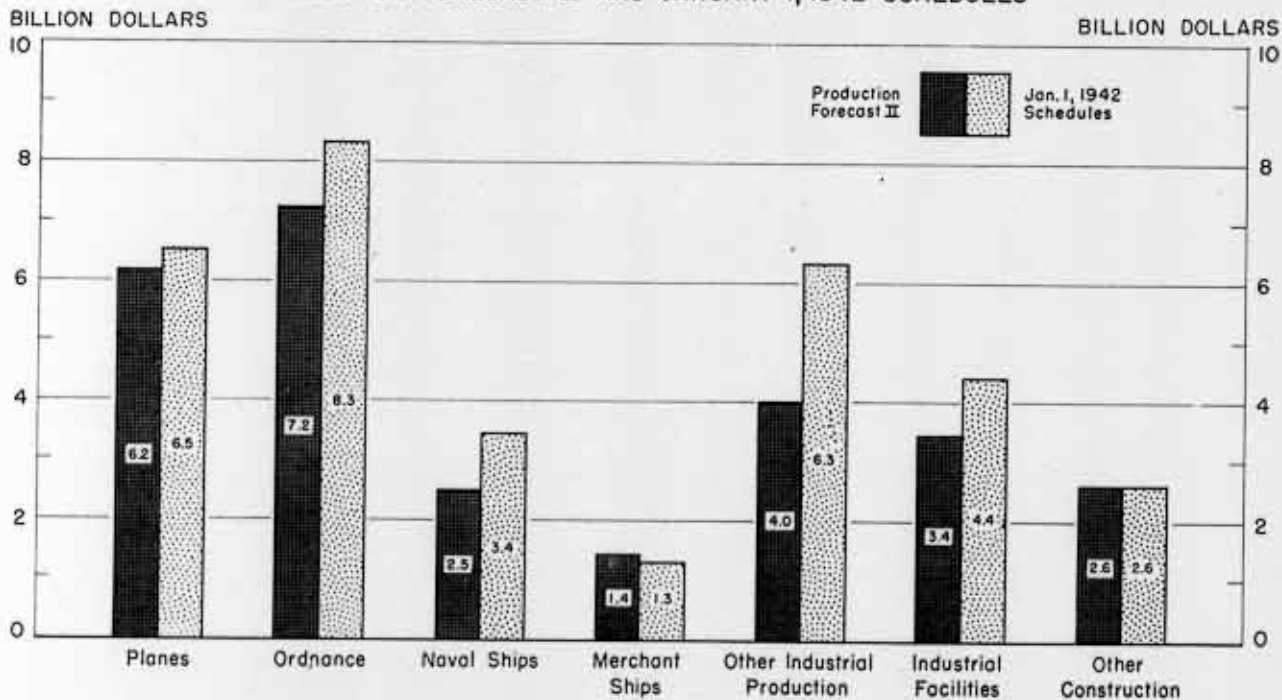
Between January 1 and January 20 commitments totaling between \$2.5 billion and \$3 billion were made.

In addition there is evidence in the volume of clearances of proposed contracts in the first half of January that the amount of commitments may jump even more sharply by the end of the month. Daily reports on eight important munitions indicate that as compared with the first 19 days of January daily acceptances must increase 10 to 20 percent for the rest of the month. To meet the 1942 requirement the monthly rate must continue to increase rapidly during the early months of the year. Details of the 1942 objective must be settled immediately and adequate production schedules must be established promptly in order that production may be sharply increased in the next few months if the year's objective is to be met.

^a Including the extension of the peak monthly rates called for under existing contracts.

^b Defense Progress, Issue Number 64, December 5, 1941, pp. 1-6.

CHART 2 - MUNITIONS PRODUCTION AND WAR CONSTRUCTION DURING 1942
 PRODUCTION FORECAST II AND JANUARY 1, 1942 SCHEDULES



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UNITED STATES WATER-BORNE IMPORTS BY TRADE AREAS 1940 AND 1941

DESPITE DRASTIC CURTAILMENT IN OCEAN SHIPPING FACILITIES DURING 1941 WATER-BORNE IMPORT TONNAGE INCREASED BY 23 PERCENT OVER 1940. ALL THE PRINCIPAL TRADE AREAS, EXCEPT EUROPE, CONTRIBUTED TO THE RISE, AND A SUBSTANTIAL PART OF IT REPRESENTED LARGE QUANTITIES OF VITAL DEFENSE MATERIALS.

Total United States water-borne imports increased from 42 million long tons in 1940 to 52 million in 1941, an increase of 23 percent, in spite of the withdrawal of foreign flag vessels from American trade and the allocation of American flag ships to the armed forces and to foreign countries fighting aggression. Although import tonnages at the beginning of 1940 and 1941 were about equal, during several later months of 1941 the imports exceeded those of the corresponding months of 1940 by more than a million tons.

A large part of the increase in 1941 over 1940 represented the importation of greater quantities of vital defense materials. Imports of 5 of these materials, bauxite, chromite, copper, manganese, and rubber made up 5.6 million long tons, or over 10 percent of the 1941 total. Imports of these 5 materials in 1941 amounted to more than 1 million tons each, except for copper, and were nearly 50 percent greater than in 1940. Transportation of a consider-

able proportion of these involved long hauls from the Far East, Africa, and South America.

The dry cargo import tonnage from all trade areas, except Europe, was greater during 1941 than 1940. Tonnage from the Caribbean increased approximately 40 percent and that from the South American area 25 percent. These are two large sources of tonnage imports, as shown in the accompanying chart; the increased tonnage from these areas indicates the importance of Latin American countries to the present economy of the United States. Imported tanker cargoes, not shown in the chart, consisting largely of petroleum, are only important for the Caribbean area, including the East Coast of Mexico. The tonnage from Canada includes that of the Great Lakes, which constitutes nearly half of the total from that country.

The war in the Pacific has already seriously reduced imports from the Far East, including Australia and the Philippines. The million