

STATEMENT BY ADMIRAL EMORY S. LAND, CHAIRMAN,
UNITED STATES MARITIME COMMISSION, BEFORE
THE COMMITTEE ON FOREIGN AFFAIRS OF THE
HOUSE OF REPRESENTATIVES, ON OCTOBER 13,
1941, WITH RESPECT TO H. J. RES. 237.

In addition to the repeal of section 6 of the Neutrality Act of 1939, House Joint Resolution 237 would affirmatively authorize the President to arm our merchant vessels.

The arming of merchant vessels has certain obvious advantages - just as there are times when any one might want to carry a gun - self-defense. If a man has occasion to go into a dangerous locality, he feels safer if he is armed, and he is safer, from the standpoint of attack, if he has a gun that he is willing and able to use and everybody concerned knows it. He might not be a match for a determined gang armed with a sub-machine gun, but even the holder of the "tommy" gun would keep a respectful distance.

So it is with merchant vessels. The fact that a merchant vessel is armed and has orders to shoot when the occasion arises is sufficient to give it a measure of real protection. The psychological effect, alone, is important. An armed merchant vessel can not be expected to hold its own on equal terms in an engagement with a warship, but its guns will afford it some protection against submarines, aircraft, and armed raiders.

Part of the ship sinkings to date has been effected by armed raiders. These vessels have in most cases been merchant vessels which

have been armed with a few guns. It appears that their main prey has been unarmed merchant vessels. Since an armed raider would be completely useless if damaged and forced to put into a neutral port, such vessels hesitate to attack ships that are anywhere near equally armed. It follows that the arming of American vessels would greatly reduce the chances of raider attack.

A submarine can attack an unarmed merchant vessel from the surface. Maneuvering openly on the surface of the sea, the submarine can stalk its prey, select its position, and open fire with explosive shells instead of using torpedoes. It usually has plenty of shells and relatively few torpedoes.

If the merchant vessel is armed, however, the submarine must submerge while out of range of the guns of the merchant ship, or risk an exchange of fire. Submerged, the submarine must attack with torpedoes - an attack wherein the accuracy and quantity of its fire is materially lessened.

Moreover, the speed of a submarine is considerably lower under water than on the surface. If the submarine is compelled by the presence of guns on the merchant vessel to remain under water, the relative speed of the two vessels is reversed, and the merchant vessel has a much better chance to escape. Even the fastest modern submarine finds its speed reduced, when under water, to a rate as slow as or slower than that of most merchant ships. The speed of the new

merchant vessels (standard types) built by the Maritime Commission in its regular, long-range program, is probably double that of the fastest submarine under water. It is obvious, therefore, that fire power on a merchant vessel sufficient to compel a submarine to submerge at a considerable distance, or risk an engagement, affords genuine protection.

Somewhat the same conditions obtain as to attack by aircraft. Dive-bombing may be practiced with impunity against unarmed vessels, and dive-bombing (which may also be accompanied by machine gun strafing) is far more accurate, and therefore more deadly, than is the dropping of bombs from a considerable height - (high level bombing). Anti-aircraft guns on merchant vessels will materially lessen the danger to them from the air. This again has an important psychological effect on both sides.

These factors are of the utmost importance to the morale of the men on board merchant vessels. It is quite understandable that men are reluctant to take a merchant vessel to sea without some equipment with which to shoot back if they are shot at.

One of our greatest difficulties today is to obtain proper crews for unarmed vessels. This problem is primarily in the hands of the Maritime Commission. The proposed legislation will go far to solve this vital problem.

TRANSCRIPT OF

ADMIRAL LAND'S PRESS CONFERENCE, SEPTEMBER 24, 1943

My purpose in bothering you today is to try to put over this Victory Fleet Day with as much vim and vigor behind it as we can, because there have been some complaints about our productivity falling down, and the boost to our shipbuilder's morale will be helpful.

I don't think that we have any right to complain about falling down in our ship construction, because we have kept along on a pretty even keel, and are pretty near the top. We are constantly asked about where we are today. We will go on indefinitely until the break comes.

We put on this Victory Fleet celebration on a two-year basis. (Press releases distributed)

Question: May we use the releases in spite of the release dates?

Answer: That's up to you. I think we ought to respect the release dates as given, but if you want to use parts of them, I'll leave that up to your judgment. We won't actually release them until the dates given.

The other thing that is of interest is to show just what progress we have made. For example, the total for September, 1941, was ^{seven} ships, and for September, 1942, 93. The total for September, 1943, up to September 23, was 101 ships and 167 predicted for the month, which, even in my poor arithmetic looks like about a hundred per cent increase. It won't break our May record. The tonnage will be 1,700,000, which is what we are scheduled to meet for the rest of the year in order to make our 19 million & eight hundred, eighty-nine thousand. It shows that the shipbuilding productivity of the Maritime Commission is on an even keel and is going along.

I might say that I broke my seven-year rule and addressed the C.I.O. conference yesterday, and I am going to Boston to do the A.F. of L. I was very decently treated

and they carry on a very interesting conference. I am not accustomed to conferences, but the boys impressed me as much as anything I have ever seen since I have been alive by the unanimous adoption of a resolution for no strikes for the duration. We are working on a no-strike, no-lockout principle, but these men went unanimously. I saw their hands all raised and there wasn't a single vote in opposition to the no strikes for the duration in that conference hall.

Question: You had a little strike at Jacksonville yesterday, didn't you?

Answer: Yes, but that's all over. Generally speaking, we have had a no-strike, no-lockout provision ever since the stabilization provision went into effect. There have been sporadic strikes--most of them are what we call illegal or outlaw strikes. You can't prevent that. But we have been remarkably successful with the shipbuilding labor-management relations, and even more successful with Maritime labor and their operations, because there have been even no tendencies for sit-down strikes, slow-downs, or anything. There have been some cases where the bright guy didn't like the color of the cook's hair, or something, and you get somebody that doesn't mind the color of the cook's hair. There have been practically no serious delays or missing convoys with the Maritime personnel, and that goes for the licensed and the unlicensed.

Please don't get the idea that I am one hundred per cent pleased with everything that is done in labor lines, but I certainly haven't been in a position to do any hard kicking because they are producing the ships, they are delivering the goods and they are sailing the seas, as you all know.

Now to tell you about what we expect to do this month. This is not to be used but for your own information--and I'd rather you wouldn't use it. We are taking over some unusual jobs for the Navy, which we didn't agree to do. In other words, in this month we are going to release five more ships than show on our report because are going to do a conversion job on Navy vessels in our own merchant yards.

They could take them and put them in repair yards, but in order to speed things up, we are going to do the work. We would have five more ships this month except for the fact that we are taking these ships and making the conversions -- not in the yards where they were built but in yards where we can do it. I am not trying to make ~~XXXXXX~~ ~~XXXXXX~~ any apology, but I am merely saying that it is a fact, and we think that it is beneficial for the war effort. It is hard on the Maritime Commission tonnage -- we lost five ships -- we may pick them up later in the year or sometime, but it saves time and saves money and helps out in the all-out war effort. This sounds like an apology but I don't want you to get that impression. It is a fact that we are losing five ships because we are doing the work for the Navy that they would normally do for themselves in their repair yards.

There is one thing I'd like to clear up, and this is a good opportunity to do it. This is preparatory to the celebration of Victory Fleet Day. Whether rightly or wrongly, that includes the whole Merchant Marine fleet. You know all about the Liberty Ship. We labeled our modified Libertys, Victories. There is a confusion of terms. Sometimes you talk about the Victory Fleet, and sometimes you talk about the Victory Ship. There is quite a difference; I think you all see the point. There is some confusion of numbers. There has been some confusion all summer when they talked about the Victory Ship, and just recently they talked about a thousand Victory Ships. Well, that is about right, but they will not be Victory Ships; they are fast ships that go into the Victory Fleet, and they all segregate themselves. Did I make my point clear?

For instance, if we get out 2,000 ships next year they will not all be Victory Ships but half of them will be the fast type and the other half will be Libertys. But I am trying to clear up the differentiation between Victory Fleet and Victory Ship. There is a tremendous lot of confusion and misunderstanding, and it is partially my fault. Is there any question on that?

I have tried to make it as clear as I know how. I think you all see the differentiation. Now, when we talk about a Victory Ship we are speaking of a design. You have an impression of it either as a specific design or a fast ship design. I don't care how you use that -- the Victory design is one thing, the fast ship design is another and includes all the C's and the tankers, and the Victory Ship.

Question: Now that Mr. Gibbs is no longer with SWPB, will you build more Victories?

Answer: That doesn't make any difference -- whether he's there or not -- that has all been settled. ~~THESE~~ There will be a proportion of about ⁵⁰ five per cent faster ships.

Question: Faster ships include more than the Victory?

Answer: They include the tankers, the C-ships, and the Victory design. I have here a statement that I can pass around as far as it goes, and it is very short. I will read it to you.

Quote statement

We don't know how many we will get out next year, but that is the statement, and I think that definitely describes the situation. The fast ship program not only won out but has been approved, and the only limitations are propulsive equipment.

Question: What is the speed on the fast ships, Admiral?

Answer: They vary all the way from 15 knots up to $18\frac{1}{2}$. You know what the C is -- 15 -- and C-3 is $16\frac{1}{2}$ to 17; tankers $15\frac{1}{2}$, and certain types of the faster ships run up to $19\frac{1}{2}$. So the general range is $14\frac{1}{2}$ to 19 for the so-called fast ships. The Victory has never been tried, tested or proven, as you know; it is a new turbine design and we are confident that it will do $15\frac{1}{2}$ -- we hope it will do 16 or possibly 17. But there is no use in telling you what ~~is~~ a ship is going to do that hasn't been tried. If you have confidence in what we have done heretofore, you will have confidence in this new program.

Question: Admiral, you have the yards to produce about 70 ships in the next 3 months?

Answer: That is right. About 1,700,000 tons ^{a month} the rest of this year.

In 1944 the Maritime Commission will build as many fast ships for which satisfactory propulsive equipment becomes available. The limit on fast ships is propulsive equipment. *number of*

SEP 24 1943

Question: That same rate carried into '44 would produce your quota?

Answer: That same rate gives you 20,000,000 tons for 1944.

Question: In other words, you have not reached the leveling-off rate?

Answer: That is about correct. And I would say, whether we reach the peak in August, or September, or October -- we may have a little up in November, we may have a little down, we can't tell -- we are about what I'd call on the top, and we can carry on without any change in facilities and with the yards just as they are. There are two major problems to be solved; one is steel and the other is manpower. There is a very simple solution to the second problem, and that is if each man in the yard does a little more than he has done before. They have proven that they can do it, because in '42 we had X and ~~xxx~~ in '43 we ^{are} going to have Y, which is about one and a half X. The increase in manpower is only about 5 per cent, as against an increase of 150 per cent in production, so you see it is possible. That doesn't mean exactly what you'd interpret it to mean, because the productivity is based on what you call the firsts. The first 6 ships are going to be pretty slow, pretty expensive, the second 6 could come down to 10 per cent, and by the time you get around to the 5th round you'd be pretty well stabilized on production.

(quote on length of time from keel laying to delivery) Townsell

Question: Is that the lowest?

Answer: That is the lowest, and it won't get any lower because the highest-producing yards are being converted into Victory yards, and immediately they drop off.

You can't compare yards. Take Bethlehem-Fairfield -- they started off with Libertys and converted to LST's, then converted back to Libertys, and their production went to hell. They kicked, but that is part of the high Navy strategic requirements and they had to do it. The same thing is true of one of the West Coast yards, and the same thing is true up in ~~KSEA~~ Vancouver. They started out with Libertys, went into LST's

and then went into tankers. You can't get any major production by shifting back and forth, and quantity production just goes with the wind, but it is necessary for strategic military requirements.

So when you talk about one yard's being so much better than the other, the yard that has been making Libertys from start to finish has got a 10 to 20 percent handicap on a yard that has to convert and then go back to them. The yards in telling you about their Liberty Ship production forget to tell you about the competitor that has made these conversions.

Question: Admiral, you talked from time to time about maintaining a merchant fleet of 15 million tons during the post-war period --

Answer: Please let me finish -- I'd like to give you a few facts that I think may be of interest. Whether they are or not is up to you. You have heard a lot about contracts. Now, we have three types of contracts here. First is the fixed contract, and all those contracts have what is generally known as the wage-material clause or the escalator clause. That type of contract has been going on for 15 years, long before the war. In other words, the beginning, which was in '32 in the Navy Department, gives you a curve from which you take data, and if you have a fixed price contract and wages go up they give you the benefit of this in particular trades. And the same thing is true of material, which is also in the fixed price contract. You are not as concerned about that because that has been going on for 15 years.

The other types are the cost-minus contract -- not a cost-plus -- and the manhour contract. All Liberty Ships are built on manhour contracts, which means that there is a ~~base~~ base fixed -- it isn't dollars at all -- but so many manhours. If you beat that you get a bonus; if you take more manhours you get a penalty. You also have a time element; if you beat the time limit you get a bonus, and if you fail and take a longer time you get a penalty.

There are ceilings and floors on those bonuses; that is, there is a maximum

bonus they can make, and no more, a minimum bonus they can make, and no less, and a medal. That contract based on manhours, in my judgement fulfills the requirements of any kind of contract I know of because it is based on manhours. The fixed price type was standard with the old type, what we call our standard designs of ships, although they have been shifted over. Many of them have a fixed price element because when we buy the material that goes into these ships it is all at a fixed price. That takes care of the manhour type of contract.

The other type is the cost-minus contract. I don't know how interested you are in hearing about it, and I won't attempt to bore you if nobody's interested. I can give you an example of it which is pretty simple to understand. The way the price-minus contract works out is as follows:

The minimum ^{fee} might be set at \$30,000 and the contract price as \$1,100,000. If the vessel actually costs ^{a million to build} \$1,000,000, then the contractor would receive \$1,000,000. It would also then be paid half the difference between the ~~\$30,000~~ ^{\$30,000} and the ~~\$1,000,000~~ ^{\$1,000,000}, which ^{in other words} is 6 and a half per cent of the estimated cost, but the vessel would cost the Government \$30,000 less than the contract price. Now, that is the price-minus contract. It may be as clear as mud, but I have been working with the thing so darned long that it seems clear to me. That is what it is -- if they beat the base they get more for their work, and we get the ship for less.

Question: That's cost-plus ^{in reverse?}

Answer: Yes, that is exactly what it is. There isn't a cost-plus contract, unless the yard goes through bankruptcy and somebody else has to take over. We have had two or three sour notes.

I have tried to clear up the Victory Fleet; that is contracts, and fast and slow ships, and another thing, which is probably not of much interest from a news standpoint -- programs -- lasting and fluctuating. We go to Congress for a program. They make it indefinite because we don't know what the military strategy requires in the way

of numbers of ships. It is just impossible to know. If it is of any interest to you to know, the actual program changes about once a month. Not the major elements, but they may want ten more tankers, ten less Libertys, or they may want a Liberty converted into a tanker, and those things are changed. The way these programs go out of here, sometimes you don't recognize your own child. There is no use trying to give you the details of that because what is correct today is incorrect tomorrow. After all, the War Shipping Administration is subservient to the high military command. It runs on its own keel but conforms to these requirements insofar as humanly possible.

When I tell you there are 20 different programs, it sounds like a terrible mix-up. A slight divergence is required by the strategy of the war, and if I told you exactly what we had today, it wouldn't be true a week from day, or it wouldn't be true after the next Congress, and it might not be true after 24 hours, or it might be true for two months. Let me give you a specific example so you can understand it. They thought the tankers were out of balance. We constructed what we called notional tankers, making Libertys into tankers. Now our own tanker program came along -- standard tankers -- and they felt that the solution would lift the major problem. They decided they would ~~rather~~ rather have Libertys than notional tankers, so we changed that program, and that was rather a major change. The same shipyard instead of building ~~notional~~ notional tankers had to change to Libertys.

Question: There are still going to be some Libertys converted into tankers?

Answer: There are some delivered and in operation right now. The standard tanker has about 15 knots-plus speed. If you are in an emergency you might take a notional tanker, but the emergency has ceased to exist and you don't want them because I don't mind telling you the notional tanker is inefficient. In the first place it is slow and secondly, it only carries 65,000 barrels.

It isn't anything you can get out and put into a press release, it is just something to show you what it is, and it can't be ~~is~~ definite. It may clear your minds a little.

I don't think there is any doubt in your minds that the fluctuations of the war are major, and we can't tell where the next move will be made. Now, right along that line, there is a considerable mix-up on the action taken by the Commission on concrete ships.

"In taking its action, the Commission pointed out that when the original contracts were awarded ~~x~~ during the summer of 1941, the East Coast was faced with a severe oil shortage. Also at that time, it was impossible to divert steel and propulsion equipment for the construction of more than the scheduled number of new tankers without causing serious delay in the rest of the emergency ~~ship~~ ship construction program. The Commission, therefore, reluctantly authorized a concrete barge program as insurance against a shortage of tanker tonnage that would seriously hamper the war effort."

When we cancelled these contracts it was for as many as five different reasons. One of them was design, one of them was finance, one of them was serious delay, one of them was difficulty with the contractors who proved inefficient, and most important was we didn't think we were going to need them, and when you add that up and find out the tremendous increased cost, delay, inefficient management and so on there was nothing else to do, because a Liberty Ship certainly is better ~~x~~ than a concrete barge. There it is, and there were no shenanigans about it. It is something we do in an emergency and slow down when the emergency ceases to exist.

The same thing is true of wooden barges. Anything not delivered before December 31 puts the boys in default. Some of them don't like it, but again in that case we are working for the Office of Defense Transportation, and when they found that they ~~was~~ had solved their problems otherwise, they came to us and asked if

we could cancel out some of these things without doing too much damage to individuals. We saw our way out and therefore we cancelled them. Many of them were in difficulties and we just put the lid on after December 31. Whenever they are ~~xxx~~ at fault they have to take part of the blame.

And I will say off the record, there's going to be a lot more of that before 1945 gets through, because sometime or other there is going to be shortening down and sale. We have gone through this in a preliminary way for the reasons stated. If we had it to do over again we'd probably start the same program. In 1942 the sinkings were greater than the building. Whenever you are losing more than you are building, you have got to take some emergency steps .

Question: Is the concrete barge program complete?

Answer: There are 32 cancelled, 16 in one yard and 16 in another. A complete statement was made by our public relations division about it. There never has been any concealment about it. When we started it, with no enthusiasm on my part, we did it because of an insurance against the inevitable. We have never tried to hide anything under a bushel. We have had darned poor luck with some of the program, but you would be surprised to see how many of those concrete barges are in Guadalcanal today and are filling an important part in the program of the Navy. They will all be used. They may be expensive, but I don't know of anything in a war that isn't expensive.

There was a manpower shortage then and a steel shortage, and we took advantage of the available manpower that wasn't mixed up in shipbuilding and available concrete expert builders and went ahead and tried to do a job. It hasn't been highly successful.

The wooden barge program falls in the same category. As far as we are concerned it has always been behind like a cow's tail. There are one or two exceptions that have come through, but the exception proves the rule. That is the history of the

concrete barge program. I had no intention of concealing this behind a bushel. I got thoroughly spanked before the Truman Committee. And I'll take it again on the chin because of the extensive closing out of contractors. Unless he is a crook he has got to make good on what he has promised because it isn't fair to the American citizens or the Government to throw him overboard. Whether we are making a mistake or not I don't know. We just do the best we can with what brains we have here.

Now that, Ladies and Gentlemen, is about what I had to tell you. It is not put out in any press release form; I purposely wanted to talk to you about some of these things and clear the atmosphere. I hope I haven't bored you too much, and if you want to fire questions to me I'll attempt to answer some of them.

Question: Admiral, you talk about our building 50 million tons by the end of '44.

Quite a few ships isn't it? Is that on top of what we have to start with?

~~XXXXXXXX~~

Answer: That is what we are building. We are going to build around 50,000,000 tons. This doesn't count what we are building for the Navy.

Question: Is that 50,000,000 net? How much are we going to have at the end of 1944?

Answer: You'll find that out when you say your prayers, if God will tell you.

Question: You talk about 15 or 20 million tons in the post-war merchant fleet.

Do you have any idea how many sinkings there are since 1941?

~~XXXXXXXX~~ I have an idea there are pretty substantial.

Answer: I have probably a little better idea than you have and they are substantial.

Question: There was one figure which you mentioned of 12,000,000 tons last year.

That wasn't all ours, was it?

Answer: There were 74 million ~~deadweight~~ deadweight tons in the world in 1939 and 57 were dry cargo and 17 were tanker. Now, if you go out and find 74 million tons

of shipping on top of the water today and prove it, I'd like to see it. I will not tell you that there is or isn't. You can find that out for yourself. But there have been a tremendous lot of sinkings. Nobody knows how much the Axis has lost, but I can assure you they have lost a hell of a lot. You and I know something about our sinkings because the Navy has put out figures, but we know very little of the Japanese standing. The Germans started with about 6 million tons, and the Italians 4 million tons. This would make about 17 million tons for the Axis in 1939. How much have they built and how much have they lost? You tell me. I know they have lost a heck of a lot; I don't know what they have built. Nobody knows what the Japanese have done; they have done the best they could. Supposing they lost in proportion to what the United Nations have lost. They have a tremendous tonnage of sinkings. Don't forget that when you talk of 50,000,000 tons, that is a year away.

Question: This 7 and 8 million tons is commercial tonnage?

Answer: Yes, that is all merchant.

Question: Is that in deadweight?

Answer: Yes. You can get all kinds of figures, depending on whether you go down to 1,600 tons or whether you go down to a thousand tons, and you can prove that I'm a liar, and what you prove depends on how low you go on the tonnage figure. Some figures start with 1,800 tons gross, which is about 2,400 deadweight. On most of our figures we begin with 2,000 deadweight, or oceangoing vessels, but sometimes, depending on whether we want to make a point or not we take 1,000. I don't want to deceive you. If you take 1,000 ton vessels, they are not oceangoing ships. It isn't that they can't go, but they usually don't go. There is no attempt at deception. If you take gross and multiply it by one and a half you get a pretty good estimate of what the deadweight is.

Question: In any event, Admiral, you feel fairly confident that there will be at least 15 or 20 million tons for post-war shipping?

Answer: I am not ~~supposed to dictate~~ Moses to dictate what is going to be at the end of the war. I thought somewhere between 15 to 20 million tons a pretty good idea to shoot at.

Question: Any idea of what is going to be done with the Libertys?

Answer: I can give you five answers to that -- you can pay your money and take your choice.

1. You can give them away.

Question: To whom?

Answer: One question at a time, please.

~~QUESTION~~

2. You can charter them -- time or bareboat.
3. You can sell them.
4. You can scrap them.
5. You can put them in reserve.

And all of you that sat around at the peace table will have those five choices.

It is a very serious question of international policy.

Question: Isn't it an ideal type of ship for some of these tramp nations, Norway and some of the other Scandanavian countries?

Answer: I think those who say the Liberty Ship design is new are cockeyed. It is taken right out of certain standard working plans, but the design is a tramp-ship that came out of Britain. It is a good ship for the purpose. It is an emergency ship.

If you ask the Norwegians if the ship is ideally suited for tramp ships you would get a lot of head shaking, but it would be this way and not this way. But that

doesn't prove that they disapprove of them. They don't use turbine ships.

Question: But will ~~that~~ that open up a market to replace tonnage loss during the war?

Answer: I wouldn't worry a bit about the number of ships if the war ended at the end of this year. I think the sinkings have been so much greater than a lot of people know. But you go on another year and get up to 50 million tons, then you have got a tremendous surplus ~~ka~~ which some international shipping committee or some international body has got to determine the best disposition of. And I have given you the five possibilities. There may be others, but I don't know of ~~any~~ any other.

Question: Is this Victory Ship enough heavier than the Liberty that they are going to be able to keep up to that tonnage goal for '44, or should I assume that it is going to slow up production.

Answer: We are not very smart over here, but we think we are bright enough to have made this transfer by easy steps so that the production will not be lost.

Question: It is not going to bog down?

Answer: There is one yard that has already converted from Libertys to C-ships. By breaking joints throughout the United States during this progress I have high hopes, that with steel and manpower, we can produce 20 million tons of ships in 1944, of which, in round numbers, 50 per cent will be fast ships. Just how many of those other 50 per cent will be Libertys -- my guess is ~~xxxxxxxxxxxx~~ that it will be less than that. When I say fast ships, I mean big ships. We have got a longrange program of small ships, coastal cargo and cargoes. We are building quite a large number of special types of cargo ships for the Navy and the Army, that are out of the so-called Merchant Marine program, but it is safe to consider that we are building 20 million tons in 1944 -- with the steel and manpower -- 50 per cent of which will be the fast ship type and the other 50 per cent, I don't know. There

will be smaller types for the Army and Navy and Libertys - quantities indefinite.

You may think it sounded sort of ~~exxy~~ crazy when you realize that we can build a Liberty Ship in 45 days, the change in program is not such a serious thing so long as you don't need to get into drafting room changes.

The shipyards are really doing a swell job, but if you give them a new job it means serious trouble for some of them. Most of the new yards are built by construction people. Walsh-Kaiser yard in Providence, and J. A. Jones Construction Co., those fellows are not shipbuilders. They came out of cantonments and all sorts of emergency Army construction. But we realized they had some brains -- they know how to dig holes in the ground -- and we thought they could piece ships together and they are doing it. Naturally, they are not doing it as efficiently as it might be done, and it is a little more expensive in the beginning. Of course, Kaiser originally dug holes in the ground and did a swell job, and his kids, as they are called here, are going to town like nobody's business.

A very vital part of morale is competition. Of course I think competition is the surest way of getting anything out of anybody, and when it dies I hope I die a little ahead.

~~REVISION~~ Correction in press release: \$1.20 is the basic rate per hour for a mechanic, but the figure runs to \$1.25 an hour covering everybody from mechanics all the way up, and that is an average and not a top wage, and it makes the disproportion between the World War and the present time a great deal more important. As the present release reads, it looks as if \$1.20 is the top. Actually \$1.25 is the average.

Question: For all shipyard workers?

Answer: Yes, from common labor to mechanics.

Question: Admiral, you talk a lot about our submarine sinkings. Can you say

anything about it as of today?

Answer: I'm a little like a fish. If you keep your mouth shut you don't get a hook in it. You know as much about that as I do. It has all been announced by Churchill and the President, and repeated announcements have been made by the Secretary of the Navy. I can say that we are more than holding our own. There has been a very steady fall out in some of these sinkings and there has been a very marvelous increase in submarine losses by the Axis. I don't know any details myself, and you know darn well I wouldn't tell you if I did.

Question: I suspected that.

Answer: All I know is what has been given out. You know that August was a prize month, and you know that June was also pretty good on our side. You also know that there are a lot of live submarines over there. We don't have to count the Italian submarines anymore; I don't think we need to worry much about them anymore, I hope not at least, but there are still plenty of German submarines alive. They are going in for repair and rearmament periods now with some idea of maybe fighting it out on the surface. God bless them; let them go to it. With the escort and air power here I'll vote on the Navy against the submarine. They have got orders to fire at blank or fire at will. And I think they'll be kissed good-bye. But I hope they try it that way; that would be swell. But I'm talking -- after saying that I won't talk I am talking. I know that one definition of an American is one who talks the most about that which he knows the least.

You know I spent 6 years in these lousy little boats, off and on, and I know something about their habits. But generally speaking, the picture is favorable. We are all wondering what is the next move, and your guess is just as good as mine. But there are in the neighborhood of 300~~(?)~~ submarines which are still alive and are owned by the Axis powers. What they are going to do with them I don't know,

but they are going to do something. I think we have got to watch our step most carefully, and I think we are, but in the meantime every day that passes without any serious sinkings is a day that is good for us because our ships are coming in rapidly, and I am talking of every type of ship from the submarine-chaser up to the destroyer.

I don't want to take up any more of your time here. I am not very strong on press conferences. I have tried to give you, aside from this release, some general pictures here. The point is that I look upon you people as the educators. I think some of you can help us by promoting the maintenance of a permanent Merchant Marine after the war. But don't forget what I told you about the ~~GERMANS~~ Germans and the Japs' and the Italian Merchant fleets. I want to know how much you are going to let those birds operate after the war. If you leave it to me, very little.

Question: Would you be in favor of putting them on a limited tonnage?

Answer: I just said, they wouldn't operate much.

A MESSAGE FROM ADMIRAL EMORY S. LAND
TO ALL EMPLOYEES OF MARITIME COMMISSION
AND WAR SHIPPING ADMINISTRATION

I'm not going to keep you people sitting down here while I make a long speech. Anybody who's lived in Washington any length of time has consumed his fair quota of speeches anyway. Besides, you and I have a job of work to do upstairs. We have jobs aimed at winning a war----jobs aimed at getting our brothers and husbands and sons and fathers back home----soon and safe!

All of us realize that unless we do our assigned tasks in this war--- unless we do them completely and well---our loved ones, our friends and our neighbors are not going to have the chances they should have of coming back from the land and sea battles of the world.

What are our assigned jobs?

We're supposed to plan and supervise the building of the merchant ships needed for victory; we're supposed to organize and manage the operation of those ships while they're delivering the men and the materials to win the war; we are supposed to recruit and train men to man those ships.

Those are big jobs. They're important. Without them there's no doubt but that we'd lose the war.

But I've yet to hear of a single man or woman who worked at a desk in the War Shipping Administration or the Maritime Commission in Washington getting a leg blown off by schrapnel. No---nor starving to death---or having a roof smashed down upon them by an enemy aerial bomb. I haven't heard of one with the emaciated look of a war prisoner who has rotted away in a Jap or a Nazi prison. Nor are there those present here who have that look of stark terror in their eyes which mirrors the picture of seeing storm troopers tear their loved ones away to lead them to a firing squad.

How many of you sitting out there now have had a ship blown out from under you? How many of you have drifted for days in a lifeboat in water so cold that you couldn't survive in it more than a few hours?

Think of those things. Then think of what you personally are doing. Sure---we're all working hard and many are working overtime every week. Sure---the cost of living has gone up and we're paying more taxes than ever before. Sure---we're investing our money in war bonds. And you did a marvelous job in buying bonds!

But when you get down to brass tacks, we're riding along comparatively in comfort. We're crowding our way into buses and street cars while our fighting men----yes and our Allies----are crowding into bomb shelters and fox holes. They are---when they're lucky enough to have them at all.

So again----what are our assigned jobs?

Our assigned jobs in this war are to do all in our power---with our mind---with our time---with our money---to win the war just as quickly and just as cheaply for our fighting men and our Allies as we can. It's our job to take as much of the burden from our fighting men and our civilian Allies as we can while remaining here at home in safe America.

You know, most of us Washingtonians are not really Washingtonians at all. We're a collection of Americans from the small towns and cities and farms all over the nation. However this drive is not a local drive; it is a national drive.

In peacetime back home where we came from, we knew everybody's business. Yes---and we shared everybody's joys and sorrows. All of us can remember the time when a neighbor had sickness in the family and Mother baked an extra loaf of bread or a larger piece of roast to share with those who were in need. We can all remember getting up a bundle of clothes or some extra money for a neighboring family that was having tough sledding. And when you think back, you'll recall the look of gratitude you saw when your help was given. And you'll recall much easier the feeling of joy you had at being able to lend a helping hand.

This war has changed many things. It's no longer possible for us to observe those who need our help. We can no longer see for ourselves who is suffering and who's reaching out to us for a helping hand. But they're there just as they were back in the old home town.

This war has drawn all civilized peace-loving nations close together so that we're all one big world community now. They're all the American fighting men who're living in the muddy fox holes of a halfhundred horrible battle fronts. They're all the merchant seamen who risk their lives winning the Battles of the Atlantic and Pacific---who have to fight their way through the flames of a burning tanker and live or die in a hungry merciless sea.

And they're all those people right here in America who---because their men have gone to war---need our help to get their daily bread and some clothes for their backs.

No---we can't see all those people. Nor can we give them our help personally. But we do have agents to administer our relief for us. We can still be good neighbors through them. And we can still have that same feeling of personal satisfaction in giving.

You all know that this year the Community War Fund is the only agency that's going to ask you for help in helping all those neighbors I've just mentioned. You've already had an opportunity to make your personal donations. Many of you already have given.

But here are the facts.

The rightful share of support from the Maritime Commission and the War Shipping Administration this year is forty thousand, four hundred and one dollars. To date, we have given only a little over eighteen thousand dollars. That's only about forty per cent of our load.

What if we pulled a merchant seaman half way out of the water---and then let him fall back to the sharks or climb up as best he could? Or what if we built just half enough ships---and sailed them just half way to the battle-fronts? What if we maintained just half of the United Seamen's Service stations throughout the world? Would we be doing our share? Think about it. Then those who haven't given, give generously. Those who've already given once---increase it a little.

Now nobody's going to ask you to make a big gift out of your next pay check. You can pledge to support your fighting men and your neighbors in need of help---pledge now and spread your gift over a year beginning January first of next year. Did I say GIFT? I'm sorry. It's not a gift at all. It's a small payment on an insurance policy that is protecting us all.

Let's go!

TRANSCRIPT OF PRESS CONFERENCE
HELD BY ADMIRAL LAND
January 3, 1944 4:00 P.M.

Admiral Land: My primary purpose in having you come down at the beginning of the New Year is to try to impress on you, as far as I can, on behalf of the Maritime Commission and War Shipping Administration, that 1944 is going to be the toughest and the hardest and the best year of the war. There will be no let-up throughout the whole year, no matter what anybody may say. There are three statements, one of which you have or may have seen, on this very vital subject: first, that you just can't rest on your oars; second, to lend a hand to take care of the Treasury's War Bond Drive; and the third covers a very brief review of the Maritime Commission and War Shipping Administration, with particular reference to new construction, which I'll ask Admiral Vickery to fill in for you. And I'll get Captain Macauley to say a word about training and recruiting and manning, and Commissioner Woodward on renegotiations. And Mr. Carmody and myself will answer any questions that nobody else can answer.

This is preliminary. The shipbuilding program for 1944 is:

- (a) Quality, not quantity.
- (b) Fast ships, not slow ships.
- (c) Ship efficiency, not number of ships.
- (d) Special types for naval and military service.
- (e) Minimum of Libertys, maximum of Victories.
- (f) From a time-cost-man-hour point of view, one ton of special ship equals three tons of Liberty ship; therefore, tonnage is a secondary consideration in 1944.

Paradoxical as it may seem, it is relatively more difficult to maintain production at peak level than it is to produce either more or less.

(more)

In 1944 all hands should remember:

"It is swell to hire,
But it's hell to fire!"

I'll ask Admiral Vickery to give you the report both for December and for the year.

Admiral Vickery: This is our production sheet that shows how it runs for two years, and Lieutenant Weber has a few copies of it if you're interested in it. It shows production. In 1939, we built 28 ships; in 1940, 53 ships; in 1941, 103 ships; in 1942, 746; and in 1943, 1896. On the next sheet it shows the production by months in both 1942 and 1943, and the last one shows how many ships each yard delivered of the 1896 in the year. We were building one ship a day; in April 1942 we were building ships at the rate of two a day; in May 1942 we went to three ships a day, and in September 1942 we went to four ships a day. In December 1942, five ships a day; in April 1943, six ships a day; and nearly six and a half in December 1943.

The number of ships delivered during December was 208, which in total deliveries is more than all the U. S. merchant shipyards built in all three years put together from 1939 to 1941. And the tonnage delivered during December was at the rate of about 66,000 tons a day, or 46 tons a minute, or three quarters of a ton a second. It would take a half a million jeeps to make a full cargo for the ships built during December.

And the 1896 ships, end to end, would reach from here past Philadelphia. The ships built since Pearl Harbor would reach to New York. Laid in 20-mile intervals, the ships built since Pearl Harbor would girdle the earth around the equator. The

(more)

total 19,238,626 tons is equivalent to the carrying capacity of a string of freight cars from Maine to California. And the 26,000,000 tons built since Pearl Harbor would equal a train from Alaska to the Panama Canal.

Admiral Land: I neglected to say that Mr. Schneider is here in connection with the War Shipping Administration.

Captain Macauley will tell you something about the Recruitment and Manning program.

Captain Macauley: There is nothing particularly new about manning. It might be of interest that approximately 130,000 men are afloat at the present time--that is in U. S. flag vessels, and in Panamanian and Honduran vessels operated by War Shipping Administration. That number will be increased. That ~~probably~~ represents about 175,000 now in the industry -- seagoing men -- with 130,000 actually at sea.

We are furnishing about 5,000 men a month to ships; that is, exclusive of those furnished by the unions and hiring halls. About 85 per cent of the men in the industry -- seagoing men -- are union organized men.

Question: About what percentage?

Captain Macauley: About 85 per cent.

Question: You say we are furnishing 5,000 men a month. Do you mean that Training is furnishing them?

Captain Macauley: Recruitment and Manning and Training. We are furnishing men to the vessels that are not organized, and then we furnish some to the unions if they are short of sufficient men for their requirements.

There is a training program, and there is a recruitment and manning program,

(more)

and some of the men come from the training schools and some are recruited by Recruitment and Manning. There are two separate programs. Recruitment and Manning brings in experienced men from onshore, and Training takes green men. They also have upgrading schools in the training program.

Question: This 85 per cent union -- that includes seamen as well as cargo handlers and stevedores?

Captain Macauley: Not stevedores or longshoremen only -- seagoing men.

Question: You say 130,000 men are afloat and there are 175,000 men in the industry. Are they all seagoing?

Captain Macauley: Yes.

Question: How is that figure compared with normal peacetime?

Captain Macauley: We had about 46,000 when we started out before Pearl Harbor, about 46,000 or 50,000.

Admiral Land: Mr. Woodward, would you like to say something?

Mr. Woodward: Yes, if there is any interest in renegotiations, and I thought perhaps there might be.

The Commission's Price Adjustment Board was organized on June 1, 1942. The staff, at present, totals 51. The key-men have been recruited from private industry and are fully familiar with business, its operations, and its problems. To date, all renegotiation contracts entailing refunds, price reductions, or both, have been voluntary agreements. The Chairman has not been called upon to make a single unilateral determination.

To December 31, 1943, the Board has handled 589 cases. Of these, 142 were found to have realized no excessive profits and 273 were found to be exempt under

(more)

the Renegotiation Act or re-assigned to other Departments. The results of its operations are as follows:

Excessive profits to be covered into the Treasury Department	-	\$85,495,000.00
Price reductions on existing contracts	-	<u>57,322,000.00</u>
Total		\$142,817,000.00

The results of the Board's operations are cumulative in that the above figures entail refunds and price reductions on existing contracts and do not take into account the savings which are being realized on subsequent contracts negotiated at lowered prices. This figure is difficult to estimate but it is at least as much again as the above aggregate amount.

The Renegotiation Statute has provided an effective means of eliminating war profiteering. Contractors have been and are being allowed reasonable profits but unconscionable profits are being eliminated.

Admiral Land: Mr. Schneider, will you say a word on the War Shipping Administration?

Mr. Schneider: About all we have to say is that during the past year we don't believe there has been any essential cargo left on the pier for lack of a ship to lift it. We have brought all essential imports laid down by WFB back. We hope and expect to be able to do it again this year.

Question: Did you say that you don't believe there has been a single ton of cargo left on the pier?

Mr. Schneider: I don't believe there has been a single ton left on the pier for lack of shipping to lift it.

(more)

Admiral Land: I have one important thing, which was contributed by our Director of Labor Relations in shipyards, that I think is of sufficient importance to read to you.

In 1942, we built 8,000,000 tons. The average ~~man-hours~~^{manpower} over the year was 450,000. The peak in December was 581,000. With an average of 675,000 men, we produced 19,000,000 tons plus during 1943. This means that added production amounted to 140 per cent, which was achieved by adding a bit more than 52 per cent of the number of workers. That is our contribution to the solution of the manpower problem-- more production per man, per day, per week, per year. The boys have given as the reason for further speed, standardized types of vessels, training programs, and greater familiarity for production in 1943 than in 1942, due to greater experience in building. Those three points are the reasons for the increased production. Credit goes to the shipyard workmen, and that goes not only to the yards at the site, but all the way behind the site.

John, did you want to say anything?

Mr. Carmody: No.

Question: I would like to ask a question about those 2,651 ships delivered since Pearl Harbor. Can you tell how many are still afloat?

Admiral Land: I can but I am not permitted to. I will tell you this. In December 1943, the United Nations building just equaled the sinkings of the world from the beginning of the war until December. In other words, we were right back where we started from. On the first of December 1943, there was a surplus of building over sinkings between last December and the present date, and there was a surplus of tonnage over September 1939, but you can see how long it took us to get on an ~~aquak~~ even keel.

(more)

Question: Did you say the sinkings and building equaled each other on December 1?

Admiral Vickery: What you meant to say was that the increased building has caught up with the sinkings.

Admiral Land: What I intended to say was that the building from the beginning of the war to December 1943 and the sinkings neutralized each other.

Question: So we are just now back to scratch?

Admiral Land: We are a little ahead of scratch, but we are just now for the first time ahead of the game on world tonnage. You gentlemen understand that isn't a hundred per cent accurate. Nobody outside of Heaven knows just how much the Axis has built or how much it has lost, but we have some idea.

Question: This includes Axis figures too?

Admiral Land: No.

Question: How would our figures stand -- the United States or the United States and England?

Admiral Land: I'm giving you the over-all figures that we know about, as it was in September 1939, and as it was on the first of December 1943. Since that time, in other words a month, the building has been greater than the sinkings.

Question: You are speaking only of the United Nations?

Admiral Land: I'm speaking of the world. We have some idea of what we have done to the other fellow. We have some idea of what he has built.

Question: Admiral, is our shipping adequate to meet all our strategic requirements?

(more)

Admiral Land: Just about. There is no surplusage, and it is always just touch and go as to whether we meet it from day to day, from week to week, and from month to month. We can't prognosticate the future, to say we will meet them. That is dependent on high military strategy. We are supplying the needs -- we are lifting the requirements of the military, and we are supporting the requirements of FEA. (Is that correct? I'm not sure, but it was BEW, you know what I mean.)

Question: Will you tell us something about your tanker program?

Admiral Land: It is in the long sheet that you have. The tanker cut-down will be later than the cargo program because in the beginning of this war the Axis powers made a special point of nailing tankers if they had any choice. And for a long while we were away behind on tankers, but we are caught up to that now. As is indicated, the numbers of tankers by years and what we expect to deliver in 1944 are all in that sheet. That includes the concrete barges for oil and various other smaller tankers, as well as some converted Liberty Ships, which are called notional tankers, of which some 61 are now being built.

Admiral Vickery: There is more tanker tonnage afloat today than there was in 1939, and there is more carrying capacity than that because the tankers that have been built are faster.

The total amount of the merchant fleet that has been created is equal to half of the investment of the entire railroads of this country. In other words, we have created a transportation system that is equal to half of that which it took, whatever the number of years is, to create. And at the end of 1944 it will be three-fourths of the investment of the railroads.

Question: What are we going to do with our tankers after the war?

(more)

Admiral Land: We will have plenty of use for them.

Question: Is it safe to deduct from what you said before that no second front in Europe would have to wait on shipping?

Admiral Land: There's a big element involved in that and that is time. It is a problem but I think it is capable of being licked. When I answer yes or no that leaves out a very vital thing and that is time. But you can't tell what the timing will be, and I can't tell you. I think there are enough brains and sagacity in our own military people that they aren't going to tackle the job until they are ready to do it.

The No. 1 problem today is the landing craft program. We will be there with our goods when the landing craft get there with their goods.

Question: Have any of these ships been transferred to the United Nations?

Admiral Land: Yes. We made a complete report to the Congress on that. On all of the ships that have been transferred we retain the title. It is merely an allocation in which the title remains in the United States.

Question: Do you have any idea how much tonnage?

Admiral Land: Yes, but that is confidential and for reasons of security I can't give you the tonnage. I don't remember it anyhow.

Question: Is that true of the ships transferred to England?

Admiral Land: It is true of all large new ships that are allocated, transferred, or what have you, to foreign flags of the United Nations. Title remains in the United States. As a matter of fact, a great many of those ships that go under these United Nations flags are chartered back to us and operated by Mr. Douglas and Mr. Schneider of WSA.

Question: Did you include those in that half of the valuation of the railroads figure you gave? The title is still ours -- we hold it?

(more)

Admiral Land: Yes, that is included.

Admiral Vickery: It is a relatively small percentage.

Admiral Land: Yes, it is not a very big item in dollars and cents, as compared with the ten or twelve billion dollar program. And that is not a very large percentage of twelve or eighteen billions, and I think the railroads are capitalized at about twenty billions, and by the end of the year on the same program we have we should have about three-fourths of their valuation.

Question: Have you had enough time to see how the six-day week is working out?

Admiral Land: We have. We had all the time necessary to convince us even before we started it that it was satisfactory, and satisfactory not only to the men themselves but to all hands.

Question: How much production, if any, is actually lost by dropping the extra day?

Admiral Land: In Admiral Vickery's and my judgment, none.

Question: Admiral, are you going to switch shipyards from Libertys to Victorys?

Admiral Land: They are already switching, unless there are more Libertys that are being worked on -- not only from Libertys to Victorys but from Libertys to C-types in some cases, and the switch has already been made in four or five or six of them and will be made in one more.

Admiral Vickery: The first Victory will be launched on January 12 in one yard -- Portland, Oreg.

Take Wilmington, N. C., which switched last year to C-2's, they were already delivering C-2's in December. They were entirely in Libertys and shifted over and are now on a C-2 schedule.

(more)

Question: Admiral, will you give us a brief digest of the difference between the Liberty and the Victory?

Admiral Land: Admiral Vickery can do that better than I can.

Admiral Vickery: The Liberty is 441 feet long, has 468,000 cubic feet capacity, is 10,800 deadweight tons and between $10\frac{1}{2}$ and 11 knots on the average. The Victory Ship has 500,000 cubic feet capacity, the same deadweight tonnage -- 10,800 -- and she's 457 feet long. If she has the C-3 turbine she can do 17 to $17\frac{1}{2}$ knots, and with the Victory turbine she'll do 16 knots. It is principally a difference in speed, and certain things that we didn't put in the emergency ships that are in the Victories. The Victory is a complete modern up-to-date ship as compared with the other design.

Admiral Land: Mr. Carmody wouldn't say anything for himself, but he has been charged with the naming of these ships, and we were very happy to honor some of your representatives who lost their lives in action, as well as a great many requests that have come from you indirectly, so that the names represent a fine cross-section. Some of them were famous Americans, some not so famous, who have done something for their country, even to the extent of laying down their lives. There are also some of our men. It is quite a job, if anyone doesn't know it, to try to please everyone.

Question: On the subject of ships, Senator Wallgren made a statement on the West Coast about the fact that Liberty Ship conversions ought to be suspended, didn't he?

Admiral Land: Yes. He also had something to say on the subject when we had difficulty with locked-up stresses and welding. There is a committee of Congress that has been sitting for six or eight or ten months on this question of defects in Liberty Ships, or any other ships in which there's difficulty with welding -- they

have locked-up stresses -- in which it is possible to effect a hundred per cent cure. We think we have done 75 or 80 or 93 per cent cure. That committee has held hearings, and we have reported to it. There is a continuous record kept by us, and it is furnished them when they want to have it. They will probably take it up in this next session, when they come back from their holidays.

So far as the Senator's comments about utilizing Liberty Ships for transport ships is concerned, that is a question that I don't care to comment upon except for this one statement that the Liberty Ship was never designed as a transport. It can carry men. It can carry anything if you can get it into the ship. The ship is not ideal for a transport, but when you are in a war you accept what is available. The matter of whether it shall be used as a transport is something for determination by the Joint Chiefs of Staff, and, of course, in this case primarily by the Army.

I thoroughly appreciate that to a large number of men an ordinary garden variety of tramp ship, and the Liberty is a tramp ship type, is not going to have all of the luxuries of a liner. You probably have heard the stories about the crews being well-fed, and about the steaks for which they pay \$5.00 for a bite. Actually, they have to live on canned willie. But they only have to live there for a few days at the most. It is just a condition of the war that a man has to suffer for a given length of time.

The decision as to the ships is made by the Joint Chiefs of Staff -- that is what should go on them. We are the servants of the military by Executive Order, which definitely states that for high military strategy we are subservient to the Secretary of War and the Secretary of the Navy.

(more)

Question: Are many of the smaller carriers converted Libertys?

Admiral Land: No Libertys have been converted to carriers. The first design converted to carriers was the C-3, which is done as an escort carrier. Those conversions started two years ago. Some of them were started by us and turned over to the Navy. We have turned over a complete yard to them.

The next type of carrier is a tanker, which has been successfully converted. Some carriers are built as carriers from the ground up, but they are not battleships or ordinary Navy combat vessels because they can't carry all the armor and protection; however, they were never designed for anything but carriers. The President called them the two-purpose ships. They are to transport airplanes when they have nothing else to do on the one hand, and they are escort carriers on the other.

Question: Can they be used for anything after the war?

Admiral Land: You mean commercially?

Question: Yes.

Admiral Land: It is possible, but it would be highly expensive because they are built from the ground up and have accommodations only for the officers and crew. The hull is there, but I should say it would not be economical to attempt to convert that. The possibility exists.

Question: Who is building the repair ships, the Navy?

Admiral Land: They have done some. The C-types have been converted to everything in the calendar. I don't mean landing craft or anything of that kind. But you have airplane tenders, submarine tenders, machine shop types, store ships. I don't know of any actual seagoing type that hasn't had some of the C-types used for conversion ships.

(more)

Question: Can you tell me which yard has not been converted to Victories?

Admiral Land: The yard over here at Baltimore will be the last one to go from Libertys to Victories.

Question: The first Victory launching will be at Calship?

Admiral Vickery: The first Victory launching will be at Portland, Oreg., on January 12.

If you want the figures in that table on the first page, they are:

118 Liberty Ships, 6 C-1's, 10 C-2's, 4 C-3's, 2 C-4's, 22 of our T-2 tankers, 13 of the Libertys converted into tankers, 2 coastal tankers, one concrete coastal ship, self-propelled, four concrete oil barges, 15 frigates, five auxiliary aircraft carriers, one P-2, five seagoing tugs, with a total of 208 ships, or a total of 2,044,239 deadweight tons. The total of vessels for the year is 1,896 with a deadweight tonnage of 19,238,626.

Question: What was that last total, please?

Admiral Vickery: 19,238,626. We have enough capacity to build 25,000,000 tons a year, and all we have to do is keep up the December rate to do that. If anybody could find the material for it, the rate is there, so you could build 25,000,000 tons a year by just continuing the rate that we were getting in December, if there was a need for that much.

Question: Admiral, I don't understand why it is easier to make more or less than it is to stay at the same level.

Admiral Land: Did you ever try it? It is always a darn sight easier to slip back, or easier to go forward if you have the incentive. It is just a psychological thing. That is my opinion. I'd a lot rather try to drive them on than just to keep on that monotonous level. Water likes to run up or down. You can realize in your own mind what I mean.

(more)

I have only one other comment to make here. It is going to be a tough year. You can take this any way you like. It's swell to hire and hell to fire, and whenever the curtailment comes we are going to be high-pressured. But we are subject to three organizations and we are carrying out the building of the types of ships they want.

Question: Just one more question. Do you have a tonnage goal for 1944?

Admiral Land: We have a program that is before Congress which will be published as soon as the independent offices bill report is made. But it changes every month. The program we are working on right now is No. 25. But the total is somewhere around 20,000,000 tons plus, as we prepared it for a report to Congress. The program is entirely flexible and purposely made so as far as we are concerned.

There is one other point here. We today sent a letter to Senator Byrd, Chairman of the Joint Committee on Reduction Nonessential Federal Expenditures, with regard to our appropriations and authorizations. I am not going to tell you what we put in the letter. Whatever we are required to spend by the over-all program, we will, and whatever we are not, we won't. Our expenses will have to be what we are given. The contract authorization is nothing but a Government promise to make good a bill. You don't appropriate money when you give contract authorizations, but it is a promissory note backed by the Treasury. We will only do what is necessary and what is required of us, in so far as what little brains we have will let us.

In closing, let me give you my slogan: Let's win the war in '44. And I say win not end.

Mr. Carmody: You opened this question of the naming of ships. We have for the Victory Ships a new category with the name "Victory" attached. The first ship

will be "United Victory" and there will be a group of ships that will be named after the members of the United Nations, such as "China Victory," "Poland Victory," etc. We haven't the order yet -- we haven't worked it out -- and I'm not sure that it will be logical, but all the United Nations will be recognized in that fashion, "USSR Victory," etc. That will take care of the ships for the first two or three months and then another similar category with the name Victory will be used.

- - - 0 - - -

Plan

1944 SHIPBUILDING PROGRAM

- (a) Quality, not quantity.
- (b) Fast ships, not slow ships.
- (c) Ship efficiency, not numbers of ships.
- (d) Special types for naval and military service.
- (e) Minimum of Libertys, maximum of Victorys.
- (f) From a time-cost-man-hour point of view, one ton of special ship equals three tons of Liberty ship; therefore, tonnage is a secondary consideration in 1944.

Paradoxical as it may seem, it is relatively more difficult to maintain production at peak level than it is to produce either more or less.

In 1944 all hands should remember:

"It is swell to hire,
But it's hell to fire!"

I give you my slogan:

"Let's Win the War
In Forty-four!"

(NOTE: I said, "Win the War", not "End the War".)