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TRUMAN COMMITTEE
Senate Office Building
Washington, D.C.

RELEASE IMMEDIATELY

June 15, 1944

Senator Harry S. Truman, Chairman of the Special Senate Committee Investigating the National Defense Program, announced today:

"In its Third Annual Report issued in March, the Truman Committee emphasized the necessity of declaring materials free for the manufacture of civilian articles as soon as it became clear that there was a surplus of such materials over and above the quantity necessary for the production of war materials. The Committee foresaw that there soon would be sufficient supplies of many articles of war, and that it would be necessary to cut-back or cease production in many lines. In November 1943 the Committee had recommended that the Armed Services analyze their needs and give notice of expected termination as far in advance as possible.

"There has been much discussion recently of creating adequate machinery to distribute contracts for whatever war material is still needed among manufacturers whose contracts have been cut back. That work is important but, at best, it is only a stop-gap. Obviously, as the cutbacks begin to involve more and larger contracts, it will become impossible for any agency, however efficient it might be, to parcel out new contracts to the companies affected. If the Government should attempt to provide contracts for those affected, the Government would be assuming a control of civilian business that would be a major step towards regimentation of industry.

"American business is so complicated that I do not believe that there is or can be any substitute for the individual initiative and experience of American manufacturers. They should be told when and to what extent their contracts are expected to be cutback; the materials which are in surplus should be made free and available for any use to which they want to put them except in areas of manpower shortages; and they not only should be allowed but should be encouraged to place orders now for the acquisition of plants, machine tools and dies necessary to resume production of any articles that they can make out of the materials that are free, in any design and quantity that they see fit.

"It is particularly important that progress along these lines be made now because cutbacks and cancellations of major proportions already are contemplated, and it is reasonably certain that the necessity for still others will be ascertained within the near future.

"Mr. Donald Nelson, Chairman of the War Production Board, has assured the Committee that he is prepared to end general restrictions on materials that are in surplus, as recommended by the Committee, and to substitute specific restrictions which will apply only to the materials or semi-finished articles as to which there is still a scarcity. I am convinced that that is the most effective action that can be taken, and that it should be taken right away. The only way to begin any job is to start doing it.

Mr. Nelson will explain his views in further detail at a public hearing in Room 318 in the Senate Office Building at 10:00 o'clock A. M. on Monday, June 19.

For a number of months there has been a surplus of aluminum and magnesium. It has even been necessary to shut down a number of production units. Yet, the general limitation orders have been continued. These, undoubtedly, will be among the first to be eliminated.

"It is now up to the aluminum industry to take the initiative and to show what uses it can make of aluminum and magnesium and, if possible, of the facilities for the production of aluminum and magnesium built by the Government at a cost of more than a billion dollars.

"At the public hearing on Monday the Committee will ask the Aluminum Company of America and the Reynolds Metals Company, the two principal manufacturers of aluminum and principal fabricators and users of magnesium and aluminum products, to inform the Committee as to what they think can be done with respect to those metals.

"I believe that all other manufacturers should be thinking along these lines and making preparations that will enable them to provide employment for their workers when their war contracts are cutback or terminated.

"There are some industrialists who want to control their competitors and who think in terms of industry planning, whereby those who run out of war contracts will be restricted as to what they can make. Such plans are dangerous because of the self interest involved and because no one is intelligent enough to make worthwhile plans for the future of entire industries. The best way is the American way of encouraging individual initiative."