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EXHIBIT TWO.

COST

CONCRETE BARGES vs. LIBERTY SHIPS

The Liberty ship design known as the E. C. 2 S. C. 1. is being built by numerous yards, and the Maritime Commission has submitted figures indicating costs up to October, 1943. These costs reflect the following averages for the respective yards, as follows:

Yard		Average	
Delta S. S. Corp.	Hulls	$2,097,900	E C 2 S C 1
Bethlehem-Fairfield	"	1,800,000	
Ala. Drydock & S.B.	"	1,930,400	
Calif. S. B. Co.	"	2,326,766	
Houston S. B.	"	2,336,600	
South Portland	"	2,366,900	E C 2 S C 1 E C 2 S C 1
N. Car. S. B. Co.	"	1,801,900	
Permanente (Richmond no. 1)	"	2,470,200	
Oregon S. B.	"	1,909,100	
Permanente (Richmond no. 2.)		2,249,400	
		21,180,166	
		2,118,916	
		8,082	

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This results in an over all average of averages, of $2,118,916, and a factor of 5,082 tons was used, representing the net tonnage which is exclusive of fuel stores, etc. and results in a cost per cargo ton of $419.40. If we were to take the best performance, or in other words the N. C. Shipbuilding Corporation, an average cost of $1,601,900 would result in a cost of $317 per cargo ton.

The concrete barges being built by MacEvoy show a gross tonnage of 4500 tons. This has been taken as the effective tonnage inasmuch as no fuel stores are carried, although in the instance of Liberty ships, the figure of net tonnage was used. In order to compute an estimated completion cost, the status of completion of the various barges is set forth on the following tabulation as of December 31, and the expenditures incurred in obtaining that completion are also set forth, and a computation was made, resulting in a figure of $14,042.30, and $15,453.80, for each 1% of progress. This would indicate a project would cost $1,404,230, and $1,545,380 for a completed barge. Dividing this by a factor of 4500 tons results in a cost per ton of $312.05, and $343.40 which should be compared with the cost per ton of liberty ships, and full consideration should be given to the cost of motive power installed in Liberty ships, which is a material saving in the case of concrete barges. At $1,100,000 per towboat, the cost of motive power per barge ton would be $122.22.

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[redacted]

Status 12/31	Expenditures 12/31
65.4 %	
61.9	
60.0	
90	
40	
318.1	$4,456,605.40 = $14,048.90 per each 1% = $1,404,890 for average 100% ÷ 4500 T = $312.20 per T.
38.3	
18.1	
11.1	
5.7	
5.5	
3.2	
2.5	
1.2	
1.1	
.9	
.8	
.8	
.8	
.7	
.6	
.5	
.4	
.4	
92.5	$1,676,478.70 = $18,453.80 per each 1% = $1,845,380 for average 100% ÷ 4500 T. = $410.40 per T.

The above computations are accurate only if [redacted] has honestly and correctly determined the percentage of completion he has achieved and then only if his estimates of future costs are accurate.