

and required more than 100,000 man-hours. In another large industry elimination of a single form will save 400,000 man-hours annually and also 100,000 man-hours for the Government.

Senator Vandenberg told the committee about a Chicago businessman who employs some 2,000 men. Excluding tax and social-security reports, it cost this firm \$55,000 in 9 months to answer Government questionnaires.

A large drug manufacturer testified that some Office of Price Administration reports are impossible to fill out, both from the standpoint of time involved and ability to understand what is wanted. For example, it would take months to determine how to proceed with Report 1-1071 PL of 5 ROBV-COS-WP, entitled "Report on New Proprietary or Cosmetic Product." This one dealt with new products. Later it was revised to include any alteration in the size, style, and shape of the container or formula of any existing product. Mostly at the request of the War Production Board, hundreds of these changes have occurred in products marketed before March 1942. Bottles are now used to replace cartons; corks, to replace caps; glassine paper and label varnish have been eliminated. Now the company is asked by Office of Price Administration to go back to March and fill out forms for every change made in 450 products and about 1,200 sizes. This involves 600 to 800 changes requiring 600 to 800 reports. This would require months because it takes a competent man from 1 to 2 days to make a report. All this is supposed to be for price approval by the Office of Price Administration, although the law has already fixed these prices as of March.

The same manufacturer testified that his company has recently completed work on a product designed to reduce the mortality rate of 16 children a day who die of whooping cough. The Office of Price Administration was requested to act promptly on the price rate for this formula so that the company could market the product and save human lives. Weeks passed. Telephone calls brought no action. After 6 weeks a price was received from the Office of Price Administration. This procedure would be necessary for each of the 600 items.

The manufacturer presented to us another report, OPA Form Q-51, Budget Bureau No. 08-ST029-42. Completed, it would be 4 feet wide and 20 feet long. The company was unable to discover the purpose of the report, which was supposed to be completed in 4 days. The first page asked for the following: Name of product, unit ingredient cost, unit fabricating cost, unit factory overhead, unit administrative expense, unit sales, and advertising expense, etc.

To make matters worse, the Office of Price Administration asked for a type of cost break-down different from that of the Treasury Department and different also from that of previous Office of Price Administration questionnaires. The manufacturer said that assignment of unit cost to a vitamin product would involve administrative expense and research which could not be estimated. He said the probable cost of filling out all Federal questionnaires would be over \$100,000 annually in a firm of 3,800 employees. Office of Price Administration, War Production Board, the Treasury Department, and the Department of Commerce all require separate reports.

Another manufacturer testified the latest Office of Price Administration report was the straw that breaks the camel's back. Declaring there had been a 90 percent turn-over of personnel in his accounting

department since January this witness could not determine when the report might be completed, although it was due November 7. It would require, he estimated, 300 to 350 additional hours of work by a highly experienced employee. In July, two men from the Office of Price Administration visited this manufacturer and asked for detailed information covering 31 sheets. They wanted the material in 2 days and a large number of people were taken from their work to prepare it. In November the same Office of Price Administration man asked for much the same information on another vitamin questionnaire. The manufacturer told our committee that civilian needs and greatly increased war needs, plus a labor shortage, made the compiling of all this information virtually impossible.

A witness from a large industrial laboratory told us of duplication in questionnaires on vitamins issued by the Office of Price Administration, the Fish and Wild Life Service, the Bureau of the Census, and the Army-Navy Munitions Board. Two of these questionnaires have been changed from a quarterly to a monthly basis.

A representative of a large contractors' association said his office has sent out 178 bulletins explaining governmental regulations. These concerns must file 47 to 52 reports for the Treasury Department, the Office of Defense Transportation, the Office of Price Administration, and the War Production Board. Form No. 21 of the Office of Defense Transportation requires 6 or 7 reports, some recorded daily, some monthly. Involved questions are asked, such as tire mileage for each tire, mileage for each vehicle per year and an estimate for the next half year, number of trips, average load per trip, gallons of gasoline used, and so forth.

Senator Vandenberg presented a letter to the committee from a Kansas farmer who had filled out a two-page report in order to get a pair of rubber boots. If he lost the boots he was subject to a \$10,000 fine or 10 years' imprisonment.

Eastman Kodak employs 84 persons 3,224 hours a week, enough to build 3 flying fortresses, to complete 409 reports for each quarter.

Constructive criticism includes:

1. Clarify subject matter.
2. Allow sufficient space for reply.
3. Eliminate superfluous requests for information.
4. Avoid "peaking" the reports required.
5. End duplication.
6. Don't penalize a company on priority by failing to win the "paper race."
7. Change method by which companies must wait until all similar companies have filed returns for priorities.

Mr. Fred A. Baughan, of the Retail Food Dealers Association of California, was the next witness. Mr. Baughan testified as to the complexity of regulations issued by the Office of Price Administration, pointing out that calculations must be made on 1,800 to 3,600 items by the neighborhood grocer. He also expressed the belief that Office of Price Administration regulations, red tape, and price ceilings will eventually force all small-size grocery stores out of business. According to Mr. Baughan, the lists which the retailers have compiled—tons and tons of them—remain piled up in the garages of California, unexamined by anyone, unclassified by anyone.