

Small to Direct Replacement Unit For Civilian Goods

By Christine Sadler
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President Truman yesterday ordered the War Production Board abolished on November 3 and its remaining duties transferred to a new agency called the Civilian Production Administration.

WPB Chairman J. A. Krug will step out of Government service on the liquidation date and CPA will be headed by John D. Small, former businessman and captain in the Navy, who is now WPB's chief of staff.

To Further Orderly Transition

The President said CPA will use its powers to further a swift and orderly transition to the peacetime era in which industry will be free of Government controls.

He put the new agency under the policy direction of the Office of War Mobilization and Reconversion and said it would administer about 40 remaining industrial controls.

These controls are designed to increase the output of still-scarce materials, limit the manufacture of products requiring them, control inventories to prevent hoarding, grant priority assistance to break bottlenecks, help fill foreign commitments, and stimulate production of low-priced goods.

To Retain Five Bureaus

Small later outlined the organization of the new office and said it would be much smaller and more compact than the giant WPB structure required during the war years. Five main bureaus will remain, he said, to handle industrial operations, priorities, field operations, international supply, and demobilization or transfer of former WPB functions.

The WPB staff, which at one time numbered about 23,000 employes, will have been reduced to around 3000 when CPA takes over.

The President set no termination date for CPA, but informal estimates by WPB officials were that it would be needed for probably three months of next year.

Krug, at one time power manager of the Tennessee Valley Authority, has not disclosed details of his plans to enter private business. He has been WPB chairman for the past year, succeeding Donald M. Nelson.

Small, who will be 52 this month, will draw a salary of \$12,000. He is a graduate of the United States Naval Academy and before joining WPB served as Navy materials control officer and landing-craft coordinator. Prior to that he was deputy director of the Army-Navy Munitions Board.