

quota or ration of some commodity under strict distribution control (e.g., sugar) or where production of the article to be manufactured is prohibited under the wartime regulations. Since goods which are in short supply continue to be distributed in accordance with the pattern of distribution in 1941, new enterprises (e.g., retail stores) are not entitled to a share of scarce items. New entrants into business are advised of this consideration, and of their obligations with respect to the price ceiling, when the permit is issued.

### Rationing

Rationing has been introduced for commodities in short supply which are essential to all or certain definable groups of consumers and when a ration system is necessary to ensure fair distribution. Two types of ration schemes have been used—coupon and permit. Coupon rationing is used for articles in general use which may be purchased regularly in approximately equal quantities by all users. Other articles, particularly durable goods, which are essential only to certain groups in the community and are purchased infrequently, have been rationed by permit.

Rationing of automobiles, trucks, gasoline and tires, and permit distribution of steel, non-ferrous metals, rubber, chemicals, oil, coal, wood fuel, and other raw, semi-processed and processed materials, are under the jurisdiction of the Department of Munitions and Supply. All other consumer rationing is administered by the Ration Administration of the Wartime Prices and Trade Board through its central, regional and local offices. Local ration boards, numbering about 600 in all and consisting largely of voluntary personnel, assist the Administration by dealing with consumer problems requiring knowledge of local conditions.

Under rationing it is necessary to control supplies through the various stages of distribution as well as sales to consumers. Retailers and wholesalers, therefore, may obtain supplies of rationed goods only by handing back coupons, permits, or equivalent ration documents to their suppliers. The actual handling of coupons has been very much reduced by the use of bank accounts for ration coupons, introduced in March, 1943. Ration banking applied only to foods until April, 1944, when it was extended to include gasoline coupons. When primary producers sell direct to consumers they are required to collect coupons.

The general policy has been to introduce rationing only when it is the one and appropriate solution, because of the additional use of manpower that is required, and because of the administrative burden on the Board's limited staff, on the banks handling the coupon banking plan, and particularly on manufacturers, wholesalers and retailers. The limited and relatively simple range of rationing now in effect involves the services of about 680 full-time employees in the Ration Administration of the Prices Board and a staff of about 6,000 in the local ration boards (mostly part-time voluntary workers), as well as a large volume of time-consuming work on the part of the distributive trades.

**Coupon Rationing.**—*Gasoline.*—A coupon rationing plan for gasoline was introduced, effective Apr. 1, 1942, and regional oil control offices were established to administer it. Each vehicle owner was required to register the vehicle with the Oil Controller and to obtain a gasoline allowance and ration book.

A new plan went into effect on Apr. 1, 1943, and with only minor changes this same system remained in effect during the rationing year 1944-45. This plan provided a basic allowance for every passenger car, plus an extra allowance tailored to meet the proved individual needs of car owners eligible for a special category.