

## Hollywood Holocaust

By Kyle Crichton

PHOTOGRAPHED FOR COLLIER'S  
BY GEORGE DE ZAYAS

Hollywood has the following: (a) No gas, (b) no hired help, (c) no money, (d) an awful ache in the head. The \$25,000 ceiling depresses them; the gas rationing murders them; they sell their homes; they cook their own meals. The amusement center of the world is definitely not amused

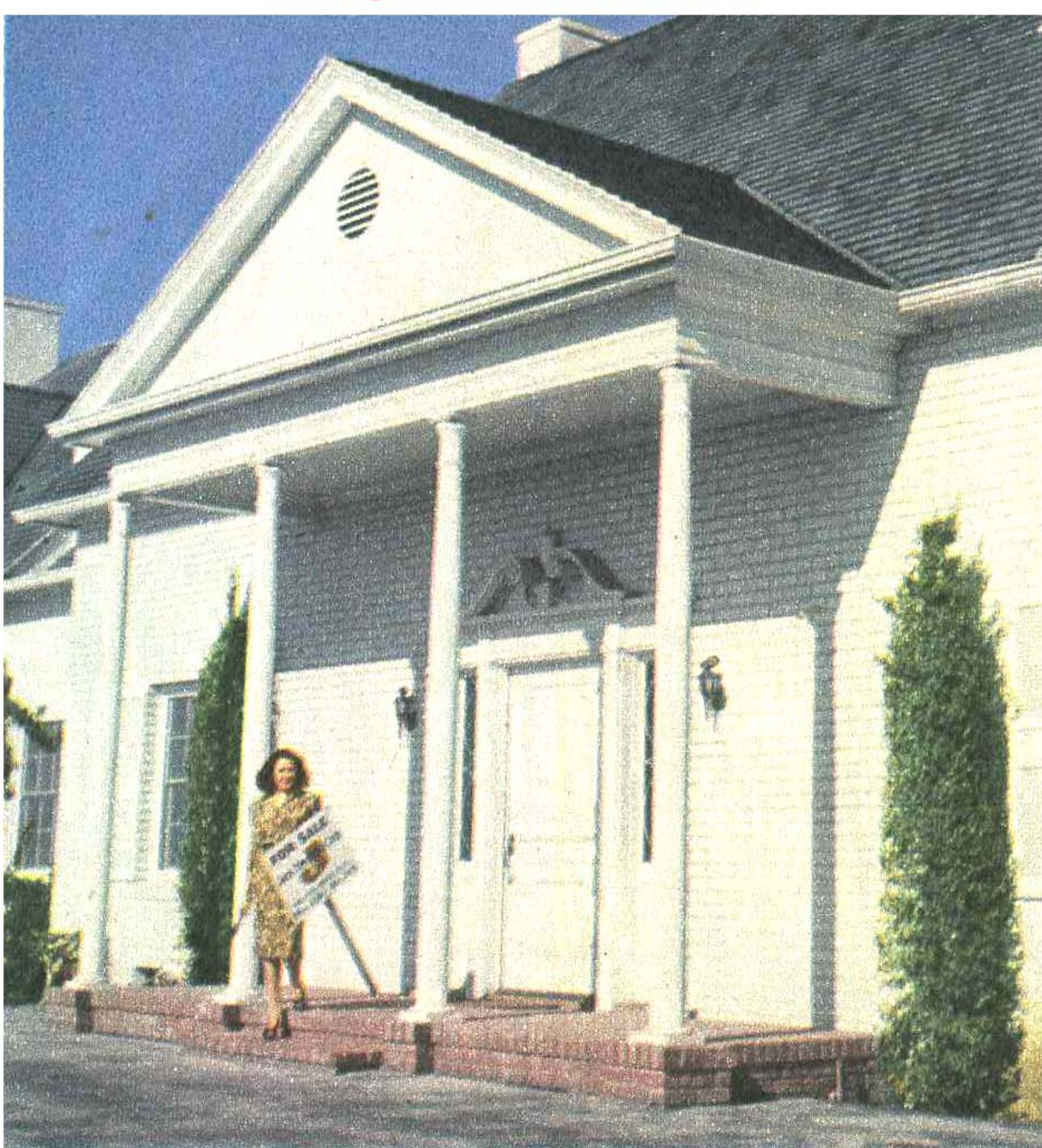


**T**HE ceiling has fallen in on Hollywood, and the screams of the wounded are pitiful. The \$25,000-a-year wage freeze was deadly, but gas rationing really piled woe upon anguish. On December 1, 1942, a famous motion-picture actress sat by the side of her swimming pool in Bel-Air and keened in misery. She was by turn tragic, indignant, mournful and irate.

"Why, this gas rationing," she cried, tearfully bitter. "It's—it's worse than being *bombed!*"

Allowances must be made for a lady who has been sorely tried. Instead of six servants, she now has two—and she hears strange sounds in the kitchen that convince her she will soon be alone. Her chauffeur has been drafted; her butler is working at Lockheed. Her flower gardens are a wreck because the Japs who once tended them are in internment camps. She sits on her mountain peak, ten miles from the studio where she supplies beautiful allure for the multitudes, and thinks of her gas-rationing card and her puny twenty-five grand, and weeps savagely.





Beset with gas rationing, wage ceiling and maid shortage, Linda Darnell puts up for sale her Brentwood mansion. Asking price: \$50,000

### **The Hired Help Goes to War**

The point, of course, is that you couldn't maintain a place like that with fewer than five servants—and there are no servants. Defense plants have taken them in thousands. Cooks are running drill presses at Douglas or North American; second maids have become riveters.

There was an advertisement in a Los Angeles newspaper:

"Maid wanted; will pay Lockheed wages."

That gets you exactly nowhere. In the first place, you couldn't find the maid and, with the \$25,000 ceiling, you couldn't afford her if you found her. On October 27, 1942, when the government announced the new wage ruling and added that anybody who had already made a gross salary of \$67,200 for the year couldn't draw any more, it was exactly like the days of the bank moratorium in 1933. People who made thousands of dollars a week were destitute. Since most of them customarily live up to everything they make, there was an actual state of panic, with sundry celebrated individuals milling about like desperate mothers in a food riot. At that moment you could have had any house in town as a gift—and you'd have been a fool to take it. The government finally allowed the usual salaries to be paid to the end of the year, but even so, cases of shell shock were widespread.

Clarence Brown, the M-G-M director, deserted his million-dollar estate at Malibu Beach and moved into an apartment in town. *(Continued on page 23)*

Sam Woods, the Paramount director, also left the Santa Monica district, where the blackout is absolute and where driving at night is worth a man's life.

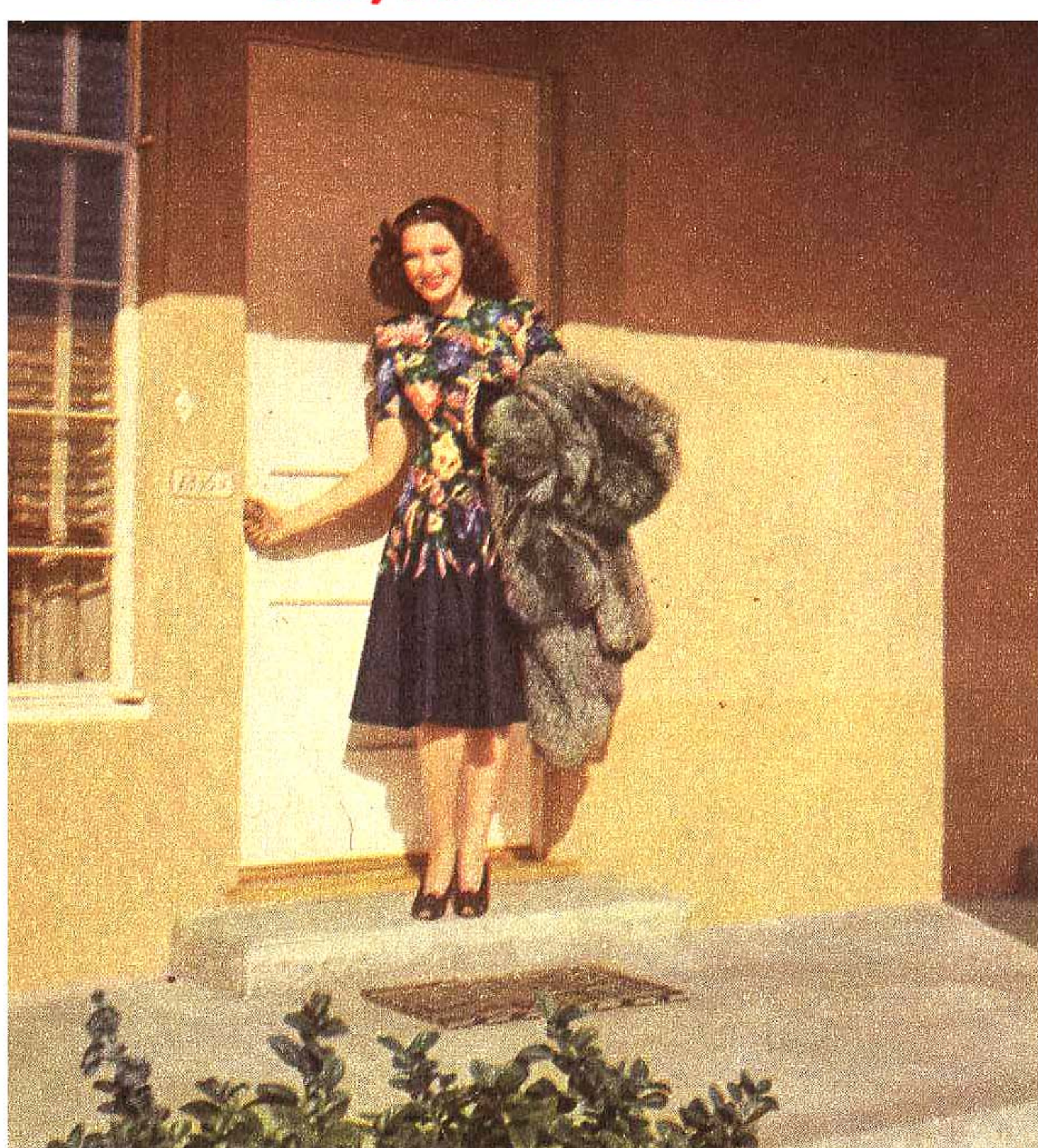
Claudette Colbert and Dorothy Lamour gave up their houses and took apartments. Robert Young deserted his ranch in San Fernando Valley and moved near the M-G-M studios in Culver City. Linda Darnell closed her home and offered it for sale.

But if the salary limitation and the servant problem brought furrows to the brows of the lovely, it was the gas rationing that murdered them. No resident of Hollywood ever lives close to anything. If he works at Columbia studios he insists on living at Santa Monica, fifteen miles away. If he works at 20th Century-Fox, he lives in San Fernando Valley, from ten to twenty miles off. Four gallons of gas a week for a Hollywood movie worker means precisely as much as a pint of water a month for a Marine on Guadalcanal.

People living up in the canyons of Beverly Hills might as well be on a raft in the Pacific. There is no bus service; there are no stores for miles; there is no delivery service—nothing but cliffs, crags and nightly fogs. It is in romantic places like this that our friends, the actors, live. They wanted to be different and now they are not only different but stranded.

But you can't be too sorry for the Angelenos. They know they can't get along without tires and they know also they've been burning them up for over a year, at a ruinous rate. They have what they maintain is the finest climate in the world but it never occurs to them to sit down and enjoy it; they must be riding *in* it before they're pleased. Out they dash every chance they get, neatly bound up in a four-door sedan so the





What her new home—a small, court apartment near 20th Century-Fox studios—lacks in Hollywood “swank” it makes up for in convenience

sun won't hit them.

### **Treason in Los Angeles**

Leon Henderson was lammed for hinting that people who wasted rubber were traitors, but he should have confined the charge to Los Angeles and stuck to it. It is the largest city in area in the world, and the bus and streetcar service is terrible. Distances are literally estimated in sections of five miles; they think nothing of that. So if they aren't stopped from driving, the tires *will* wear out and when the tires wear out there, the town stops. There will be very little work at Vultee, North American, Lockheed or Douglas airplane plants, and almost none in the motion-picture industry, another war essential.

But it wasn't the wage ceiling that terrified Hollywood so much as the provision in the original ruling that no deductions for expenses would be allowed in income-tax returns. That was a killer!

Previously an actress could claim her agent's fees as a business expense, as well as part of her wardrobe, her advertising and publicity, entertainment, travel and fan-mail expenses. If that has to come out of her \$25,000 net—WOWZIE!

Since no layman could be expected to understand a disaster of such magnitude, we went to see Mr. Forest Monroe, business manager of many cinema celebrities. Mr. Monroe gave us the case history of an actress who operates in the higher brackets. Assuming that she was under contract to make \$99,500 in 1943, under the wage-freezing ruling of October 27, 1942 (with no deductions allowed for expenses), this is what would happen to her:

Salary		\$67,200
Federal Tax	\$38,200	
State Tax	4,000	
Victory Tax	3,330	
	<u>\$45,530</u>	<u>\$45,530</u>
		\$21,670
Agent's commission		\$6,720
Charities, 10%		6,720
Publicity, advertising		6,720
Wardrobe		5,000
Misc. Business Expense		2,500
		<u>\$27,660</u>

Minus, or in the red	\$5,990
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Did you ever hear of anything like that? The lady makes \$67,200 a year and before she's had a bite to eat, she's almost \$6,000 in the hole. Without paying the rent or slipping a few bucks to the hired help or dropping the four gallons in the tank, she's broke. Is there a dry eye in the house?

Just when it seemed that a wave of suicides would clutter up the famous bridge at Pasadena, the government in Washington relented. The Treasury Department still maintained that no deductions could be allowed from the \$67,200 wage-freeze level but permitted “an additional salary equal to expenses.” This means that actors may again be making \$100,000 a year—but they won't be get-



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ting any more than \$25,000 a year when it's all over.

If they can only gross \$67,200 (or something more to cover expenses), are they still going to work after the level has been reached? That question has everybody worried. Take the case of Bing Crosby, for example. His rate for one picture at Paramount is more than his wage ceiling. In addition he makes a fortune on radio. What's he going to drop? Will he make a picture and work for radio gratis? Will he work for radio and give Paramount his pictures free? If anybody gives him more than his wage ceiling, the culprit can get heaved in the clink for a year and smacked with a nasty little fine.

Furthermore, if an actor works after his level has been reached, the government doesn't get the money he would have made: the company keeps it. That burns up the actor. According to tax authorities, corporation taxes on such additional amounts would be only 40 per cent, which would allow the studio a neat profit.

The studios insist they don't want the money: they want the actors. The actors say in that case why don't the studios turn the extra money over to charity? Did you read where Franchot Tone refused to work for Warner Brothers? If it was a question of working for the government for free, he didn't mind; but he didn't want to make beggars out of the Warner boys.

The wage-freezing edict has had tremendous repercussions already. Take the matter of contracts, those seven-year affairs by which the company has you for that length of time but can drop you at the end of any six-months period. If the option is taken up, however, the actor gets a raise in salary. Now salaries are frozen. "Oops, sorry!" cries the producer when the option period arrives. "If I raise your ante, the government smacks me." The actor answers very civilly that if the contract isn't fulfilled, obviously it is dead—and goodby, Mr. Producer. *Oh, no!* screams that worthy, who is already going mad for lack of performers . . . and they've been trying to work it out.

Actors are patriotic but they are also human beings. The latter truth has already become manifest. Stars who had exceeded their \$67,200 limit in November last year were laying off. They will lay off this year just as soon as they have reached their ceiling. They will also look closely to find the medium that will keep them most fully in the public eye during their season of financial hibernation. It may be the Broadway stage instead of the movies. With Hollywood already shorthanded from the great number of players going into the armed services, this new blow will be hard to meet.

The original wage-ceiling ruling—holding that expenses were not deductible—meant the guillotine for the Hollywood agents, those ultrapowerful screen figures, and even now the future is not bright because the large fees are ended. We are pained to report that on at least two occasions, well-known actors have taken us into a back room, closed the door carefully, looked around for



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dictaphones and then cried:

*"Haw! Haw! Haw . . . the agents are ruined!"* in the most evil-sounding voices. The truth seems to be that actors have merely accepted agents as a necessary evil and will not be injured to the quick if the 10 per cent gentlemen suffer a slightly complete collapse.

## Clipped Wings

Many actors approve of the wage ceiling and others like it for strange reasons. There is the director who hates his producer.

"The louse," he said, "keeps a love nest up at Arrowhead Springs. Now, two things: (a) he can't afford it any longer, and (b) he won't have gas enough to get up there. So he brings his sweetie down here, his wife hears about it and clips him for everything he has. Put me down as in favor of the wage freeze."

There is a possibility that many of the more important stars may be able to arrange things so they will be employers rather than employees, but that will help in only a few cases. James Cagney had formed his own producing company before the wage ceiling was promulgated and he has now been joined by Jack Benny. Others will probably follow. The hitch to this is that actors trying to be producers have invariably been failures. They may avoid the \$25,000 ceiling and lose their shirts in doing it.

Naturally, gas rationing became a racket almost immediately. Nice parasitical boys and girls turned up with "B" and "C" cards while workers often had to be content with "A" cards. The climax was reached at the Pasadena Rose Bowl game when 30,000 cars were parked around the stadium, 8,000 more than had ever attended the game in pre-rationing days. The uproar over this was tremendous, and movie stars who had moved back to their mountain eyries with the thought that the worst was over, began trembling again at the possibility of government investigations.

There is gas bootlegging already and there will be much more of it. There will be tax dodgers and tax delinquencies. There will be men suddenly turning patriotic to enter the services with a view to delaying their taxes until after the war. There have been profound discussions on the need of discovering "legitimate" means of postponing extra salary payments till after the war.

The movie lawyers and tax experts, sore and chastened from previous tax trials, admonish gently.

"That way, dear children," they say sadly, "lies Atlanta."

# Collier's