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# VICTORY



OFFICIAL WEEKLY BULLETIN OF THE AGENCIES IN THE OFFICE FOR EMERGENCY MANAGEMENT

WASHINGTON, D. C.                      JANUARY 13, 1942                      VOLUME 3, NUMBER 2

## DEFENSE PROGRESS

**MANPOWER**

National labor force, Dec.....	53,300,000
Unemployed, Dec.....	3,800,000
Nonagricultural workers, Nov.....	*40,693,000
Percent increase since June 1940	13
18 defense industries, Nov.....	*2,750,000
Percent increase since June 1940	72

**FINANCE** (In millions of dollars)

June 1940 to latest reporting date	
Authorized program, Dec. 31.....	*74,645
Obligations, Nov. 30.....	†47,397
Total disbursements, Dec. 31.....	*15,252

**PRODUCTION** (In millions of dollars)

June 1940 to latest reporting date	
Paid on contracts, Dec. 31.....	*12,140
Gov. commitments for plant expansion; 660 projects, Nov. 30.....	5,067

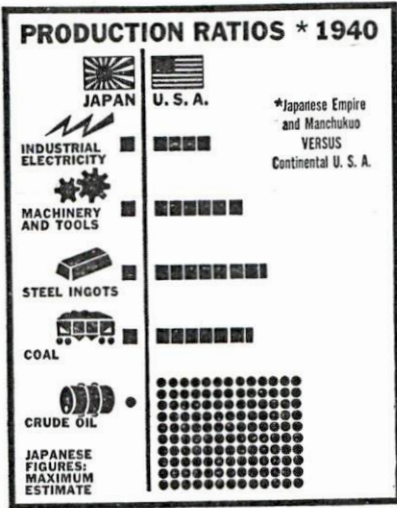
Week ended Jan. 10, 1942

Significant strikes in progress during week.....	2	600
Number settled.....	2	600

\*Preliminary.  
†Revised.

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## Review of the Week

President Roosevelt's call for 60,000 planes, 45,000 tanks, 20,000 anti-aircraft guns and 8,000,000 tons of ships in 1942 brought a joint promise of fulfillment from Director General Knudsen and Associate Director General Hillman of the Office of Production Management. The previous day (January 5) OPM had begun a conference with representatives of the automotive industry on the conversion of the Nation's biggest metal-working industry entirely to war production.

### The automobile conference

The tenor and detail of the discussions were reported in the press, but the facts which emerged officially were these:

On January 5 OPM announced the formation of a subcommittee of the automotive industry advisory committee and the automotive labor advisory committee. This subcommittee was to work closely with OPM, it was said, on problems of conversion.

After discussions, this group was disbanded and it was announced on January 7 that a new management-labor subcommittee would be formed with an OPM representative as chairman. The new body was to give help, subject to OPM determination, in methods of conversion.

Meanwhile, OPM asked automobile manufacturers, in a meeting January 5, to increase their 1942 production schedule for war goods from 2½ billion dollars' worth to more than 5 billions. They were given lists of Army and Navy needs considered suitable for them to make, and were requested to plan immediately for work on these.

### January quota restored

The maximum January passenger automobile output to be permitted was restored to the old figure 51 percent below 1941's, so that inventories may be used up before 100-percent conversion. No arrangement was made for any passenger cars in February. Rolf Nugent, consultant in the Office of Price Administration, was designated to develop a rationing system for passenger autos. At the same time, permission was given to

make more than twice as many passenger carriers in February than in the same month last year, to transport the people who will no longer be able to travel in their own cars. An increased production of heavy and medium trucks also was authorized.

### OCD reorganized

Price Administrator Henderson countered rumors with denials that he intended commandeering of passenger cars or interference with the free sale of spark plugs or batteries. OPA announced the names of tire-rationing administrators for the States.

On the home front, the House of Representatives voted to make the War Department responsible for civilian-defense expenditures but the President's solution to OCD problems was to name Dean James M. Landis of the Harvard Law School to a new post of Executive. The announcement stated he would take the details of office administration off the shoulders of Director LaGuardia.

Moves by the Priorities Division to assure the war industries enough metals and other vital materials continued to foreshadow changes in civilian life. Sweeping restrictions on lead, forbidding its use for a number of products, were added to similar limits on tin and copper. Sharp curtailments were imposed on the amounts of critical materials to be used for vending machines. Production of domestic vacuum cleaners was cut further for the first quarter of 1942, and a slight additional reduction was made in steel for nonmechanical refrigerators.

### Stills face conversion

The Priorities Division made all stilleries, if they have the proper equipment, subject to orders to use their grain-treating facilities for the manufacture of 190-proof ethyl alcohol only. It was estimated that 60 percent of the Nation's beverage distilling capacity is involved, but OPM emphasized that a 5 years' supply of alcoholic beverages is stored in the United States.

The same OPM division ordered segregation of high-grade aluminum scrap,

with the belief that 100 percent sorting would save enough for several hundred airplanes a month. Tin and lead scrap and privately imported copper were put under priorities, and Director Nelson took stricter control of copper scrap to insure the flow into war industries.

On the production side, the OPM iron and steel branch announced a 168-hours-a-week, closely checked program to increase the output of steel plates.

The use of methyl alcohol for manufacture into or packaging as antifreeze was forbidden by the Priorities Division. Tung oil was put under strict priority control.

### Sugar prices adjusted

OPA raised maximum prices of raw cane sugar by 24 cents per 100 pounds to bring them into line with Government purchase arrangements for the Cuban crop. Refined sugar prices were adjusted to reflect the increase.

Joseph B. Eastman, director of the new Office of Defense Transportation, named nine key executives to his staff.

Estimates of the Bureau of Research and Statistics showed our war expenditures in December were pushing the 2 billion dollar mark—\$1,997,000,000.

\*\*\*

## January car production quotas raised to use up inventories before 100-percent war work

Passenger-car manufacturers will be permitted to produce a maximum of 204,848 cars this month, a reduction of 51 percent below output in January 1941, Leon Henderson, director of the Division of Civilian Supply, announced January 5.

This is the same production quota that was announced October 15, but which was ordered cut in half after the outbreak of war. The quota was restored to its original figure in order to permit manufacturers to use up already fabricated parts.

Further production of passenger cars beyond this January quota has not been authorized. The automotive industry is being converted as rapidly as possible to 100-percent war work, and it is expected that passenger cars to be built under this quota will be off assembly lines around January 31.

# VICTORY

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## Auto industry asked to increase 1942 war production to over 5 billion dollars by use of entire resources for purpose

The Office of Production Management asked the automotive industry January 5 at the opening of a series of meetings to increase its war production during 1942 from the \$2,500,000,000 volume scheduled "before Pearl Harbor" to between \$5,000,000,000 and \$6,000,000,000.

Representatives of automotive management and labor responded immediately with pledges to cooperate fully in converting the industry's entire resources to war work as swiftly as possible.

### The Government's January 5 program

The Government's program for the industry was outlined as follows at a conference of the automotive defense industry advisory committee and representatives of automobile labor organizations with officials of OPM, the Army and Navy and other interested departments and agencies:

1. Cessation of all nonmilitary passenger car and light truck production around January 31.
2. Creation of a subcommittee of the industry and labor advisory committees to assist the OPM in conversion of the industry to war work.
3. Advancement of production schedules for about \$4,500,000,000 of Army and Navy orders already held by the automotive industry.
4. Placing of \$5,000,000,000 of additional war orders in the industry under new procedure designed to speed up initial production under them. This, plus the orders already placed with the industry, would boost the total to approximately \$9,500,000,000.

### A joint appeal

William S. Knudsen, Director General, and Sidney Hillman, Associate Director General, joined in personal appeals to the conference to bring all of the industry's resources and ingenuity to bear upon the problem.

Warning against "division or discord" among various groups in the automobile industry, Mr. Hillman said that what was done by the management, labor, and Government representatives at the conference would "in large measure determine the success of the military strategy being mapped by the Allied Supreme War Council."

He urged the 24-hour day, continuous swing shift operation of war production

machinery and recommended establishment of a labor-management subcommittee to carry out plans and policies developed by the conference.

William H. Harrison, director of the Production Division of OPM, said the war would require every skill in the industry together with "the nicest kind of pooling of resources so we can work around the clock every day in the week."

The suggestions of the OPM Labor

### 60,000 planes:

#### "WE CAN DO IT!"

The following statement was issued January 6 by William S. Knudsen, Director General, and Sidney Hillman, Associate Director General, Office of Production Management:

The President has set our goal.

We have raised our sights to meet it. We'll give our fighting men the 60,000 planes in 1942.

We'll give them the 45,000 tanks.

They'll get the 20,000 anti-aircraft guns.

And we'll deliver the 8,000,000 tons of ships.

These things we will do together. They will come from the minds, the hearts and the hands of 130,000,000 free men, women and children.

Only a free people can achieve such goals.

We can do it.

We will do it.

Division, presented by J. Douglas Brown, chief of its priorities branch, included the following:

1. Pooling of machine and tool facilities.
2. Interchange between companies of dies, patterns and processes.
3. Concentration of difficult and complex jobs (aircraft, tanks, guns, etc.) in large plants, and elimination of simpler jobs (shells, ammunition cases, etc.) from these plants, in order to make most effective use of highest managerial skill and technique.
4. Subcontracting to the maximum

extent, with each auto company farming out work, insofar as possible, to its regular suppliers as well as other groups which have manpower and machinery which can be utilized in the war effort.

5. Concentration of necessary civilian production in smaller plants not required or readily suitable for war production.

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## Auto management-labor group under OPM chairman created to help develop methods of converting industry for war

The Office of Production Management announced January 7 the establishment of a subcommittee of the management-labor automobile committees. This subcommittee is composed equally of representatives of labor and management, under the chairmanship of a representative of the Office of Production Management.

The functions of the subcommittee shall be, subject to the determination of OPM, to help in the development of the best method for the utilization of labor, tools, machinery facilities, etc., for the most expeditious conversion of the automobile industry for the production of war materials.

Members of the committee were named January 11. They are:

*Chairman*, Cyrus Ching, vice president, U. S. Rubber Co.; *Edsel Ford*, president, Ford Motor Co.; *C. E. Wilson*, president, General Motors Corporation; *C. C. Carlton*, vice president, Motor Wheel Corporation; *Walter P. Reuther*, vice president, UAW-CIO; *George F. Addes*, secretary-treasurer, UAW-CIO; and *Richard Frankenstein*, vice president, UAW-CIO.

OPM announced its decision to set up this subcommittee after Director General Knudsen and Associate Director General Hillman had conferred with a previously appointed subcommittee as to how the conversion might be brought about.

This original subcommittee, which disbanded after its discussions with Mr. Knudsen and Mr. Hillman, was made up from the OPM automotive industry advisory and automotive labor advisory committees. Members were:

*Industry*—Edsel Ford, Ford Motor Co.; C. C. Carlton, Motor Wheel Corporation; Paul G. Hoffman, Studebaker Corporation; R. F. Black, White Motor Co.; C. E. Wilson, General Motors.

*Labor*—Walter P. Reuther, UAW-CIO; George F. Addes, UAW-CIO; Richard Frankenstein, UAW-CIO; Richard Reisinger, member, International Board, UAW-CIO; Earl Melton, international representative, IAM-AFL.



## Heavy or medium truck February quotas 15 percent above February 1941 production; passenger carriers get 138 percent rise

Production of heavy or medium motor trucks in February 1942 at a rate approximately 15 percent greater than in February, 1941, will be permitted under an order issued by Priorities Director Nelson.

During February, 53,435 heavy or medium trucks may be produced, as compared with 46,245 in the same month in 1941. These trucks, of a Gross Vehicle Weight of 9,000 pounds or more, serve many purposes in the war program.

At the same time, Mr. Nelson authorized a 138 percent increase in production of passenger carriers this February over the same month last year. In February, 1,065 passenger carriers may be produced, compared with an estimated 450 a year ago.

The increase in passenger carrier output is a direct result of the shifting of population in connection with expanded defense areas, and the curtailment of passenger car production which has brought about greater demands upon public transportation systems.

Mr. Nelson extended through February the A-3 preference rating made available for materials going into the production of heavy or medium trucks, truck trailers of 5 tons' cargo carrying capacity or more, and motor or electric passenger carriers seating 15 or more persons.

### First quotas established

For the first time since the truck program began in August 1941 definite production quotas have been established for manufacturers of heavy or medium trucks and passenger carriers. Heretofore, production has been regulated according to certain percentages of a base period.

Manufacturers are free to produce either heavy or medium trucks, provided they keep within the combined quota. No restrictions are placed on production to fill orders for the Army and Navy and certain other war agencies, allied governments and Lend-Lease requirements.

These orders do not affect the restrictions in effect in the passenger car field.

## 1942 model cars, trucks subject to ban regardless of mileage

All 1942 model passenger cars and trucks, regardless of how many miles they have been driven, are included in the temporary ban on sales by dealers announced January 1, the automotive branch of OPM said January 9.

The explanation was made to correct any impression that 1942 models, which have been used as demonstrators or which are held for sale as used cars, can be disposed of despite the ban. These cars are all regarded as new cars and unless specific exemptions have been granted, cannot be sold, leased, traded, loaned, delivered, shipped, or transferred until the ban is lifted. A rationing plan will then be put into effect.

### Affects earlier models under 1,000 miles

The temporary ban, it was pointed out, also applies to cars of earlier models which have been run less than 1,000 miles.

## Leasing of tires permitted to some bus lines

Persons on the "eligible" list under the tire- and tube-rationing program will be permitted to lease new tires and tubes from manufacturers, with certain reservations, OPA Administrator Henderson announced January 7.

Mr. Henderson has issued an amendment to Supplementary Order M-15-c, restricting transactions in new tires and tubes, designed to facilitate interstate transportation of passengers. Bus lines serving these interstate functions customarily operate under tire- and tube-leasing agreements with manufacturers.

No new tires and tubes may be leased, however, unless a certificate has been obtained from a local tire-rationing board. In addition, the leasing privilege is extended only to persons who were operating under leasing agreements with manufacturers at the time the ban on sale of new tires and tubes was announced December 11.

## Henderson denies plan to regulate battery, plug sales; false reports caused "runs"

In an effort to halt a flood of groundless rumors, Leon Henderson, as director of the Division of Civilian Supply, announced January 7 that the Division has no intention of interfering with the free sale of batteries or spark plugs for replacement for automobiles and trucks.

Reports have spread throughout the country that the division is preparing to ban further sales of batteries and spark plugs, and that a rationing program will be worked out to cover these products.

"There is no intention of interfering with the free sale of batteries or spark plugs for replacement purposes for passenger cars and trucks," Mr. Henderson said. "Likewise, there is no intention of rationing these products."

Spreading of the reports has resulted in many instances in "runs" on stocks on dealers' shelves.

### No need for buying rush

"There is no necessity for a buying rush on batteries or spark plugs," Mr. Henderson said.

He pointed out that worn-out batteries have a high reclaiming value. Approximately 85 percent of the lead used in the manufacture of a battery can be recovered after the battery is no longer useful.

Very little crude rubber is used in battery manufacture. Most of the rubber used is reclaimed.

Through substitution, most of the critical materials used in the manufacture of spark plugs, such as copper, have been eliminated.

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## No intention to commandeer autos, says Henderson

There is no intention or need on the part of the Government to "commandeer" either new or used automobiles in the hands of the public, Price Administrator Henderson stated January 9.

"These reports undoubtedly arose from my responses to questions asked at a press conference on January 2," the OPA administrator said. "At that time I said in answer to a series of inquiries that commandeering of civilian cars was one of a number of remote and unpleasant possibilities that a prolonged war might bring about. I did not indicate that any such action was likely or necessary now or in the foreseeable future."



## Ways to meet shortages in dairy industries suggested by conservation consultant

Suggestions as to ways of meeting shortages affecting the dairy industry were made by George Livingston, consultant on food industries for the Bureau of Industrial Conservation, OPM, at the January 7 meeting of the dairy industries advisory committee.

The industry is expected to be affected chiefly by shortages in containers and rubber, and Mr. Livingston dealt chiefly with them.

Under the rubber conservation order, new tires will not be available for home delivery of milk or other dairy products.

### Conserving on deliveries

Mr. Livingston offered these as possible ways of saving tires: Eliminating special delivery and special services; one delivery trip per day and no return calls; or 6-day-a-week delivery; or every-other-day daylight delivery. He said he favored the every-other-day delivery because it could be put into practice without substantial change and would conserve 40 to 50 percent of rubber and much gasoline, and prolong the life of available trucks.

Other suggestions by him included:

A salvage campaign for reuse of bottles.

Requiring deposits on bottles, cans, and cases.

Simplifying sizes of containers, such as limiting milk and cream to consumers to 1 quart and ½ pint sizes, and limiting cans for wholesalers to one size, such as five gallons.

### Might reduce number of products

Reducing the number of products handled, as for example limiting service to one regular grade and one premium grade of milk and cream.

Using only one color on caps.

Studying standardization of Health Department regulations.

Eliminating circulars and insets, unnecessary wrappings, and in general reducing or eliminating all nonessentials.

Developing plans to eliminate duplication in farm pickup routes.

Using present equipment more efficiently, repairing and bringing back into service old equipment, and holding down expansion as much as possible.

These suggestions will be studied by the committee with a view to making recommendations to OPM for such action as OPM might wish to take.

Committee members agreed to meet in Washington again on January 22.

## Dairy deliveries may have to be revised because of truck and tire situation, MacKeachie tells new industry committee

The Bureau of Industry Advisory Committees January 7 announced the formation of a dairy industries advisory committee of 23 members.

Members are:

Vernon Hovey, General Ice Cream Co., Schenectady, N. Y.; A. J. Smith, Borden Co., Houston, Tex.; Douglas Young, Qualitee Dairy Products Co., San Diego, Calif.; R. B. Pearsall, Armour & Co., Chicago, Ill.; W. H. Bowser, Valley Creamery Co., Sistersville, W. Va.; Russell Waltz, Consolidated Dairy Products Co., Seattle, Wash.; John Brandt, Land O'Lakes Creameries, Inc., Minneapolis, Minn.; Harvey P. Hood, H. P. Hood Sons, Boston, Mass.; R. F. Rennie, Jr., Virginia Dairy Co., Richmond, Va.; Roy D. Smith, Jerome Co-operative Creamery, Jerome, Idaho; Wm. T. Nardin, Pet Milk Co., St. Louis, Mo.; Walter Page, Midland Cooperative, New York, N. Y.; A. G. Marcus, Crown City Dairy Co., Pasadena, Calif.; H. W. Comfort, Borden Co., New York, N. Y.; Leon Chapin, Dairymen's League Coop. Assn., New York, N. Y.; C. M. Peterson, Ward Milk Products, Chicago, Ill.; W. T. Crighton, Producers Creamery Co., Springfield, Mo.; C. E. Gray, Golden State Co., Ltd., San Francisco, Calif.; Ernest Henegar, Lewisburg, Tenn.; C. A. Eckburg, Lakeshire Marty Co., Plymouth, Wis.; Fred Kraft, Kraft Cheese Co., Chicago, Ill.; G. H. Benkendorf, Milk Prod. Assn., Modesto, Calif.; P. G. Kinzer, Carnation Co., Milwaukee, Wis.

Clyde E. Beardslee, chief of the dairy unit of the OPM food supply branch, is Government presiding officer of the committee.

The committee was chosen after nominations were received from some 120 representatives of the industry who held an all-day meeting with OPM in Washington on January 6.

The new committee held its first meeting January 7.

### Industry problems discussed

Problems of the industry were discussed at the January 6 meeting with the larger group and again January 7 with the industry committee.

At the January 6 meeting, Douglas C. MacKeachie, director of the Division of Purchases, told the representatives of the dairy industry that their delivery system may have to be revised due to the truck and tire situation. In the dislocation that results, small members are most likely to suffer most, and any plans worked out to meet the situation must make provision for the small operators to be able to remain in business, Mr. MacKeachie said.

E. W. Gaumnitz, administrator of the Surplus Marketing Administration, said that the dairy industry has done "a remarkable job" in stepping up production.

Dr. Harold Rowe, assistant director, price division of OPA, said that thus far it has not been deemed necessary by OPA to take any action regarding price stabilization in the dairy industry.

### Expansion instead of curtailment

Col. Carl A. Hardigg, of the Quartermaster Corps, told the dairymen that they were fortunate inasmuch as their industry not only has not been curtailed but has been expanded.

Dr. O. E. Reed, chief of the Bureau of Dairy Industry of the United States Department of Agriculture, said that reports from 97 percent of the industry indicate that the goal set several months ago by the Secretary of Agriculture for the production of 125,000,000,000 pounds of milk in 1942 "will go over the top."

James E. Kemp, of the Bureau of Industrial Conservation, spoke of the shortage of metals and urged the industry to economize as much as possible.

### Commended on production increase

Dr. Thomas L. Parran, Surgeon General, United States Public Health Service, said that the dairy industry has done "a magnificent job" in increasing production to meet the needs not only of this country at war but also England. "There should be no limit to your effort to increase production still further," he said. "It isn't possible for you to produce more than is needed." He said that the practice of feeding skimmed milk to animals should be stopped because it is needed for human consumption.

Walter C. Shorter, director of the container's branch of OPM, spoke of the shortage of all kinds of containers and said it was necessary to eliminate and substitute wherever possible.

### Assured of containers

Joseph R. Taylor, assistant director of the containers branch, assured the industry that "every bit of milk you produce will be packed. You'll get all the cans you can produce food for."

Grenvill R. Holden, of the Office of Price Administration, explained the rubber curtailment order as it affects the dairy industry. Dairymen will still be able to obtain new tires to deliver their products to wholesalers or retailers but no new tires will be available for home delivery.



## Answers to questions on auto sales ban: Even cars paid for must not be delivered

The following interpretations of the priority orders imposing bans on the sale of new cars and trucks were issued January 7 by the automotive branch of OPM:

**Q.** Just what are these "freezing" orders and what is their purpose?

**A.** There are three orders: one for passenger automobiles; one for light trucks; and one for medium and heavy trucks and truck trailers. The orders were issued on January 1, 1942 by Donald Nelson, director of Priorities, of the Office of Production Management (OPM), at Washington. They effect a temporary "freezing" until January 15, 1942 of automobiles and trucks in the hands of dealers and distributors, who are prohibited from selling or delivering to consumers. The latter are likewise prohibited from purchasing or accepting delivery. The purpose of these "freeze" orders is to give OPM and OPA (Office of Price Administration) an opportunity to put into operation by January 15, 1942 a rationing plan by which existing stocks of automobiles and trucks may be distributed where most needed.

**Q.** Suppose prior to January 1, 1942, a person bought a car from a dealer, paid for it in full, but did not actually take delivery. Can the dealer now deliver it?

**A.** No.

**Q.** Then how can the purchaser in such a position get his money back from the dealer?

**A.** That is a matter to be arranged between the parties.

### Demonstrators frozen too

**Q.** What about "demonstrators"?

**A.** The order makes no exception. If the demonstrator is a 1942 model it is "frozen," regardless of how many miles it has been driven.

**Q.** But suppose it has over 1,000 miles on it?

**A.** Same answer, No.

**Q.** What about vehicles of other model years than 1942?

**A.** They are "frozen" only if they have been driven less than 1,000 miles.

**Q.** May a dealer or distributor sell or deliver to another dealer or to another distributor?

**A.** Yes. The order so provides.

### Producer may sell to dealer

**Q.** How about the producer of the vehicle? May he sell to his dealers?

**A.** He may sell and deliver to another producer, to a dealer, or to a distributor. But he may not sell to a consumer.

**Q.** How does that affect the man who has bought a vehicle from his local dealer for delivery to him at, say, Detroit, where the purchase arrangements were all made before January 1?

**A.** He cannot get delivery at Detroit or elsewhere.

**Q.** Are deliveries of vehicles to the Army and Navy of the United States being allowed?

**A.** Yes.

**Q.** Suppose a contractor is working on a Government project such as a camp. Can he get delivery of a truck ordered before January 1?

**A.** For the present, no. Emergency cases, and cases bearing high priority ratings, may be handled as special exceptions, but express permission must be obtained from OPM.

### How to apply for a car or truck

**Q.** How does any one who thinks himself entitled to delivery of a car or truck, go about it?

**A.** He must apply in writing to the Director of Priorities, OPM, Washington, D. C., setting forth fully the facts of his case.

**Q.** Do these "freezing" orders have any official designation to identify them?

**A.** Yes. The one covering automobiles is called Order No. L-2-f. The one covering light trucks is called Order No. L-3-e. The one covering medium and heavy trucks and truck trailers is called L-1-c.

**Q.** In making inquiries of OPM by telegraph or mail is it important to mention the particular order number?

**A.** Yes. Very important, so that the inquiry may be promptly handled.

### Relief for dealers studied

**Q.** There are said to be some 400,000 automobiles, not including trucks, now in dealers' hands. Do the orders mean that the dealers are "stuck" with this inventory?

## Car and light truck ban lifted for three classes of defense purchasers

The temporary ban on sales of new passenger cars and light, medium, and heavy trucks was modified January 9 by Priorities Director Nelson, to take care of 3 classes of strictly defense buyers.

Under an amendment to the ban, sale, lease, trade, loan, delivery, shipment, or transfer of these types of vehicles may be made to the following:

(1) The United States Army or Navy; United States Maritime Commission; Panama Canal; Coast and Geodetic Survey; Coast Guard; Civil Aeronautics Authority; National Advisory Commission for Aeronautics, or the Office of Scientific Research and Development.

### Holders of A-1-j ratings

(2) Any person who has been assigned an A-1-j or higher preference rating by the director of Priorities, but only if the rating is issued to and names the specific person seeking to purchase the vehicle.

(3) Any person who meets certain conditions and is a prime contractor with the United States Army or Navy for the construction of a defense project being built by the Army or Navy, and to whom the Army or Navy assigned an A-1-j or higher rating. The conditions are that the prime contractor must obtain a signed statement from the Army or Navy officer in charge of construction of the project stating that acquisition of the vehicle is necessary for the construction, and must deliver the statement to the seller of the vehicle.

The amendment is effective immediately.

**A.** No. Sales and deliveries are temporarily prohibited. Soon the rationing program will go into effect and these vehicles will begin to move out. In addition, possible measures to give relief to dealers have been under consideration for some time, and are still being studied.

**Q.** Suppose an automobile or truck was purchased and paid for before January 1 and then was sent by the dealer or producer to a body factory or paint shop for special equipment. Can the purchaser now compel the body factory or paint shop to deliver?

**A.** No. However, it is possible that the rationing plan, when announced, may make some provision for a vehicle made to an individual purchaser's particular specification, provided such vehicle was substantially completed on January 1.

**Q.** Where a dealer sold an automobile or truck to a customer before January 1 and actually delivered it to him before January 1 but has not received payment, may he bill his customer and receive payment?

**A.** Yes.

## Wagon price of gasoline allowed half-cent rise in certain areas near Washington, D. C.

Permission to raise tank wagon gasoline prices in those areas of Virginia and Maryland adjacent to the District of Columbia by not more than one-half cent a gallon has been granted to gasoline distributors in that territory by OPA, Administrator Henderson announced January 8.

### A matter of tax adjustment

The permitted increase is entirely a matter of tax adjustment. Prior to January 1 of this year, total gasoline taxes in the District of Columbia were 3½ cents a gallon, compared with 5½ cents in Maryland and 6½ cents in Virginia. This meant that service stations in nearby Maryland and Virginia directly competitive with service stations in Washington proper had to operate on narrower margins. Their suppliers had cooperated in this respect by absorbing a portion of the tax differential. However, when the District taxes were raised by 1 cent on January 1, 1942, these suppliers asked OPA permission to raise tank wagon prices in order to obtain partial relief from this absorption. In most instances the applications requested approval of a 1-cent advance.

After study, OPA allowed an increase of not more than one-half cent in cases where suppliers had been absorbing one-half cent or more of the tax differential. If less than one-half cent had been absorbed at any point, no raise in present tank wagon prices was permitted.



## A-3 rates rubber parts needed to fill auto quotas after stocks of dealers, factories are gone

As part of the general procedure for working out a rationing plan for sale of new automobiles and light trucks and for discontinuing production of these vehicles after present production quotas have been filled, Donald M. Nelson, director of Priorities, announced last week he had sent the following communication to manufacturers:

"Preference Rating A-3 is hereby assigned to the deliveries of rubber parts, other than tires and tubes and foamed latex products, required for completion of passenger cars and light trucks as defined in Orders L-2 and L-3, which you will produce during January 1942. This authorization applies only to the additional rubber parts you need to complete your production requirements for meeting your January quotas after utilizing stocks of replacement parts held both by you and by your authorized dealers."

### Must use up replacements

This means that manufacturers must exhaust replacement stocks held by themselves or their dealers in producing new cars before the preference rating can be used to obtain additional supplies to fulfill the January quota.

Some of the parts covered by Mr. Nelson's telegram are fan belts, motor mounts, running board parts, hood and cushion molding, steering wheels, pedal covers, and shock absorbers.

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## NUGENT DEVELOPS AUTO RATIONING

Rolf Nugent, consumer credit consultant in OPA, has been appointed associate price executive in the automobile and truck section and will develop the automobile rationing program, J. K. Galbraith, assistant administrator, announced January 3.

Mr. Nugent will be associated in his new work with Cyrus McCormick, price executive of the automobile and truck section.

A recognized authority on consumer credit problems, Mr. Nugent has been serving as alternate for Leon Henderson on the committee to coordinate work of the Federal Reserve System with other Government agencies in connection with the regulation of consumer credit.

## Auto men given Army, Navy shopping list, asked to make immediate plans to produce

Representatives of the major automotive companies meeting on the afternoon of January 5 were given the shopping list of the Army and Navy and asked to begin immediate plans for producing materials to the limit of their facilities.

Two points were stressed: delivery in 1942 and conversion of present facilities.

OPM Director General Knudsen and Production Director Harrison read over a long list of war materials and asked on each item for volunteers to produce them. There was little hesitation, it was reported.

### Knudsen in auctioneer's role

Many of the pieces needed for the fighting forces were listed in a memorandum for the automobile makers drafted by Robert P. Patterson, Under Secretary of War. It was subtitled "Items of Munitions Appropriate for Production by Automobile Industry," and included the parts necessary for the manufacture of guns, tanks, planes, bombs, and other instruments used by the Army. A similar list was made available by the Navy Department.

Mr. Knudsen opened the afternoon meeting by stating that many of the firms represented already were producing many of the items on the list. He was interested, he said, in the items not now under contract with automobile firms.

"We want to know where some of these things will flow from," he said. "We want to know if you can make them or want to try to make them. If you can't, do you know anyone who can?"

As he read off the list he acted somewhat in the role of auctioneer.

"We want more machine guns," he would say. "Who wants to make machine guns?"

As spokesmen for the companies indicated their desire to make a particular item, a note was made and it was expected that negotiations for more definite arrangements which may lead to contracts later would be opened soon. Many items were to be studied by the industrialists after they returned to their plants.

Generally the policy is to have several firms engaged in the manufacture of each item. In some instances this means that war materials not now being made by the automotive industry will begin to come off the production lines that formerly made motor cars or parts. Where automobile firms already are making war

materials, increased production was asked.

It was indicated by cross table talk that there would be a pooling of facilities in many of the items. A sidelight was the suggestion that the automobile makers who have long depended on the machine tool industry for tools, may help out the latter group in supplying simple parts for new tools. As one maker put it: "Can't the machine tool industry send us some work to do?"

The automobile industry was told it would be principally used for the manufacture of machine guns and other light pieces of ordnance, and for gun carriages and tanks. It also will help out on the larger planes.

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## SEPARATE AUTOMOTIVE BRANCH ESTABLISHED

OPM Director General Knudsen announced January 6 the creation of two industrial branches in OPM to handle the work formerly done by the automotive, transportation, and farm equipment branch.

Mr. Knudsen stated that the two branches—an automotive branch and a transportation and farm equipment branch—were necessary because of the enormous growth of work done by the combined branch, of which Andrew Stevenson has been chief. Mr. Stevenson, who presided at the January 5 conference of automotive management and labor with OPM officials, will continue as chief of the transportation and farm equipment branch, and Ernest Kanzler becomes chief of the new automotive branch. Mr. Stevenson, as chief of the transportation and farm equipment branch, deals with the problem of assuring adequate transportation equipment—including railroad rolling stock and sufficient farm equipment to meet food requirements of the United States and other allied nations.

Under Mr. Stevenson's supervision, the former combined branch prepared in both of these fields the programs which were adopted recently by the Supply Priorities and Allocations Board.

Mr. Kanzler, who will serve without compensation, is president of the Universal Credit Corporation



# PRIORITIES . . .

## Cuts in vacuum cleaner production are increased to 25 and 40 percent

Cuts ranging from 25 percent to 40 percent in production of domestic vacuum cleaners during the first quarter of 1942 were ordered January 7 by Priorities Director Nelson.

During January, February, and March, class A manufacturers whose average monthly factory sales in the 12 months ended June 30, 1941, were 5,200 or more units will be required to curtail output 40 percent below the monthly average. Class B manufacturers, whose average was less than 5,200 units, must cut production 25 percent.

Under the original curtailment program, which ran from October 1 to December 31, 1941, class A firms were cut only 10 percent, while class B companies were restricted merely to 100 percent of their base year production rate.

### Refrigerator quotas

Two other orders affecting consumers' durable goods were issued by Mr. Nelson

January 7. One simply excludes from existing production quotas any domestic mechanical refrigerators produced for United States Government agencies, allied governments, lend-lease requirements, and for defense housing projects where contracts involved were obtained as the result of competitive bidding.

### Steel for iceboxes cut further

The other order provides similar exemptions and extends through the first quarter of 1942 the curtailment program on use of steel in the manufacture of domestic (nonmechanical) ice refrigerators. During January, February, and March, steel consumption is cut 40 percent below the monthly average used in the 12 months ended June 30, 1941, or in the 3 years ended June 30, whichever is the fairer base period.

Under the original program, running from September 1 to December 31, 1941, use of steel in these ice boxes was curtailed 35 percent.

## Metal for vending machines sharply curtailed; stamp dispensers, automats exempt

Sharp curtailment in the use of critical materials for manufacture of popular types of vending machines, which dispense cigarettes, food, candy, nuts, chewing gum, and beverages, has been ordered by Priorities Director Nelson.

The restrictions do not apply to United States postage stamp machines, nor to automatic restaurants ("automats").

The order became effective January 1, and covers production during January and February.

Using as a base period the monthly average consumption for the 12 months ended June 30, 1941, the following curtailments were ordered:

Iron and steel, 25 percent during January and 50 percent during February and thereafter.

Alnico magnets (slug-rejector mechanism), 25 percent during January and 50 percent during February and thereafter.

### 8 types of metal forbidden

"Prohibited metals"—aluminum, stainless steel, chromium, copper, lead, nickel, tin, and copper base alloys—100 percent after February 1, with certain exceptions.

Metals other than those on the "prohibited list," chiefly zinc, used in coin mechanism, 50 percent during January and 75 percent during February and thereafter.

The "prohibited metals" may be used in the manufacture of the curtailed number of alnico magnets, and for refrigerator units and electricity conduction at sharply curtailed rates.

Roughly, it is estimated that the program will save between 5,000 and 10,000 tons of steel annually under a continuing 50 percent cut. Between 500 and 750 tons of zinc might be saved on the same basis.

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## POLYVINYL CHLORIDE ORDER EXTENDED INDEFINITELY

The Priorities Division on January 5 announced Amendment No. 1 to Preference Rating Order M-10 (the polyvinyl chloride order), which extends the effective term of the order indefinitely. No other substantive changes are made by the amendment.

## Tin, lead scrap under priorities; dealer's acceptance of delivery governed by rate of disposal

Tin and lead scrap, essential for war production, January 8 were placed under priorities control by the director of Priorities with the issuance of General Preference Order M-72.

The Order makes Priorities Regulation No. 1 applicable to all transactions in tin and lead scrap and provides for monthly reports by scrap dealers and consumers.

A scrap dealer is forbidden to accept deliveries unless, during the preceding 60 days, he has disposed of scrap in an amount equal to his inventory on the date of delivery.

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### TEXTS OF ORDERS

Texts of all official notices of OEM agencies, as printed in the FEDERAL REGISTER are carried in the weekly SUPPLEMENT OF VICTORY. The SUPPLEMENT will be mailed to any paid subscriber of VICTORY on request to the Distribution Section, Division of Information, OEM.

## Steel of any gage allowed in drums for overseas shipment

The director of Priorities on January 7 amended General Preference Order M-45, affecting sheet steel for steel drums to be used for overseas shipment, so that hot rolled sheet steel of any gage may be used for the manufacture of sheet steel drums and so that such drums may be used for all kinds of products to be shipped overseas.

The original order restricted the sheet steel to be used in the manufacture of steel drums to 16 and 18 gage. It also restricted the use of the drums to shipment abroad of oil, gasoline, and petroleum products.

The gage limitation resulted in temporary and local shortages of such drums for certain purposes.

The order was also amended to make its expiration date indefinite instead of May 30, 1942.

At the same time, Preference Rating Order P-76 was amended to enable manufacturers of steel drums for foreign shipments to acquire sheet steel of all gages for such purposes. The original order covered only 16 and 18 gage steel.



## Segregation of aluminum scrap by alloy and form ordered; could provide metal for hundreds of planes a month

Segregation of aluminum scrap, by alloy content and form, is made mandatory by Supplementary Order M-1-d, issued January 7 by the Priorities Division.

Importance of the new segregation program is indicated by OPM estimates that 100 percent segregation of sheet scrap alone will provide, at the rate of production next July, enough high-grade aluminum each month for several hundred airplanes, and at the same time save enough magnesium for the manufacture of thousands of incendiary bombs.

### Much formerly was lumped

Strict segregation by type of aluminum scrap has not in the past been a general practice in the industry. Much of the scrap generated was formerly lumped and sold for use in products not requiring high-grade material.

The comprehensive order, clamping airtight controls over the treatment and disposition of all types of aluminum scrap, requires that, beginning March 1, 1942, every plant generating 1,000 pounds or more of such scrap per month, segregate *at the machine*, the types resulting from its operations.

Reason for the order is that unsegregated scrap cannot be reprocessed into the high-grade materials called for by military needs.

### Supersedes earlier orders

The new order supersedes the aluminum scrap controls formerly embodied in Supplementary Order M-1-c, and repeals the A-10 preference ratings extended to smelters with defense orders.

Outstanding in the scrap segregation program laid down by the order is the requirement that all 17S, 24S, and 52S alloy scrap in solid form, such as sheet clippings, be sold to the Aluminum Co. of America or Reynolds Metal Co., and that all other segregated scrap be sold to these two firms or to a limited list of "Approved Smelters."

Under the order, dealers are similarly required to sell scrap which they accumulate to producers or approved smelters, and are only permitted to resell to other dealers where the amount accumulated in the regular course of business does not make it practicable to sell directly to the approved firms.

## Constant flow of copper scrap into war production channels sped by new order

Priorities Director Nelson acted January 6 to keep a constant flow of copper scrap and copper alloy scrap into and through war industries.

A revision of Order M-9-b, issued January 6, provides that no deliveries of copper or brass scrap may be made except to a scrap dealer, or, in the case of brass mill scrap to a brass mill, without specific authorization of the director of Priorities.

The amended order revokes Order P-61, which assigned an A-10 rating to certain users of copper and brass scrap and changes the provisions of M-9-b which permitted deliveries on such ratings. Under the new rulings deliveries may be made only as specifically authorized, with the exception of dealers and brass mills. Form PD-130 is provided for applications for such authorization.

### Fill military requirements first

All military requirements will be filled first and authorizations for the residual supply will be made at the discretion of the director of Priorities.

Fabricators, with the exception of railroads and utilities, may not use or remelt scrap generated in their own operations, or dispose of it except by sale, without specific authorization.

No fabricator may keep on hand more

than 30 days' accumulation of scrap unless the total is less than five tons. Those who generate more than 2,000 pounds in a month must report complete scrap inventories by the 15th of the following month.

Other provisions of the order are unchanged.

### "Tap huge copper mine above ground"

OPM copper officials described the order as "tapping a huge new copper mine above ground" because of the importance of scrap in the production of brass. Not only is better brass made from copper scrap than from pure copper, but it may be used over and over without any deterioration in quality.

Scrap accounts for more than 30 percent of all brass production and the revised order is expected to keep it in constant movement. The order permits the regulation of this flow into needed channels for war production and will make possible the collection of all available metal.

The order does not apply to retail sales of copper or brass junk by an individual to a collector, who will sell it in turn to a scrap dealer.

M-9-b originally was issued on September 30, 1941. It expires March 31, 1942.

## Canadian iron, steel producers get U. S. maintenance ratings

The Priorities Division January 8 issued an amendment to Preference Rating Order P-68, extending to Canadian iron and steel producers the same high ratings available to domestic mills in obtaining materials necessary for repair, maintenance, and operation.

### Emergency rating also available

The order, originally confined to operators within the limits of the United States, its territories and possessions, assigns a basic preference rating of A-3 to the acquisition of essential repair, maintenance, and operating supplies. For material necessary to repair actual breakdowns, an emergency rating of A-1-a is available. Advance purchases of material to avert breakdowns and suspension are facilitated by the assignment of an A-1-c rating. The two latter ratings may be applied only by specific authority of the director of Priorities.

## Privately imported copper placed under full priority control

Privately imported copper, heretofore not subject to specific regulation, January 7 was placed under full priority control by Donald M. Nelson, director of Priorities, in a revision of General Preference Order M-9-a.

Other steps to tighten copper control were taken in the revision, which extends the order to June 30, 1942. The original M-9-a was due to expire January 1 and was extended until publication of the revision.

Other main changes in the order are:

1. Toll agreements relating to the processing of copper must now be approved by the director of Priorities.
2. The exception permitting unregulated delivery of less than 50-pound orders of copper in any one month is revoked.
3. A rating of A-9 is assigned to warehouses to permit replenishing of stock sold for war orders. A quota basis, on 1941 sales, is set up as an additional check on the application of this preference rating.



## Distilling facilities for making 190 proof ethyl alcohol from grain subject to order forbidding other products

Support of the Nation's beverage distilleries in the war effort was enlisted January 8 with the issuance by Priorities Director Nelson of the third of a series of orders designed to conserve sugar. The orders affect molasses, ethyl alcohol and distilled alcoholic beverages.

The January 8 order, M-69, provided that all distilleries which have the facilities to manufacture 190 proof ethyl alcohol from corn or grain shall, starting January 15, use them only in the production of that type of alcohol.

### 60 percent of capacity affected

It is estimated that 60 percent of the beverage distilling industry's capacity is subject to the order.

Ethyl alcohol of 190 proof is essential for industrial and war purposes.

Therefore, under the terms of the January 8 order, the director of Priorities has the right to use a considerable part of the industry's capacity for making this type of alcohol from grain or corn.

To the extent that this is done, the capacity used for ordinary distilling purposes will be diminished, at least for the time being.

No shortage in alcoholic beverages is anticipated as there is more than 5 years' normal supply in storage in the United States.

### Two previous orders

Restrictions on the use of the ethyl alcohol and related compounds are provided in an amendment to general Preference Order M-30 issued January 7. Restrictions on uses of ethyl alcohol are provided and producers are required to use corn or grain instead of molasses insofar as possible.

A companion order, M-54, relating to molasses also was issued. It also restricts quantities to consumers and fixes rates of consumption. Molasses for the production of beverage spirits is prohibited.

Priorities Regulation No. 1 is made applicable to all transactions in both ethyl alcohol and molasses.

Purpose of the three orders is to reduce the consumption of molasses, from which the bulk of ethyl alcohol is produced. Requiring distilleries which can produce ethyl alcohol from grain to do

so will relieve the molasses situation. With less molasses going into alcohol and other manufactures, more refined sugar can be produced.

### Sugar imports cut

Most of the difficulties in sugar are caused by war in the Pacific which cuts off U. S. sugar imports from the Philippines, normally 16 percent of the Nation's annual supply. Imports from Hawaii, about 14 percent of supply, also may be reduced. Normal sources of sugar, other than these, are: Domestic beet sugar, 23 percent; domestic cane sugar, 6 percent; Puerto Rico, 12 percent; and Cuba, 29 percent.

Increased imports from Cuba are possible and domestic production may be stepped up. The tremendous demands for alcohol caused by the war effort, however, constitute a drain on sugar which the series of orders is designed to eliminate. Alcohol demand is up 300 percent over normal because of its use in manufacturing explosives and plastics.

Order M-69 also provides that from time to time the director of Priorities will direct that specified deliveries of 190 proof alcohol be made, such as to smokeless powder plants, for Lend-Lease requirements or to industrial alcohol plants for denaturing and storage or distribution.

### Order may be modified later

Some modification of the distillery order may be possible later, depending upon the outcome of legislation now before Congress. A present Federal law prohibits the manufacture of industrial alcohol and alcoholic beverages in the same plant. A change in this law has been asked to permit distilleries to produce alcohol for war demands and to produce beverages after alcohol demands have been met.

The ethyl alcohol order, M-30, limits by percentage the use of alcohol in hair and scalp preparations, toilet waters, perfumes, toilet soaps, other toilet preparations, vinegar and candy glazes.

M-54 sets up classes of users of molasses and restricts the amounts of deliveries they shall accept.

Order M-69 was issued as of January 10, to become fully effective January 15.

## Methyl alcohol banned as antifreeze agent; substitutes available

Manufacturers accustomed to making antifreeze compounds containing methyl alcohol (wood alcohol), will be forced to seek substitutes during the coming winter months, by the terms of Amendment No. 2 to General Preference Order M-31, announced January 7 by the Priorities Division.

The order, now in effect, forbids the use of methyl alcohol for manufacture into, or packaging as, an antifreeze agent. The prohibition applies to all stocks on hand as of January 1. Persons having supplies of methyl alcohol originally intended for antifreeze uses are required to report all details to the chemicals branch of the OPM, and in the meantime must hold such stocks for disposition as ordered by the Director of Priorities. Exempted from the prohibition are orders placed by the armed services of the United States, and the governments of the Lend-Lease countries.

Substitutes for methyl alcohol are available.

Another provision of the amendment assigns a preference rating of B-8 to deliveries of methyl alcohol, under certain specified conditions, to persons who require it for general denaturant and solvent uses.

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## NATIONAL INVENTORY OF PIG, HOG BRISTLES

Supplementary Order M-51-a was issued January 7 by the Division of Priorities to permit a national inventory of pig and hog bristles.

The order provides that any person having title to bristles as defined in Order M-51 shall file a report on Form 217 by January 15, 1942, with the Bureau of Census, Washington, D. C. The Bureau will act as tabulating agent for the Office of Production Management.

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## MARINES AT RECORD STRENGTH OF 77,729

The aggregate strength of the United States Marine Corps reached an all-time high on December 31, 1941, when a total of 77,729 officers and men were listed on its rolls, Headquarters has announced.



## Publishers discuss possible price rise in Canadian newsprint, effect on U. S. industry

The Office of Price Administration held a meeting January 8 with several representative publishers to survey the possible effects on the American newspaper industry of newsprint price increases announced by certain Canadian manufacturers.

The International Paper Co. of Canada recently announced that its price on newsprint for export to the United States would be increased from \$50 to \$53 per ton in the second quarter of 1942. This was followed by similar announcements by other Canadian manufacturers.

### Asked for cost data

Representatives of American publishers were asked to submit cost data to OPA showing how operations in this country would be affected by such an increase. The publishers were requested to determine if present operating revenues would absorb it, or whether they might consider it necessary to advance newspaper prices, reduce the size of the average paper, or take other action.

### 75 percent imported

Approximately 75 percent of the newsprint used in this country is imported from Canada. Some publishers advised OPA that if Canadian authorities permitted the proposed increase to become effective, American publishers would be compelled to pay approximately \$8 more per ton for newsprint than Canadian publishers. The increase would be the first to be put into effect since April 1938.

### Working closely with Canada

Since OPA is attempting to work closely with Canadian authorities on all matters affecting price control, it was considered essential to obtain as soon as possible a complete picture of how the American publisher would be affected by the proposed increase.

The meeting was in charge of Robert M. Macy, price executive in charge of the pulp and paper section. Among those present were: George C. Biggers, The Atlanta Journal, Atlanta, Ga.; William G. Chandler, Scripps-Howard Newspapers, New York; Howard Davis, The New York Herald-Tribune, New York; Walter M. Dear, The Jersey Journal, Jersey City, N. J.; T. J. White, Hearst Newspapers, Chicago; S. E. Thomason, The Chicago Daily Times, Chicago, and S. H. Kauffmann, The Washington Star, Washington, D. C.

## Inventories of pulp, paper, paper products must not pass "working minimum"

Three branch chiefs of the Office of Production Management joined January 8 in warning all manufacturers, converters, users, and distributors of pulp, paper, and paper products to refrain from building up excessive inventories.

Drastic action under Priorities Regulation No. 1 may be taken against any person who permits inventories to go beyond "a practicable working minimum," the branch chiefs said.

### Bulletin sent out

The warning, issued in the form of a bulletin to pulp, paper and paper board manufacturers, paper converters, printers, publishers and all users of paper, paper board, and paper products was signed by the following OPM officials: Norbert A. McKenna, chief, pulp and paper branch; George A. Renard, acting chief, printing and publishing branch; and Walter C. Shorter, chief, containers branch.

In a request to trade associations in the paper industry to distribute copies of the memorandum among their members, Mr. McKenna said that "due to the unprecedented demand in 1941, the net supply of all types of paper at current levels of operation has risen to more than 21,000,000 tons."

### Supply inadequate for high inventories

"It is believed," he said, "that a portion of this demand has resulted from desire to increase inventories of supplies of pulp, paper, and paper products, and materials used in the manufacture, printing, and publishing thereof, brought on by fear of possible curtailment in the industry or increased prices.

"The supply is not adequate to the establishment of unnecessarily high inventories for every consumer."

### "Practicable working minimum"

The three branch chiefs pointed out that Priorities Regulation No. 1, as amended, places a strict limitation on inventories, even to the extent of prohibiting a user from accepting delivery of materials for inventories in excess of a practicable working minimum.

The regulation states that the term "practicable working minimum" must be "strictly construed," and that "the mere fact that the rate of turnover has increased or that materials are difficult to obtain does not justify maintaining inventories above the minimum with which operations can be continued."

Reports reaching the three OPM branches indicate that some processors are building up inventories far in excess of minimum requirements, and in some instances additional warehouses have been rented in which to store the excess.

### Asked to report excess

Calling attention to a provision of the priorities regulation requiring the filing of reports, the branch chiefs asked all users of pulp, paper, and paper products and materials used in the manufacture, printing and publishing thereof, who have current inventories in excess of practicable working minimums, to report to any one of the three branches with an explanation, if any.

Violators of the regulation, they pointed out, may be deprived of priorities assistance, "with the result that scarce materials for repairs and other uses will probably not be obtainable."

"In certain cases of refusal to supply material needed for defense," they added, "the material may be requisitioned at the instance of the Office of Production Management. In several instances of aggravated violation, the director of Priorities has issued orders prohibiting the offenders, for a specified period, to deal in the materials covered by the orders violated."

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## Industrial finishes groups study aid to small business

Three subcommittees to consider small business problems were appointed January 7 by M. Rea Paul, acting chairman of the industrial finishes subcommittee of the protective and technical coatings industry advisory committee, OPM.

The committees will report within the next 2 weeks on measures which might be of assistance to small business men.

This committee will study and recommend a questionnaire to be used by the group in the future: D. M. Gray, Pittsburgh; H. E. Lackey, Wilmington, Del.; Henry A. Gardner, Washington, D. C.

This group will study and recommend an accounting procedure that might be adopted for cost determination: W. R. Seitelin, Cleveland, Ohio; Fred Praeger, Newark, N. J.; Otto Steeger, New York, N. Y.

This larger committee will make a study of structural, marine, and cellulose finishes, and will study plans for distributing defense business: Leo Roon, Elizabeth, N. J.; Ernest Trigg, Washington, D. C.; Charles Reid, Cleveland, Ohio; Dr. N. E. Van Stone, Cleveland, Ohio; Benjamin Patterson, New York, N. Y.; Frank Sulzberger, Chicago.



## Lead forbidden for many uses after April 1, curtailed immediately

Sweeping restrictions on the use of lead were ordered January 10 by Priorities Director Nelson, with the issuance of Conservation Order M-38-c.

The order follows the pattern of the copper and tin conservation orders, prohibiting the use of lead in a list of civilian manufactures and curtailing the amount to be used in more essential ones.

### Import put under control

At the same time, an amendment was issued to the general imports order, M-63, adding lead to the list of materials that cannot be imported except by the Metals Reserve Company, RFC subsidiary.

The lead order provides that after April 1, 1942, the metal cannot be used in the manufacture of automobile body solder, as ballast for keels for pleasure boats, as blocks for cutting leather, in building supplies, in caskets and casket hardware, in foil, ornamental glass, regalia, badges, and emblems, statuary and art goods, tennis court markers, toys, and as weights for bats, clocks, decoys, dresses, golf clubs, and jockey saddles.

From January 1 to March 31 uses of lead for these items must be restricted to 50 percent of the amount used in either the third or fourth quarters of 1941.

Most other users of lead are restricted, by quarters, to 90 percent of the amount used in either the third or fourth quarters of 1941.

### Military contracts exempt

No restriction is placed upon the use of lead in military contracts, or for certain other Government agencies; where it is called for in underwriter or safety regulations, on preference ratings of A-1-j or higher, for use in manufacturing plants where corrosion makes lead imperative; in scientific and industrial laboratories and hospitals where chemical action would make its use necessary, or in the items on list "B" attached to the order.

These items are anodes and cathodes in electroplating processes, baths for heat treatment of steel, bearings, bushings and thrust washers, fire fighting equipment, foil for condensers, electrotyping and moulding lead, glass for optical and scientific purposes, arsenate for insecticides and fungicides, solder, X-ray equipment and pigments and driers.

Reason for the order is the increasing demand for lead caused by greater military and naval requirements and the shift to lead caused by shortages in more critical materials. Approximately two-thirds of the available monthly supply, including scrap, now is demanded for ratings of A-10 or higher.

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## Titanium certificates required on 20th of month; other changes

Priority regulations governing the production and distribution of titanium pigments are clarified by Amendment No. 2 to General Preference Order M-44 issued January 7 by the director of Priorities.

Order M-44 provided that no producer should sell or deliver titanium pigment to any manufacturer unless he had first received from the manufacturer a certificate covering the manufacturer's monthly requirements for the month in which deliveries were to be made. The January 7 amendment provides that such certificates must be received on or before the 20th of the month prior to the month covered by the certificate, so that producers will be able to close their books in time to calculate pro rata reductions in orders placed if necessary.

### Seasonal users regulated

Paragraph (e) (4) of the titanium pigment order, which provides that producers must accept orders from their regular customers for titanium pigment equal to or less than the customers' basic monthly purchases in the past, is amended to prevent seasonal users of titanium pigment from obtaining more than the amount to which they are properly entitled over a full year.

### Secondary producers relieved

A third amendment redefines the term "producer" of titanium pigment to relieve secondary producers from the necessity of setting aside a percentage reserve of their production, as is required of primary producers who process ilmenite or other ores to obtain titanium dioxide. This amendment is for the benefit of producers of titanated lithopone who purchase titanium dioxide from primary producers who have already set aside the required reserve from their production.

## New sugar delivery order will be based on 1941 to care for population shifts since 1940

A. E. Bowman, chief of the sugar section of the OPM food supply branch, is now working on a revised sugar order, which is expected to be issued about February 1 to supersede M-55. The present order will remain in effect until the proposed revised order has been issued.

The new order will be similar to the original order except that it will base permitted deliveries of sugar over a period in 1942 on the amount of sugar used or resold by the receiver in a corresponding period of 1941. The original order based monthly deliveries on corresponding monthly deliveries in 1940.

Mr. Bowman explained that the revised order is contemplated in order to take care of problems brought about by shifts of population to defense areas since 1940 and in order to permit a more equitable basis for the distribution of sugar for businesses that have either been begun or been expanded since 1940. Mr. Bowman pointed out that the new order will not increase the total supply of sugar available under the existing order. It will merely change the basis for distributing such sugar.

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## Beverage industry estimates 190 proof capacity at 60 million wine gallons a year

Members of the distilled spirits industry advisory committee met with officials of the Office of Production Management January 9.

The beverage industry at present estimates its total 190 proof ethyl alcohol capacity at 60,000,000 wine gallons annually, working on a 7-day basis. It can give this amount to the Government and still conduct its business.

### Addressed by OPM officials

The meeting was addressed by James S. Knowlson, chief deputy director, Priorities Division, OPM; Alexander Henderson, deputy director, Materials Division, OPM; Joseph B. Eastman, head of defense transportation; Dr. G. Lloyd Wilson, also a transportation official; Stewart Berkshire, deputy commissioner, Internal Revenue Bureau; and Dr. E. W. Reid, chief, chemicals branch, OPM.

John B. Smiley was Government presiding officer.



## Aid offered to makers of heating, plumbing, electrical supplies for wholesale and retail

Assurance that adequate quantities of plumbing, heating, and electrical supplies will continue to be available through usual wholesale and retail channels, is given in a program announced January 4 by the Priorities Division. Under it, householders, farmers, and businessmen may look forward to well-lighted and well-warmed quarters during the coming months.

Manufacturers of essential types of supplies will be given priority assistance in obtaining the necessary materials, within the framework of the Production Requirements Plan. They will not, however, be required to prove deliveries under rated orders, where the supplies are to be sold to ultimate users not customarily assigned preference ratings.

### Manufacturers must apply to OPM

A manufacturer wishing to qualify for the preference ratings available under the program should make application on form PD25a, addressed to the production requirements branch, OPM. If approved, he will be granted priority assistance in securing materials in amounts which will be determined after consideration of the importance of the particular product, amounts previously manufactured, the recommendations of the appropriate industry branches of OPM, and other similar factors.

Also a part of the program is Suppliers Order M-67, addressed to retailers, wholesalers, jobbers, and all other distributors of these supplies. To assure an equitable distribution of these items, essential to public health and welfare, it establishes maximum inventory levels and prevents the accumulation of excess stocks at any stage of the distribution process.

The new program does not affect the provisions of Preference Rating Orders P-100, P-46, P-56, P-68, and other repair and maintenance orders issued on behalf of industry.

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### OPA REGIONAL DIRECTORS

Appointment of two regional directors was announced January 8 by OPA.

Kenneth B. Backman will be in general charge of operations in the Boston office, which will be in the First National Bank Building, 17 Court Street.

Oscar R. Strauss, Jr., will serve as regional director in the Atlanta office, which will be in the First Federal Building, 46 Pryor Street.

## TUNG OIL PLACED UNDER STRICT PRIORITY CONTROL

Tung oil was placed under strict priority control by General Preference Order M-57, issued January 8 by the acting director of Priorities.

Tung oil, also known as Chinawood oil, is a product which has been obtained chiefly from China, and future supplies are subject to the uncertainties of shipping from the Far East. Present stocks are relatively low and domestic production is small.

Arrangements are being made for the Defense Supplies Corporation to purchase all existing supplies and all future imports.

### To fill only specified orders

By the terms of the January 8 order, deliveries of tung oil are prohibited except to fill orders listed below, and use of tung oil is prohibited except in connection with such orders:

1. Defense orders having preference ratings of A-2 or better.
2. Orders placed by the Defense Supplies Corporation.
3. Orders for the manufacture of can linings for cans to contain food products for human consumption.
4. Orders for the manufacture of outside can coatings where wood oil is essential to withstand normal food processing.
5. Orders for uses to comply with Underwriters' Regulations, Health, Sanitary or Safety Regulations or laws issued by Government authority, provided the pertinent provisions of such laws or regulations were in effect both on December 1, 1941, and on the date of such use and specifically require the use of tung oil or a product required specifically to be made from tung oil.

Provision is made for appeal to the Office of Production Management for exemption from the terms of the order in cases involving special hardship.

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## OPM approval required for tire sales to makers of new vehicles

Manufacturers of new tires and tubes must secure written approval of the director of Priorities, OPM, before making sales to manufacturers of new vehicles requiring tires and tubes for original equipment, under an amendment to Supplementary Order No. M-15-c issued by OPA Administrator Henderson.

The amendment provides, also, that records of such sales of new tires and tubes for use as original equipment must be kept by the tire manufacturers and that reports in connection with such sales shall be made from time to time as required by OPM.

## Natural gas shortage serious in nine States; consumers asked to aid war plants by conserving

The Office of Production Management on January 8 issued an urgent appeal asking all consumers of natural gas in nine States, mostly in the Middle West, to cut their consumption as much as possible during the current cold wave in order to make gas available for war production plants.

When residential consumers increased their consumption as the temperature went down rapidly, the shortage became serious in Illinois, Indiana, Ohio, Pennsylvania, West Virginia, Western New York, Michigan, Kansas, and Missouri.

The cities where the shortage is serious and where residential consumers can help, include Dayton, Cincinnati, Pittsburgh, Cleveland, Buffalo, Binghamton, Detroit, Columbus, and Chicago.

### How consumers can help

Residential consumers can help make gas available for war in the following ways:

1. Keeping room temperatures down as far as possible, if gas is used for heating, by proper adjustment of thermostats.
2. Closing off heat in all unoccupied rooms.
3. Using gas ranges, water heaters and other gas appliances as little as possible.
4. Any other methods which will diminish the use of heating gas.

The gas saved by such methods in the average home amounts in the aggregate to a considerable quantity. It is needed for maintaining capacity production of heavy industrial plants producing war materials. And every day's production is vitally necessary in the new 1942 production effort outlined by the President.

The OPM said that citizens' cooperation in this conservation effort will amount to a direct contribution to the war effort until the cessation of the cold wave relieves the situation.

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### OPA REGIONAL ATTORNEYS

Appointment of two regional attorneys, with offices in New York City and Chicago, was announced January 6 by OPA Administrator Henderson. The attorneys also will serve as assistant general counsel of the OPA.

The appointees are Walter Gellhorn of New York and Alex Elson of Chicago.



# PRICE ADMINISTRATION . . .

## Refined sugar prices adjusted upward to match increase for raw product

Ceiling prices for refined and other "direct consumption" sugars are adjusted upward to reflect the recent increase in raw cane sugar prices in an amendment to Price Schedule No. 60, announced January 10 by Price Administrator Henderson.

An advance in maximum prices for raw cane sugar of 24 cents per hundred pounds became effective on January 5, 1942. The January 10 amendment raises by 20 cents per hundred pounds the maximum prices that refiners and other primary distributors may charge for cane and beet sugar sold for direct consumption. Provision is also made for an equitable adjustment of wholesale prices.

### Prices subject to later review

Mr. Henderson stated that the adjustment of 20 cents per 100 pounds was necessary at this time because several of the refiners have exhausted their stocks of low-cost raw sugars. He pointed out that the refined sugar ceiling prices are subject to review when studies of data now being gathered on the cost of refining sugar are completed by OPA.

"Today's action should have no immediate effect upon the price of refined sugar at retail," Mr. Henderson said, "since retailers are now selling supplies which they acquired at lower prices. Retailers have responded admirably to my recent request that they hold their sugar prices to the public in line and I am confident, in the present situation, that they can be depended upon to delay any price increase until their present stocks on hand are exhausted and they must pay higher wholesale prices for replacement supplies."

### New maximum prices listed

The amended maximum prices for sales by primary distributors (refiners, processors, importers, etc.) are as follows:

1. For fine granulated sugar processed by United States cane sugar refineries—5.45 cents per pound f. o. b. refinery.
2. For beet sugar manufactured in the continental United States—5.35 cents per pound f. o. b. seaboard cane sugar refinery.
3. For offshore refined sugar—5.40

cents per pound f. o. b. United States cane sugar refinery nearest (freightwise) to point of delivery.

4. For partially or completely processed mainland cane sugar (such as "plantation white" or "turbinado") going into direct consumption—5.35 cents a pound f. o. b. seaboard cane sugar refinery nearest (freightwise) to point of delivery.

5. Raw cane sugar, domestic or imported, for direct consumption—4.60 cents per pound United States mainland shipping point, including all taxes and duty.

Wholesalers, under the revised schedule, are given two levels from which to select their maximum basic prices. They may take the highest prices at which they made sales of similar grade, package and amount either (a) between October 6–October 11, 1941, or (b) between December 1–December 6, 1941.

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## Prices adjusted for used steel barrels, drums

Modification of the price schedule covering used steel barrels or drums to assure dealers and peddlers an adequate operating margin was announced January 9 by OPA Administrator Henderson.

Effect of the change is to establish a ceiling price of \$1.25 each for "raw" used steel barrels or drums (50- to 55-gallon capacity, 18 gage steel) when sold by the emptier to "any person." Formerly the schedule only imposed this ceiling price when such drums were sold direct to others than users free of any restriction. Prices were bid up and, since peddlers and dealers could only charge \$1.60 upon the resale, their operating margins narrowed to the point that they were in danger of being forced out of business.

Several textual revisions are also involved in the amendment. A specific date, October 1, 1941, is inserted in paragraph (e) of section 1306.210 in order to stabilize the base for determining the prices of used drums of other than the standard 50- to 55-gallon, 18 gage, size.

## Raw cane sugar maximum raised 24 cents per 100 pounds, in line with Cuban purchase agreement

Maximum prices of raw cane sugar were raised 24 cents per 100 pounds, in a step taken January 5 by Price Administrator Henderson. This action is in accordance with the terms of the arrangements by which this Government is purchasing the 1942 Cuban crop of sugar and molasses.

This adjustment of the ceiling price yields \$2.65 per 100 pounds, f. o. b. Cuba, the agreed-upon minimum price. The purchase is being made through the Defense Supplies Corporation and is the result of negotiations in which the Departments of State and Agriculture and the Office of Price Administration participated.

The new ceiling price is \$3.74 per 100 pounds, duty paid, cost and freight basis, New York. This compares with the former ceiling price of \$3.50 per 100 pounds, New York. The increase in the price at United States Gulf and South of Cape Hatteras ports is 25 cents per 100 pounds.

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## Distributors' resale prices of wool floor coverings adjusted

Distributors may resell any wool rugs or carpets acquired since January 2, 1942, at prices not exceeding those quoted by the manufacturer in his current price list to retailers under an amendment to Price Schedule No. 65, announced January 8 by Henderson OPA Administrator.

### Affects only new merchandise

Schedule No. 65—Resale of Floor Coverings—set a ceiling over distributors' prices at approximately the levels of October 13, 1941. At the same time the resale schedule was announced, the ceiling over manufacturers' prices of wool floor coverings was raised by 5 percent over October 13 levels. The January 8 amendment permits distributors to purchase wool rugs and carpets from manufacturers at the customary discounts and to resell at the same prices that manufacturers quote on direct sales to retailers. This applies only to new merchandise bought after January 2, 1942.



## Stabilization of prices in drop forging industry to be discussed at January 14 meeting

The initial meeting between members of an advisory panel for the drop forging industry and officials of the Office of Price Administration to discuss a program looking toward price stability has been called for January 14 in Cleveland, Administrator Henderson announced January 8.

### Invited to serve on panel

Invitations to membership on the panel have been extended to 14 representative manufacturers as follows:

A. D. Armitage, vice president, J. H. Williams & Co., Buffalo, N. Y.; W. J. Dean, Treasurer, Cape Ann Tool Co., Pigeon Cove, Mass.; Roy A. Kropp, president, Kropp Forge Co., Chicago; E. D. Clapp, president, E. D. Clapp Mfg. Co., Auburn, N. Y.; V. F. Braun, president, Ladish Drop Forge Co., Cudahy, Wis.; A. J. Sanford, president, Cleveland Hardware & Forging Co., Cleveland; J. F. Rice, president, Drop Dies & Forging Co., Cleveland; C. H. Smith, president, Steel Improvement & Forge Co., Cleveland; W. E. Cro-ombe, president, American Forge Division, American Brake Shoe & Foundry, Chicago; J. M. Collins, president, Moore Drop Forging Co., Springfield, Mass.; J. F. Connelly, vice president, Champion Machine & Forging Co., Cleveland; R. H. Scott, president, Atlas Drop Forge Co., Lansing, Mich.; H. G. Stoddard, president, Wyman-Gordon Co., Worcester, Mass.; W. A. DeRidder, president, General Metals Corporation, Los Angeles.

In November, Mr. Henderson requested drop forging producers not to raise prices above the levels of October 10. Members of the machinery section of OPA met with a cross section of the industry on November 18 and formation of an advisory panel was decided upon as result of this industry meeting.

## Makers of portable power driven tools asked not to raise prices

Approximately 120 manufacturers in the portable power driven tools industry have been requested by the Office of Price Administration not to raise their net sales prices above those prevailing on October 1, 1941, Administrator Henderson announced January 9.

### Meet in Washington January 17

The manufacturers also have been asked to meet representatives of OPA for discussion of a program of price administration in Washington on January 17.

Letters sent to members of the industry point out the important position which portable power driven tools occupy in the war program.

## OPA moves to stabilize prices on hoists, cranes, derricks, and construction items

Further action by the Office of Price Administration to maintain stable prices on two important types of industrial machinery was announced January 5 by Administrator Henderson.

Letters have been sent to manufacturers of hoists, cranes, and derricks asking them not to raise their net sales prices on such products above the levels prevailing on October 1, 1941.

### To discuss prices at January 15 meeting

The letter points out that compliance with this request will help to prevent inflation and price spirals which would undermine effectiveness of the war effort. In cases where compliance with the request would work a hardship, manufacturers are asked to consult with OPA so that the cost and profit position of the particular company may be analyzed to determine where a price change is essential.

The letter also announced a meeting of companies manufacturing hoists, cranes, and derricks to be held in Washington January 15 to discuss the program of price administration for this industry.

The second action in the industrial machinery field relates to construction equipment. Distributors and dealers handling such equipment have been asked not to change their currently customary margins on equipment which they handle and to refrain from making any changes in delivery or service practices or fees which will increase current charges. Manufacturers of construction equipment had previously been requested by OPA not to charge more for individual items which they manufacture than net sales prices in effect October 1, 1941, except where objections to necessary increases have not been made by OPA.

### Expected to aid purchaser

The letter to dealers is expected to have the effect of maintaining to the ultimate purchasers the same stability of prices achieved by holding down manufacturers' prices.

Distributors and dealers in construction equipment were also invited in the letter to attend a meeting with OPA officials in Chicago on January 10 to discuss in detail the program of price administration.

## Two makers of oil industry equipment rescind price raise

Two manufacturers of oil field machinery and equipment—New Deal Specialty Co., Inc., of Tulsa, Okla., and Reed Roller Bit Co., of Houston, Tex.—have canceled price increases at the request of OPA, Administrator Henderson announced January 6.

The New Deal Specialty Co., prior to Mr. Henderson's request to makers of oil industry equipment that prices be held at or below those prevailing on July 29, 1941, had made two quotations on equipment at an increase of 10 percent. This increase was rescinded immediately upon receipt of the OPA request.

The Reed Roller Bit Co., which had made an advance only on drill collar substitutes, restored the price to that in effect on July 29, 1941.

"It is gratifying," Mr. Henderson said, "to receive the cooperation of these manufacturers in our effort to prevent price rises which might lead to serious inflationary spirals."

## 3 rail-accessory makers withdraw price increases

Three manufacturers of railroad equipment accessories have withdrawn October price increases at the request of OPA, Administrator Henderson announced January 5.

The companies and the products which have been restored to their former price levels follow: Westinghouse Air Brake Co., Pittsburgh, air hose and hose with fittings, gaskets, seats, and packing cups; Youngstown Steel Door Co., Cleveland, steel doors for freight cars; and Edna Brass Manufacturing Co., locomotive specialties. A fourth concern, Electric Service Supplies Co., Philadelphia, which had made minor advances in certain industrial supplies also has rescinded the increases, the administrator said.

### Cooperation praised

"It is this kind of cooperation that deserves public commendation," Mr. Henderson stated. "These companies and others in their field are making very important contributions to price stability."



## Premiums allowed on certain types of yarn, grey goods producing cloth for Army; must meet rigid specifications

Price Schedules No. 7 (Combed Cotton Yarn) and No. 35 (Carded Cotton Grey and Colored-Yarn Goods) have been amended to give specific premiums for certain types of yarn and grey goods needed to produce four kinds of cloth that must meet rigid Army specifications, OPA Administrator Henderson announced January 6.

### "Army" premiums for combed yarns

The "Army goods" premiums are applicable only to combed yarn of certain counts and to grey goods of specified constructions when used to make cloth for the Army.

Several other changes are made in each schedule by the latest amendments, including addition in No. 35 of a premium on window-shade cloth and elimination for the time being of warp-twist differential in No. 7.

As applied to combed yarns, the "Army" premiums are as follows:

Yarn count:	Premium (Cents per pound)
17/1	5.25
20/1	5.25
40/2	8.75
12/1	5.25
24/2	13.00
36/2	10.25

The 17/1, 20/1, and 40/2 yarn counts are used for wind-resistant cloth in windbreakers, sleeping bags, and Arctic clothing. The other three counts go into 8.2 oz. twill used in summer uniforms.

### Grey goods premiums

In the case of grey goods, the amendment sets a 1-cent per pound premium for two drills currently required in great quantities by the Army. Finished specifications for these cloths call for a square-yard weight of 8½ ounces and for minimum thread counts of 72 by 46 and 74 by 60. One of the fabrics is used for Army work clothing, the other principally for pocketing and linings. With the establishment of the new 1-cent premium, other methods provided in the schedule for determining specification goods premiums become inapplicable to all sales and deliveries of these fabrics after January 5, 1942.

### Other provisions pending revision

Elimination of the warp-twist differentials in the combed yarn schedule is temporary in order to permit revision.

Pending final revision of the schedule, the amendment permits of yarns in special put-ups, of twist greater than knitting twist, and of cotton other than certain specified standards, to be sold and delivered "on memorandum." Parties must agree, however, that final settlement of such "memorandum" transactions will be made in conformity with the schedule as revised.

### Other changes in Schedule 35

The method of determining maximum prices for yarns of numbers intermediate between those listed in schedule No. 7 also is outlined in the January 6 amendment.

The window shade cloth premium and

other changes in schedule No. 35 are as follows:

1. A gross premium (including the present feeler-motion allowance) of 6 cents per pound is provided for window shade or book cloth. Although it was earlier announced that the amendment, when issued, would allow a premium only for window shade cloth corresponding in construction to class A print cloth, the premium is now made available to the class B construction as well. The amendment states, however, that the premium does not apply to "selected print cloth," but only to cloth specially made for use in high quality window shades or for other uses requiring an equivalent freedom from imperfections. Monthly sales reports must be filed by sellers who avail themselves of the premium.

### Wording modified

2. Minor changes are made in the wording of that part of the schedule which deals with determination of premiums for specification goods.

3. An error in a previous amendment is corrected by establishing November 27, 1941, as the effective date of a change by which chambrays and coverts of weights other than those specifically listed were brought under ceiling prices.

## Navy adjusts cotton goods bid procedure to OPA sliding scales

The Navy Department has consented to receive bids for cotton goods subject to sliding-scale ceilings in terms of the ceiling price prevailing on the day the award is to be made, OPA Administrator Henderson announced January 5.

### No bids at specific price

Request to this effect was made by OPA because Price Schedules No. 11 (Fine Cotton Grey Goods) and No. 35 (Carded Grey and Colored-Yarn Cotton Goods) establish maximum prices keyed to the spot cotton price of the business day preceding that on which the contract is made. Therefore, it would be a violation of these schedules for any person to submit a bid at a specific price.

### How to submit bids

The proper way to submit bids is at the ceiling price, or at a stated number of cents less than the ceiling price, applicable on the day the award is made.

Mr. Henderson pointed out that his request for an adjustment of the Navy Department procurement procedure was occasioned only by the sliding-scale feature of the cotton textile schedules and that, where OPA ceilings establish stationary ceilings, bids may and should be submitted to the Navy at specific prices not in excess of OPA maximum figures.

## OPA explains basis for settling fine cotton grey goods contracts

In answer to questions received by OPA from members of the textile trade, Administrator Henderson explained January 6 the proper basis for settlement of "memorandum contracts" for fine cotton grey goods made between December 10 and December 23, 1941.

An interim amendment to Price Schedule No. 11 permitting such contracts was issued on December 10 and continued in effect until the new fine cotton grey goods maximum price schedule was completed. The revised schedule became effective December 24.

### Settlement of sales price

Settlement of the sales price under these contracts, Mr. Henderson stated, is to be made at not exceeding the maximum price as keyed in the schedule, to the "spot" cotton price of the business day preceding that on which the contract was made. Consequently settlement of memorandum contracts is in no case to be made on the basis of "spot" cotton prices prevailing on December 23, the business day preceding that on which the revised ceiling prices became effective.

Neither can memorandum contracts be settled at the prices incorporated in Price Schedule No. 11 prior to its revision, but must be settled on the basis of the new "sliding-scale" ceilings.



## WORK CLOTHING COMMITTEE

The formation of a work clothing industry advisory committee was announced January 9 by the Bureau of Industry Advisory Committees.

R. R. Guthrie, chief of the textiles, clothing and equipage branch of OPM, is Government presiding officer.

The work clothing industry is essential for the war program. It clothes the men who work in the airplane, tank, and munitions plants. It also manufactures a number of items for the armed services, such as khaki pants and shirts, and fatigue uniforms worn by sailors in washing down the deck and by soldiers engaged in nonmilitary jobs around camp. Its many products for civilian use include work pants and coats, overalls, coveralls, mackinaws, leather and leatherette coats, sheep-lined coats, blanket-lined coats, and washable service apparel such as uniforms for hospitals and bakeries.

### Has plants in 40 States

The industry has plants in 40 of the 48 States. It employs 110,000 persons. Its products are used by 30,000,000 men, youths, and boys.

Committee members are:

P. M. French, Southern Manufacturing Co., Nashville, Tenn.; L. H. Jones, Washington Mfg. Co., Nashville, Tenn.; J. O. Fly, Fly Mfg. Co., Shelbyville, Tenn.; J. Rutter, Rex Mfg. Co., New Orleans, La.; B. E. Kinney, H. D. Lee Mercantile Co., Kansas City, Mo.; Albert Osterman, Fried Osterman & Co., Milwaukee, Wis.; C. T. Habbeger, Berne Mfg. Co., Berne, Ind.; C. D. Williamson, Williamson-Dickie Mfg. Co., Fort Worth, Tex.; F. K. Pike, Pike Mfg. Co., Salt Lake City, Utah; David Knapp, Fox Knapp Co., New York, N. Y.; J. E. Doron, Irwin B. Schwabe Co., New York, N. Y.; P. E. Fenton, Scovill Mfg. Co., Waterbury, Conn.; W. L. Walker, Universal Button Fastener and Button Co., Detroit, Mich.; E. F. Paquinot, The Buckeye Overall Co., Versailles, Ohio; and Oscar Groebl, Levi Strauss Co., Inc., San Francisco, Calif.

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## Four members added to woolen, worsted industry committee

Additional acceptances to serve on the woolen and worsted industry advisory committee of OPM have been received by the Bureau of Industry Advisory Committees, OPM. The total committee membership to date is 20.

New members are:

C. M. Bishop, Pendleton Woolen Mills, Portland, Oreg.; W. H. Cummings, Old Town Woolen Co., Guilford, Maine; Fulton Rindge, Ware Woolen Co., Ware, Mass.; and Abbot Stevens, M. T. Stevens & Sons Co., North Andover, Mass.

## Substitutes, simplification suggested to get best use of curtailed wool supply; two-pants suit eyed for extinction

Conservation of wool through substitution and simplification was discussed at an informal meeting January 8 of representatives of the boys' and men's clothing industry called by the Office of Production Management.

### How to make wool go farthest

The industry is affected by the recent OPM wool conservation order restricting the use of new wool for civilian use for the first quarter of 1942 to 50 percent on the worsted system and 40 percent on the wool system, both percentages based on the rate of consumption during the first half of 1941.

OPM called the industry representatives to Washington to discuss with them the best ways of making the curtailed supply of new wool go the farthest.

### Clothe the army first

In opening the meeting, R. R. Guthrie, chief of the OPM textiles, clothing and equipage branch, said that "our first job is to clothe the armed forces, and do that well."

"I'm sure," he said, "that poor clothing and zero weather are our allies in Russia today."

He warned that the amount of new wool available for civilian use after the first quarter may be even less and therefore it was the part of wisdom for the clothing industry to make every pound of wool and every yard of cloth go as far as possible.

### Substitutes discussed

Irving Squires, head of the OPM clothing section, pointed out that wool conservation could be achieved mainly through use of substitutes and by simplification of styles. He invited the industry representatives to express their views.

On the question of substitutes, the feeling of most of the representatives seemed to be that woolen manufacturers could make their allotment of new wool go farther if they mixed more used and reworked wool with the new wool than they are now doing. Overcoats and topcoats, they thought, offered an especially fertile field for such substitution.

As for the worsted manufacturers, some suggested reducing the weight or

thickness of the cloth, others suggested mixing rayon or cotton with it.

### Save wool by simplification

In the field of simplification, the feeling was almost unanimous that elimination of the two-trouser suit offered the best possibility for reducing wool consumption per suit. There was not a dissenting voice on the advisability of abolishing the vest for a double-breasted suit. Most of them felt that the vest was still necessary for a single-breasted suit. The double-breasted overcoat was another garment mentioned as on its way to extinction.

### To form advisory committees

Other possible style simplifications were mentioned but were not discussed. These included eliminating the drape fullness of coats, narrowing lapels, limiting the length of a coat, eliminating patch pockets, and eliminating the double-breasted suit entirely, making the trousers narrower at the bottom and at the knee, eliminating pleats and cuffs, and doing away with the two-pants suit; as to vests, reducing the woolen parts of a vest and using more lining was suggested, as well as abolishing them entirely.

As the meeting was informal, no action was taken on any of the suggestions. However, Mr. Squires informed the meeting that two advisory groups or committees would be formed among representatives of the industry, one to study the question of substitution and the other to go more thoroughly into the question of style simplification.

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## M. J. Healey appointed to farm equipment unit

Appointment of M. J. Healey, farm machinery expert, to the farm equipment unit of the machinery section of the OPA was announced January 7 by J. K. Galbraith, assistant administrator.

Mr. Healey, a resident of Kansas City, Mo., formerly was a director of Deere & Co. and John Deere Plow Co. He also has served as a director of the Chicago, Rock Island & Pacific Railway.



## 12 named to accounting and review division

Appointment of 12 accountants to the division of accounting, analysis and review, OPA, was announced January 10 by H. F. Taggart, chief of the division. The appointees are:

**Philip J. Fischer**, to acting chief of the food section. Mr. Fischer, in the United States Government service since 1934, served as principal accountant and assistant to the comptroller of the Home Owners Loan Corporation, and program organizer for the Surplus Marketing Administration in the Department of Agriculture. He was assistant to the president of the Sanitary Grocery Co. and assistant to the vice president of the Hecht Department Store in Washington. Previously, he was district manager of the southern area for Sears Roebuck & Co. He lives in Chevy Chase, Md.

### Harper in lumber, building materials

**James E. Harper** was named chief of the lumber and building materials section. He has had several years' experience in the lumber and hardware industries. He was associated with the DeArmond Bros. Lumber Co., Lakeview, Oreg., in charge of accounting and finance.

**Joseph A. Murray**, to the lumber and building materials section. He formerly was secretary of the C. E. Sheppard Co. of New York, manufacturers of loose-leaf devices. Widely experienced in management and accounting, he has patents in use and pending in the prepared roofing industry. From 1917 to 1933 he was with the Keystone Roofing Manufacturing Co. of York, Pa., first as comptroller and then as vice president and general manager. His home is in Scarsdale, N. Y.

**James A. Nugent**, to the textile and leather goods section. Mr. Nugent formerly was tax accountant with Cutler Hammer, Inc., in Milwaukee, manufacturer of electrical controlling devices. He comes to OPA with several years' experience in the leather goods industry and as a public accountant. He was associated with the Forsyth Leather Co. in Wisconsin as comptroller and plant manager. His home is in Milwaukee.

### O'Loughlin named to steel section

**Joseph W. O'Loughlin**, to the steel section. He formerly was comptroller for contractors in the construction of Fort Devens, Mass. Previously, he was chief fiscal auditor for the Office of the Quartermaster General, construction division, in the War Department. He was associated with the iron and steel industry as treasurer of the National Harris Iron Co. of New York, a wire manufacturer; as president of O'Loughlin & Co., traffic signal manufacturers, and as engineer for the J. L. Mott Iron Works of New York City.

**Bruce R. Allen** was named to the iron and steel section. He has been with the United States Government since 1931 as special agent (accountant) with the Federal Bureau of Investigation and as a fiscal accountant in other agencies. Mr. Allen is a member of the International Accountants Society, Inc.

**Sherman E. Sudbury**, to the machinery section. For the last 18 years he was in public accounting and tax practice as principal and partner in S. E. Sudbury & Co. Previously, he was with leading financial and industrial firms in Salt Lake City and New York City as auditor, accountant and comptroller. His home is in Washington.

### Spaulding heads chemical section

**David E. Spaulding**, formerly operating his own accounting firm, was appointed chief of the chemicals, drugs, and paints section.

He comes to OPA with 15 years' experience in the paint, varnish, and lacquer industry as comptroller for a leading company, and for 7 years was associated with public accounting firms specializing in chemical and drug audits. During the NRA, he was a member of the Code Committee representing the paint, varnish, and lacquer industry.

**Joseph V. Cummins**, to the chemicals, drugs, and paints section. Mr. Cummins formerly was Midwest district manager for Elder and Jenks, brush manufacturers. He was associated for 16 years with the Sherwin-Williams Co. as an executive accountant in installation of cost accounting systems and later as a merchandising counsellor. He is a resident of St. Louis Mo.

**Edward J. Gunter** was appointed to the chemicals, drugs, and paints section. For the past 8 years he has been a field auditor for the Calco Chemical Co. of Bound Brook, N. J., in charge of cost accounting installations and auditing of companies which were to be purchased. Mr. Gunter is a member of the International Accountants Society, Inc.

**William F. Weinpahl** was named to the paper section. He has been associated in the book manufacturing, publishing, and allied industries since 1917 and has held several executive positions in charge of accounting, production, and sales.

**Elmer R. White**, formerly audit report analyst for the Rural Electrification Administration, was appointed to the rubber section. He has spent several years in the public utility industry as a field accountant and previously was with the War Department as an auditor examining World War contracts with rubber manufacturing companies.

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## High rating on materials for industrial lift trucks extended until March 10

Preference Rating Order P-40, making available an A-1-g rating for materials going into the manufacture of industrial lift trucks and replacement parts, was extended January 10 until March 10 by an order issued by Acting Director of Priorities J. S. Knowlson.

### Assures continuation of building program

The high rating which would have expired January 10, is designed to assure continuation of the building program for industrial lift trucks, which are widely used in lifting, hauling, and moving war materials.

Priorities assistance in the acquisition of materials used in the manufacture of lift trucks originally was granted October 14, 1941. Last December 30, the A-1-g rating was extended to deliveries of material for producing electric storage batteries and gas-electric units and repair parts designed and manufactured solely for replacement purposes.

## Sulphite pulp allocated to help customers of plants doing war work

A program to allocate sulphite pulp among the regular customers of three producers whose plants are widely engaged in war work has been announced by Donald M. Nelson, director of Priorities.

During January, 4,200 tons of sulphite pulp will be set aside under the program. This amount may change from month to month.

### Making nitration pulp

General Preference Order M-52 was issued by Mr. Nelson to carry out the program under which sulphite pulp will be made available to the regular customers of Rayonier, Inc., Brown & Co. and Eastern Corporation. These three firms, which together have an annual pulp producing capacity of approximately 500,000 tons, are using part of their facilities to produce nitration pulp for explosives.

The order, effective January 9, requires all sulphite pulp producers in the country, some of whom are not immediately able to produce nitration pulp of the required quantities, to contribute proportionately part of their production each month to make up the tonnage to be allocated. Customers of these contributing producers will have their supplies cut correspondingly.

### 120 customers to be relieved

Approximately 120 customers of the 3 war-producing concerns, engaged in manufacturing all types of sulphite paper products, such as writing paper, tissue paper, book stocks, typewriter and mimeograph paper, etc., are expected to be relieved under the program.

The pulp and paper branch of the Office of Production Management, after long study and several industry conferences, found that an allocation program offered the best method of avoiding shutdowns of mills usually served by Rayonier, Brown, and Eastern. The mills could not purchase pulp directly from other producers, because market supplies were completely covered by existing contracts. No immediate way could be found to supply the mills by increasing domestic consumption or imports.

The amount of pulp to be set aside each month by any producer can be purchased by the three Government producers at prices no higher than those established by the Office of Price Administration, and must be turned over to their regular domestic customers without profit or mark up on any account.



## Wholesale, retail grocers form industry committee

Formation of an industry advisory committee for the wholesale and retail grocery trade was announced January 9 by the Bureau of Industry Advisory Committees. Members are:

Joseph Burke, 1 East Walnut Street, Alexandria, Va.; D. E. Robinson, McCann & Co., Pittsburgh, Pa.; E. F. Turner, 1858 Broad Street, Cranston, R. I.; P. D'Agostino, 1362 Third Avenue, New York, N. Y.; Herbert H. Sack, Piedmont Grocery Co., 4038 Piedmont Avenue, Oakland, Calif.; S. C. Stenehjem, Caledonia, Minn.; Louis Sommer, Forty-ninth and Dodge Streets, Omaha, Nebr.; Vincent Browner, 626 East Locust Street, Des Moines, Iowa; William H. Tyler, Tyler & Simpson Co., Fort Worth, Tex.; Joseph Weingarten, J. Weingarten, Inc., 808 Prairie Avenue, Houston, Tex.; Albert George Ralphs, Ralphs Grocery Co., 926 West Seventh Street, Los Angeles, Calif.; C. W. Kaylor, Jewel Tea Co., Barrington, Ill.; Arthur W. Lutz, Smart & Final Co., Wilmington, Calif.; French Fox, Fox Grocery Co., Charleroi, Pa.; August Janszen, The Janszen Co., Cincinnati, Ohio; Edward Bierhaus, E. Bierhaus & Sons, Vincennes, Ind.; Glen R. Griefe, Red Owl Stores, Inc., 900 North Fourth Street, Minneapolis, Minn.; Charles W. Parr, Great Atlantic & Pacific Tea Co., 420 Lexington Avenue, New York, N. Y.; Hunter C. Phelan, Colonial Stores, Inc., 301 Dunmore Street, Norfolk, Va.; Lewis W. Cole, Steiden Stores, Inc., 414 Baxter Avenue, Louisville, Ky.; Tom Good, Good Brothers, Inc., Philadelphia, Pa.; George Freeby, Progressive Merchants Association, Leighton, Pa.

Seven divisions of the industry are represented by the committee: retail, wholesale, chains, supermarket, retail wagon routes, wholesale wagon routes, and retail co-ops.

The committee was formed after nominations were received from industry representatives at a meeting attended by about 80 representatives from all parts of the country.

Problems of the industry to be gone into more fully at the committee's first meeting concern tires, tin cans, and paper bags.

One groceryman suggested the pooling of deliveries by grocery stores in a locality to save tires now on hand.

Burt P. Flickinger, of the OPM food supply branch, is Government presiding officer of the committee.

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## D. C. Townson heads food supply branch

Appointment of Douglas C. Townson, of Rochester, N. Y., as chief of the food supply branch of OPM, was announced January 6 by Douglas C. MacKeachie, director of the Division of Purchases.

Mr. Townson succeeds Howard B. Cunningham, who is on leave because of ill health.

## OPA denies oil companies' request to raise fuel oil prices at East, Gulf Coast points

Applications filed by certain large oil companies for permission to increase prices of grade C bunker fuel oil at East Coast and Gulf Coast locations have been denied by the Office of Price Administration, Administrator Henderson announced January 9.

### Several companies propose raise

Several oil companies had proposed to raise bunker C fuel oil prices 15 cents a barrel to \$1.50 in New York Harbor, with corresponding advances at other points on the Eastern Seaboard. In addition, an advance was proposed in the Gulf Coast price.

In arriving at its decision, the Office of Price Administration considered all pertinent factors, including, among others, current charter rates, actual

costs of operating company-owned tankers in which a substantial part of heavy fuel oil is moved, the fuel oil supply position, the defense operations in which fuel oil is required, and the general economic position of refiners and marketers on the Gulf and East Coasts.

### Lists prices to be maintained

The following maximum prices for bunker C and No. 6 fuel oil, f. o. b. refineries and terminals (ex lighterage), OPA declared, should be maintained for all transactions:

Per barrel—Albany, N. Y., \$1.55; New York, N. Y., \$1.35; Philadelphia, Pa., \$1.35; Baltimore, Md., \$1.35; Norfolk, Va., \$1.35; Portland, Maine, \$1.35; Boston, Mass., \$1.35; Providence, R. I., \$1.35; Charleston, S. C., \$1.30; Savannah, Ga., \$1.30; Jacksonville, Fla., \$1.30; Tampa, Fla., \$1.25; New Orleans, La., \$0.85; and Gulf Coast, \$0.85.

## Ceilings on roofing products adjusted in Pacific Coast States

An amendment to the asphalt or tarred roofing products schedule to bring maximum prices that may be charged in Washington, Oregon, and part of Idaho into proper relationship with those in other Pacific Coast States was announced January 5 by OPA Administrator Henderson.

### Adjustment found necessary

In the schedule as originally issued ceiling prices for the Pacific coast were set at levels of July 2, 1941. Further studies disclosed that on that date roofing products in Washington, Oregon, and that part of Idaho north of and including Idaho County were selling below their normal price relationship to the rest of the Pacific coast. The January 5 amendment corrects this situation by setting maximum prices for that area at the levels of August 1, 1941. The July 2 price level still applies as a ceiling for California, Arizona, Utah, Nevada, and that part of Idaho not included in the amendment, and for the Territories of Hawaii and Alaska.

It is planned to issue in the near future a further amendment to the roofing products schedule establishing specific maximum prices for the entire Pacific coast in the same manner as the schedule now does with respect to eastern territory.

## Mint growers, others to consider ceilings on oil of peppermint

Advisability of establishing maximum prices for oil of peppermint, which has almost doubled in price since mid-November, will be discussed by the Office of Price Administration at a meeting with growers of mint, representative oil dealers and consumers in Washington on January 13, OPA Administrator Henderson announced January 5.

Notice of the meeting was given to agricultural extension directors in the principal commercial mint-growing States: Indiana, Michigan, Ohio, California, Oregon, and Washington in order that they may notify mint growers in their respective localities.

Oil of peppermint is distilled from the common mint plant. It is used extensively in pharmaceuticals, dentifrices, chewing gum, and confections. Prices quoted by dealers have risen from about \$3.90 a pound in the middle of November to about \$7.50 per pound at present.

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## ARMY TIRE RECAP SCHOOL

A school for training enlisted men in recapping, retreading, and repairing tires will be operated beginning this month at a tire and rubber company plant at Akron, Ohio, the War Department has announced.



## News for Consumers

### Pooling Cars for Conservation

Advising consumers on methods of prolonging the lives of their automobiles, the Consumer Division of the Office of Price Administration suggests that motorists pool their automobiles and form "car clubs," in which members take turns driving their automobiles to work or to market.

For the worker whose car furnishes transportation to and from the job, the division has the following suggestions:

Get together with your neighbors and find out which of them drive to the vicinity of your job. Organize a car club of four or five, and take turns driving one another in. You can divide the days of the week among you, or each member of the club can drive for one full week at a time.

If a canvass of your near neighbors doesn't produce results, try putting up a notice at the corner drug store.

If one of you has a parking permit or arrangements at a parking lot, see if the facility can be extended to other members of the club. No more than one car will be occupying the parking space on any day, and the cost of the permit can be shared by all the members.

If you are a member of a community or civic organization or a trade union, bring up the subject of pooling rides at a meeting, and get the car clubs organized on a wide scale. Or talk to your pastor and get him to promote the plan among the members of his congregation.

The housewife who drives to the market to make her weekly or semi-weekly food and household purchases can form her own car club, says the Consumer Division, which has the following suggestions to make on this point:

Get together with your friends and neighbors who also drive to the shopping centers, and arrange to use one car at a time. Rotate the use of your cars, and keep your records straight and your arrangements business-like.

Make a complete list of everything you need before you make your shopping trips and you will make fewer trips for small purchases.

If you can't find enough women in your neighborhood to form an effective car club,

bring up the question at your women's club, Parent-Teacher Association, church group, or other group.

If other methods fail, put up a notice at the market or at the corner drug store, or in the lobby of your apartment house.

For all members of the family, wider pooling of car use is advised. Car clubs and pooling of car use will go a long way towards conserving the automobile in the average American home. Instead of the wasteful spectacle of four or five cars heading in the same direction at the same time, each with empty seating space, one car can be put to full use while the others stay home in the garage. All cars in a club will last longer; their drivers will save considerable sums in fuel; and, carried out on a large scale, the car clubs will reduce the city traffic and parking problems that help wear out cars with stop-and-go driving and with much roaming in search of parking places.

### Consumer Representation

Dan A. West, deputy director of the Consumer Division, OPA, January 7 announced appointment of John H. Paswaters of Los Angeles, Charles H. Ross of Chicago, and O. H. Olson of Pasco, Wash., to the consumer representation section of the division.

The consumer representation section will represent the Consumer Division in conferences and negotiations with other defense agencies to introduce consideration of consumer needs and other consumer interests in the development of a united war effort by civilian agencies of the Government.

Mr. Paswaters is a former advertising and merchandising expert who came to Washington after 20 years' experience in the retail field and as merchandising counsel to the Los Angeles Examiner.

### College Campuses Cut Waste

College youth are organizing to combat waste on the campus, according to information brought back by representatives of the Consumer Division of the Office of Price Administration from two national student conferences held during the 1941 Christmas recess.

Among the more spectacular phases of college life which may disappear for the duration as the result of the student antiwaste drive is the excessive use of automobiles. Students are also learning to conserve clothes, electric power, and food, and are organizing their buying to eliminate wasteful purchase and consumption of goods.

Attending the National Intercollegiate Christian Conference at Miami University, Oxford, Ohio, and the National Student Federation Convention at the University of Minnesota in Minneapolis, members of the Consumer Division's school and college unit found student leaders already had taken the initiative in organizing and putting into operation methods for battling campus waste.

The NICC passed resolutions advocating a "Consumer Education and War Against Waste Week"; discipline in the use of automobiles and other articles consuming irreplaceable resources vital to the war program; the elimination of expensive entertainment on campuses, including "big-name" orchestras; the organization and development of cooperative buying to conserve resources; and the introduction of consumer education courses in the curriculum.

At the annual congress of the NSFA a report on the effort to cut down living costs by one group of college students attracted widespread interest.

In order to save electricity, they agreed to turn off lights at 11 o'clock. In one test month under this program, the women saved more than \$3,600, as a result of which they have been assured that for the next year at least there will be no increase in the cost of their board and room.

Meanwhile, the "War on Waste" campaign continues in the Nation's high schools. The "War Against Waste Outline Lesson" prepared by the school and college unit of the Consumer Division will be distributed for use in the home-making classes of 400 junior and senior high schools in New York City, it was announced.

Between November 17 and December 31, over 100 high schools in 22 States requested the outline lesson for use in high school classes.

WAR ORDERS INCREASE PRODUCTION



MORE WORKERS WITH HIGHER WAGES BUY MORE

"PLEASANT AND SOMEWHAT INTOXICATING," the Office of Price Administration says of the situation depicted above. (Illustration is for OPA booklet, "How to Stop Inflation.") Drawing on opposite page, however, shows what comes next.



## Woodworking machine prices

Makers of woodworking and fabricating machinery were invited to meet with officials of the Office of Price Administration on January 13 in Chicago to discuss the prices of their products.

In letters of invitation to manufacturers, Administrator Henderson expressed his appreciation of the responses received from his recent request that prices of woodworking and fabricating machinery not be raised above the levels of October 1, 1941.

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## STATE TIRE RATIONING ADMINISTRATORS LISTED

Names of the men who will serve as tire rationing administrators in the various States, the District of Columbia, New York City, and the Chicago Metropolitan Area, were announced January 4 by OPA Administrator Henderson.

These men will be in charge of the activities of the local tire rationing boards and will serve as liaison agents between OPA and the local boards. They are responsible for notifying the local boards of the quotas applicable to each county or subdivision thereof and for the allocation of the "State reserves" as between the various local boards.

The State administrators, as well as members of the local boards, are employees of OPA serving without compensation.

## STATE TIRE RATIONING OFFICERS

Alabama, Houston Cole; Arizona, J. H. Calvert; Arkansas, L. A. Henry; California, Richard Graves; Colorado, Wilbur Newton; Connecticut, Chester Bolles; Delaware, James Luke, Jr.; Florida, Walter C. Sherman; Georgia, T. M. Forbes; Idaho, C. C. Anderson; Illinois, Henry Pope, Jr.; Indiana, J. D. Strickland; Iowa, Robert B. Adams; Kansas, Jeff A. Robertson; Kentucky, Adj. Gen. John A. Polin; Louisiana, Roland Cocheham.

Maine, W. H. Towle; Maryland, Louis C. Burr; Massachusetts, Thomas M. Joyce; Michigan, Arthur H. Sarvis; Minnesota, Theodore Driscoll; Mississippi, W. H. Chichester; Missouri, James A. Potter; Montana, Tom D. Caverly; Nebraska, Grant Leslye McFeyden; Nevada, Art Revort; New Hampshire, Charles H. Barnard; New Jersey, Robert M. Johnson; New Mexico, S. M. Graf; New York, Maurice F. Neufeld; North Carolina, Theodore S. Johnson; North Dakota, Fred Krause, Jr.

Ohio, H. S. Perry; Oregon, O. L. Price; Pennsylvania, T. Elmer Transeau; Rhode Island, Edward T. Hogan; South Carolina, J. G. McMaster, Jr.; South Dakota, Guy Harding; Tennessee, Maj. Gen. Lytle Brown; Texas, Mark McGee; Utah, Gus Backman; Vermont, Fred S. Brynn; Virginia, J. Fulmer Bright; Washington, Floris Nagelvoort; West Virginia, Carl G. Bachman; Wisconsin, Don T. Allen; Wyoming, Geo. O. Hauser; Oklahoma, Bert McDonell; District of Columbia, Whitney Leary; New York City, George Sloan; Chicago Metropolitan Area, Michael F. Mulcahy.

## News for Retailers

### More Interpretations of Tire Rationing Rules

The following additional interpretations of the new tire and tube rationing regulations plan were issued last week by Leon Henderson, administrator, Office of Price Administration.

**Q.** Can a Local Tire Rationing Board direct a person who is granted a certificate to purchase his tire from a specific dealer?

**A.** No. A person holding a certificate may purchase his tire from any authorized dealer anywhere in the country (sec. 204).

**Q.** Where may persons holding certificates purchase their tires?

**A.** At any store, outlet, or premises at which more than 51 percent of the sales made are sales direct to consumers (sec. 401 (b)).

**Q.** Is there any restriction on the number of certificate holders to whom a single dealer may sell tires?

**A.** No. Any dealer may sell as many tires as are called for by certificates presented to him by purchasers. The quotas issued by the Office of Price Administration limit the number of tires for which certificates may be issued by any Local Tire Rationing Board (sec. 305).

**Q.** Is there any way for a dealer who sells exclusively direct to consumers to liquidate his stocks quickly?

**A.** Yes. A person regularly engaged in selling new tires or tubes exclusively at retail may sell new tires or tubes to another dealer, the Reconstruction Finance Corporation, The Rubber Reserve Corporation, the Procurement Division of the United States Treasury, or a manufacturer of tires or tubes, provided that prior to a sale to a manufacturer written approval for such sale is obtained from the Office of Price Administration, Washington, D. C. (sec. 401 (c) (2)).

**Q.** Is a car an eligible vehicle if it is owned by a Government accountant and used by him principally for Government travel for which

he receives compensation from the Government on a mileage basis?

**A.** No (sec. 404).

**Q.** Is a truck used to transport gasoline to filling stations an eligible vehicle?

**A.** Yes (sec. 404 (e) (1)).

**Q.** Is a truck used for the installation and repair of awning on retail stores an eligible vehicle?

**A.** No (sec. 404 (e) (4)).

**Q.** Is a passenger car used exclusively to supervise manufacturing or mining operations an eligible vehicle?

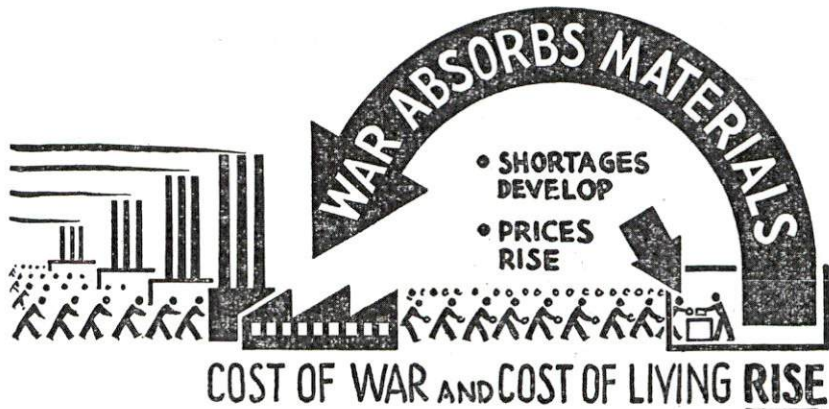
**A.** No (sec. 404 (e) (9)).

### Makers of Ceramic Equipment Asked to Hold Down Prices

Firms in the ceramic machinery and equipment industry have been requested by the Office of Price Administration not to raise prices above the level prevailing October 1, 1941, Administrator Henderson announced January 5.

Letters sent to the industry point out that increases in prices of this equipment will directly influence ability to produce building materials, refractories for industrial furnaces and kilns, electrical insulators, and ceramic substitutes for strategic metals required for the war effort.

Invitations were also extended through the letter to seventy firms in the industry to attend a conference with OPA officials in Washington on January 20 to discuss the price administration program as it relates to this industry.



THERE CAN BE A HANGOVER. Business and consumer both suffer unless inflation is controlled, OPA continues. "How to Stop Inflation" has been sent to weekly newspapers, trade associations, Price Administration field offices.



# TRANSPORTATION . . .

## Eastman names 9 key executives to staff of new Office of Transportation

Closely after his appointment as director of Defense Transportation, Joseph B. Eastman on January 8 named nine key executives of his new staff.

Appointments to the staff of the Office of Defense Transportation, which is charged with the job of gearing the Nation's transportation facilities to the new war effort, are:

*Division of Railway Transport*, headed by Victor V. Boatner, Chicago. Mr. Boatner was president of the Peoria & Pekin Union Railroad from 1921 to 1929, and president of the Chicago Great Western Railroad from 1929 to 1931. He is a director member of the executive committee, and a representative of the Gulf, Mobile & Ohio Railroad, and has been engaged for years in transportation consultation and railroad reorganizations.

*Division of Motor Transport*, headed by John L. Rogers, Washington, D. C. Mr. Rogers in 1933 was named executive assistant to the Federal Coordinator of Transportation, and in 1935 was made director of the Bureau of Motor Carriers, Interstate Commerce Commission. He was appointed a member of the Interstate Commerce Commission in 1937, and has served in that position since that time.

*Division of Traffic Movement*, headed by John R. Turney, Washington, D. C. Mr. Turney was connected as an attorney and counsel with the St. Louis Southwestern Railway, from 1907 to 1929, and served as vice president in charge of law and traffic of that road from 1929 to 1933. He was director of the Section of Transportation Service, Federal Coordinator of Transportation, from 1933 to 1935, and has been engaged in general transportation practice in Washington since 1935.

*Division of Rates*, headed by G. Lloyd Wilson, Philadelphia. Mr. Wilson, professor of transportation and public utilities, University of Pennsylvania, has been serving as director of the Transportation Division, Office of Price Administration.

*Division of Transport Personnel*, headed by Otto S. Beyer, Washington, D. C. Mr. Beyer in 1933 was appointed by the Federal Coordinator of Transportation as director, Section of Labor Relations, and in 1935 was appointed a member of the National Mediation Board, of which he has served as chairman. He was consulting engineer on labor-management cooperative relations from 1919 to 1933.

*Executive assistant*—Joseph L. White, Montclair, N. J. Mr. White, after filling various railroad posts, was made chief clerk of the Priorities Committee, War Industries Board, in 1917. He served with the United States Railroad Administration, 1918-22, as statistician to the director general, and as assistant controller. After some years of service in the railroad and industrial field, he was appointed co-director of the Division of Transportation Service, Federal Coordinator of Transportation, in 1935. Recently he has served as assistant director of the Transportation Division in the Office of Price Administration.

*Assistant on pipe lines, tankers, tank cars, tank trucks*—Fayette B. Dow, Washington, D. C. For several years Mr. Dow was in the

employ of the Interstate Commerce Commission and during part of World War I conducted its investigation into car shortages and other transportation conditions. He has practiced law before the Interstate Commerce Commission and has made special studies on petroleum transportation.

*Assistant on Great Lakes carriers*.—A. T. Wood, Cleveland, Ohio. Mr. Wood in 1927 became marine superintendent under the vice president of the Lake Transportation Department of the Wilson Transit Company, and from 1934 until the present time has served as president of the Lake Carriers Association, Cleveland, Ohio.

*General counsel*—Jack G. Scott, Washington, D. C. Mr. Scott is now chief of the Legal and Enforcement Section, Bureau of Motor Carriers, Interstate Commerce Commission.

### Eastman outlines policies

In announcing the appointments, Mr. Eastman said:

"The purpose of the Office of Defense Transportation is to lend the aid and authority of the Government to the maintenance and development of transportation services which will effectively and efficiently meet the needs of the country in its war effort.

"The Executive order creating the Office imposes heavy duties and responsibilities upon the director. My intent is to lay out an organization so planned and officered that it will be capable of whatever expansion proves to be necessary for the proper discharge of these duties and responsibilities.

"I shall endeavor, however, to make full use of the collaboration and cooperation of other departments and agencies of the Government and of private transportation groups, as the Executive order contemplates, and I have every confidence that I shall receive wholehearted cooperation from all these sources.

### Will try not to duplicate

"I shall try not to duplicate work which is being done effectively, nor to interfere where interference is unnecessary.

"Thus far, since the beginning of the defense emergency, the transportation systems of the country have functioned admirably, with equally admirable cooperation and help from both the public and the private shippers.

"Difficult problems lie ahead for them, but I am sure that they are prepared to deal courageously, ably, and effectively

with these problems, and I shall do everything in my power to help them.

"The Executive order requires me to establish a Division of Railway Transport, a Division of Motor Transport, a Division of Inland Waterway Transport, and a Division of Coastwise and Intercoastal Transport. In addition I shall establish a Division of Traffic Movement, a Division of Storage, a Division of Statistics, a Division of Rates, and a Division of Transport personnel, and it is probable that I shall establish one or two other Divisions.

### Other appointments probable

"I shall have an executive assistant, an assistant to help me in matters relating to pipe lines, tankers, tank cars, and tank trucks, an assistant to help me in matters relating to the Great Lakes carriers, and a general counsel. It is probable that I shall have a similar assistant for air carriers.

"It was my hope that Ralph Budd, former commissioner of transportation of the Advisory Commission to the Council of National Defense, would be willing to head my Division of Railway Transport, for I believe no man in the country to be better qualified. For a long time, however, Mr. Budd has wished to return to Chicago, Burlington & Quincy Railroad Company, of which he is president, and to my great regret he has decided that there he can now serve his country best in the present emergency; but I shall, I know, have the benefit of his constant aid and advice.

"The men here named to the staff I have selected with the approval of the President."

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## Mandatory power pooling revoked in Southeast

Priorities Director Nelson on January 3 revoked the power limitation order (L-16) which was issued October 30, 1941, to meet a power shortage in the Southeast. The revocation was effective January 5.

J. A. Krug, chief of the OPM power branch, sent a letter to the utilities asking them to continue the pooling arrangement on a voluntary basis to the extent necessary to assure the complete filling of their reservoirs. This includes the operation of steam plants at full capacity.



# LABOR . . .

## New production goal demands doubling or trebling war labor force, says Hillman

America's present force of war workers must be doubled or trebled to fulfill the new production program for victory, OPM Associate Director General Sidney Hillman declared January 9.

### Pledges "continuing expansion"

Addressing the Federal Security Advisory Council in session in Washington, he said:

"We have now raised our sights. Our new production goal demands that we double, perhaps even treble, our present labor force in war industries."

He warned that hiring of additional millions of workers would be more difficult than the recruitment job up to now, but pledged "continuing expansion and speeding up of our efforts to make fullest, most efficient use of our great manpower resources."

"It is folly to allow a single tool or man to remain idle for a single working hour," he declared.

### Agencies coordinated

Hillman said that by coordinating the work of such agencies as the United States Employment Service and the Office of Education with the work of OPM's Labor Division, duplication has been avoided and every agency encouraged to make "its most effective contribution."

"I know of no instance where the building of a plane or a tank or a ship has been held back by a shortage of trained, registered, qualified labor. We have always kept in step, and often anticipated, the needs of defense and war industry for qualified workers."

### Must intensify efforts

"During the first months of our defense program," he said, "we took many skilled workers who could take jobs at once on war production. We took semi-skilled workers and added to their training. We reached into the levels of the unskilled and launched a huge program of defense training for the untrained unemployed."

"We began to include women in defense work, first taking those who had factory experience. We sought to break down the barriers of racial discrimination which fenced us off from important sources of manpower. But now we must intensify and expand all our previous efforts."

Turning to the urgent problem of conversion, Hillman stressed that during the change-over of plants from peacetime to wartime production "a temporary displacement of workers is inevitable."

"We must employ these displaced workers as quickly as possible both in the interests of greater production and in the interest of preventing hardship during the transition to a war economy."

## Pennsylvania teamsters postpone strike

The National Defense Mediation Board last week (January 5-11) entered its seventh consecutive week of no strikes on its calendar. Hearings were opened in three cases, two of which were settled by agreement and in the third, recommendations were made. One new case was certified to the Board.

### Hammond and Irving Co.

A dispute over the closed shop and wage increases brought in representatives of the Hammond and Irving Co., Auburn, N. Y., and the International Association of Machinists, AFL, for a hearing before a panel composed of William G. Rice, Frederick Fales and William Calvin. The hearings which opened on January 5 lasted for only 1 day, when Mr. Lewis Gill of the Mediation Board staff went to Auburn to investigate the facts. While he was there, a settlement was reached and ratified by the union membership on January 8.

A maintenance of membership clause was agreed on with the provision that employees would not be required to maintain their union membership in good standing unless they had voluntarily signed a pledge to that effect. Wage increases were also granted ranging from 5 cents to 22½ cents an hour. A strike had been in effect at the plant over these issues from December 2 to December 15 when the case was certified to the Board. The company employs about 160 workers and makes steel forgings and other defense materials.

### Johns Manville Products Corporation

Hearings opened January 5 in the controversy between the Johns Manville Products Corporation, Watson, Calif., and the Rock Products Workers Union,

OPM has strengthened its labor recruitment program, he told the Council, by calling upon John J. Corson, head of the United States Employment Service, to direct the labor supply branch of the Labor Division. Corson also becomes executive secretary of the National Labor Supply Policy Committee.

"Under this reorganization," Hillman said, "the Federal employment service becomes a direct, functioning arm of our production organization, and the labor supply branch and the national and State employment services will operate as a unit under a single head."

AFL, before a panel of Ralph Seward, John Connelly, and George Lynch. On November 18 a strike of the 200 workers at the plant had been called over the issue of what formula should be used to review wages as the cost of living increases. The men returned to work December 22 at the request of the Board.

Two days of hearings ended in an agreement being reached, the terms of which were to be inserted in the contract already in existence between the parties. This agreement provided for a base rate increase of 5 cents an hour and for an increase of 8 cents an hour in the classifications above the base rate, both to be retroactive to November 7, 1941. The contract provides also for a 4½-cent increase in June 1942. Further increases are to be given under the formula set forth in the agreement reached before the Board.

The company makes asbestos and other mineral products for the defense program.

### Highway Transport Association

The International Brotherhood of Teamsters and the Highway Transport Association of Pennsylvania came in before the Board January 8 for hearings in their dispute over wages. The parties involved covered three cities in Pennsylvania—York, Lancaster, and Harrisburg. The representatives from York appeared January 8 and those from the other two cities came in the next day. After 2 days of hearings, the parties returned home to await recommendations by the Board on the issue.

The union has postponed a threatened strike which would have tied up the transportation of freight in a large area of the state.



# CONSERVATION . . .

## Successful plan for saving raw materials, scrap, launched by industries in Erie, Pa., will be extended to other areas

A comprehensive plan of industrial conservation designed to secure the active cooperation of industry in the economic use of raw materials and the salvaging of scrap needed for America's war industries is now operating in Erie, Pa.

The program was worked out by leading manufacturing interests of Erie, with the full endorsement of the Bureau of Industrial Conservation of the OPM. According to officials of the bureau, extensive savings in the use of raw materials have already been effected, although the plan has been in operation only about 3 weeks.

### Similar programs for other areas

The industrial salvage section of the bureau, drawing upon the experience gained in Erie, will sponsor the inauguration of similar programs in thirty-odd centers in the course of the next few months.

The Erie program was formally launched on December 12, when leading executives of the city's large and small industries and trade and business associations attended an organization meeting and set up an executive committee composed of the following: F. E. Bliven, General Electric Co., chairman; R. C. MacElroy, secretary U. S. Metal Products Co.; M. F. McCarty, Erie Forge and Steel Co.; Harry Bole, president, Erie Foremen's Association; and Dana Jones, secretary of the Manufacturers Association of Erie.

The executive committee then selected a sub-executive committee, composed of executives engaged in the manufacture of products generating such salvageable materials as iron and steel scrap, non-ferrous scrap (brass, copper, aluminum, lead, and zinc), waste paper, scrap rubber, cotton and woolen rags, and miscellaneous products.

### Aims and objectives

The executive committee and the sub-executive committee worked out a program of objectives as follows:

- The wrecking of abandoned and obsolete machinery and equipment.
- Utilization of all critical materials to the best advantage.
- Minimization of waste and spoilage.

- Reuse, wherever possible, of blanks, cut downs, short ends, clippings, etc.
- Selective handling and segregation of scrap and overage at the source.
- Avoidance of contamination.
- Speeding the return of scrap and waste

# Get in the SCRAP

America's war industries need

**METALS  
PAPER  
OLD RAGS  
RUBBER**

Get it back in war production

*POSTER prepared by OEM Information Division to help scrap collection. Colors are red, white, and black. One-column mats available for publication on request to Distribution Section, Division of Information, Office for Emergency Management, Washington, D. C.*

materials through existing channels to mills and refineries.

### Salvage procedure and methods

To carry out these aims and objectives the executive committees recommended the following salvage procedure and methods:

- A. Arrange in every plant for the appointment of a "Salvage Department Manager," or for the delegation of some one individual in each plant to be responsible for the wrecking of obsolete machinery, equipment, etc.
- B. Arrange to train men, if necessary, in the definition of scrap, its nature, its handling, and its salvage.
- C. Arrange for a system of periodic reports (weekly reports were considered best during the early stages of the campaign) on scrap collected to be made by every plant to the executive committee.

Under the operation of the plan, the individual "salvage managers" in the various plants designate their own plant and departmental salvage committees and work out their own system of handling, reporting, etc., as well as methods to be followed in wrecking obsolete machinery, disposing of out-of-date or discontinued finished products and other stored materials not likely to be used.

Salvage managers of the different plants are also arranging joint meetings.

### 3-point program for employees

Since the success of a salvage program depends upon the cooperation of the man at the machine, the salvage managers agreed upon a 3-point program to be brought to the attention of every employee, urging him to:

1. Conserve materials; minimize waste and spoilage.
2. Sort blanks, short ends, cut downs, clippings, etc., with a view to their reuse either in his department or plant or by some other department or plant in the district.
3. Separate unavoidable scrap and cut downs at the source; avoid contamination.

In order that other manufacturers may benefit from the experiences gained in the plan, the executive committee will enlist the support of local manufacturing, production and trade associations to bring to the attention of all classes of management the advantages accruing. The committee will also assemble and keep all records of scrap collected and salvaged by all plants and evaluate the complete record in a report to OPM.

The committee will study such questions as: "To what extent can practice and procedures used by large concerns be adapted feasibly to plants of moderate or small size?" "What is the reason, if any, for undue accumulation or sluggish movement of waste materials?"

### One member to act as liaison

In order to avail itself of the assistance of the industrial salvage section of the Bureau of Industrial Conservation, the committee will designate a member to act as liaison contact. The salvage section has offered to make available the services of an experienced salvage engineer for consultation on specific problems, to supply speakers and salvage consultants for important meetings, and to serve as a clearing house for information on plans and procedures which have proven practical and profitable in other industries. Posters, displays, notices, press releases and other material will also be supplied.



# AGRICULTURE . . .

(Information furnished through Office of Agricultural Defense Relations,  
U. S. Department of Agriculture)

## Must produce commodities specifically needed to win, Townsend tells farmers

"All of the resources of the United States must be fashioned into a hard, striking force to win the war," M. Clifford Townsend, director, Office of Agricultural Defense Relations, told the Massachusetts Farm Bureau Federation January 7.

Further excerpts follow:

We cannot win battles by merely pointing to our great productive capacity in factories and on farms, to our millions of skilled men and women, our deposits of raw materials and our courageous men in uniform. Wars are won by taking orders without complaint, by subverting the individual interest to the national welfare.

### "Passed beyond skepticism of 1941"

We have passed beyond the uncertainties and skepticism of the year 1941, when so many of us refused to believe our leaders, refused to take the defense program seriously, and were squabbling with one another over who was to get the biggest advantage out of the defense boom.

We all agree that we must win this war, and win it as quickly as possible. We can only achieve that goal by devoting ourselves wholly to that task, by doing the things that are necessary to win the war, and ceasing those activities which are not essential to winning the war. We have had our luxuries. We have wasted our manpower, talents, and resources in the past. We have smugly accepted a few minor dislocations as our "contribution" to the defense program.

### "Jobs for all of us staked out"

When we talk about sacrifices of agriculture, labor or business, they seem somewhat insignificant beside the sacrifices being made by our boys in uniform who have left comfort and security to fight for us.

Agriculture has been pretty well spared thus far the pinches of a war economy. This will not last. All available metals, chemicals, manpower, textiles, fibers, and paper that can be spared must go into the war effort.

The jobs for all of us in the war effort are pretty well staked out. The farmer's job is to produce the food and fibers, fats and oils, that are so essential to win-

ning the war. Generally speaking, farmers have indicated that they can meet the "Food for Freedom" goals and go well beyond them.

### Must produce to win the war

Since Pearl Harbor, we have all had to take another look at the goals. We have lost or may lose large imports of fats and oils, fibers, and sugar. We have greater responsibilities to our Allies, and must send them supplies to keep them fighting and driving back the Axis. All this

counts up to the probability that a number of goals will be increased, increased just as far as there is ability to produce.

### Ever Normal Granary a "blessing"

It would be unwise today to take the lid off of all agricultural production. It would be like telling industry to produce everything at the greatest possible rate, regardless of its use, and waste metals and chemicals and manpower. We must mostly produce those commodities which are specifically needed for a specific purpose in winning the war.

Today, the Ever Normal Granary, so wisely created in days of abundance, has been a great blessing to democracy, pouring out the abundance of past years to

## Scarcity of some container materials may force farmers to change shipping methods

Many farmers and packers of farm products will find it necessary to change their packing and shipping practices because of the limited supplies of container materials, such as burlap or cotton fabric bags and heavy paper bags and boxes, the United States Department of Agriculture said January 8.

The shortage of burlap and heavy paper bags is most serious. Greater use of wooden containers and cotton or heavy paper bags in 1942 is recommended wherever possible. Packers of agricultural products are urged to follow the container supply situation closely and make necessary plans.

### Burlap imports may be reduced

A large part of the burlap supply, most of which comes from India, is used each year for packing agricultural products. The amount of burlap imported—two-thirds of which is required for military uses—may be seriously reduced. Conservation of the present burlap supply, however, will offer some relief. Burlap is very durable and, if carefully handled, may be reused many times.

### Substitute paper bags

Cotton bags would be quite satisfactory substitutes for burlap in most uses. But, their increased use is limited by war needs such as tents, uniforms, and sandbags, which have placed a heavy burden on cotton fabric manufacturers.

In recent years there has been a shift

to heavy-duty paper bags, particularly for packaging potatoes, flour, cement and fertilizer. War has created a shortage in materials for these bags, but less essential uses for paper will be eliminated and it is expected that substantial amounts of paper will be available as substitute for burlap.

### Could produce more wooden containers

Use of some of the more common wooden containers has been declining for several years. As a result, there is unused production capacity. The manufacture of barrels, baskets, boxes of various kinds, and other wooden containers can be increased, although in some cases current supplies of cured staves, veneer and shooks are limited. In the event a greater use of wooden containers, the time required between ordering the container and its delivery is likely to be longer.

Increased production of veneer baskets can be obtained almost immediately. Production probably could be doubled and labor can be obtained to operate present plants. For boxes, for most part, advance notice of several months should be given lumber producers.

More planning is necessary for wooden containers than for other kinds. Lumber, veneer, plywood, and barrel staves have to be manufactured and seasoned and then shipped to where the containers are to be assembled and used.



## Glass container makers, users are asked to simplify designs, conserve materials and facilities

Lessing J. Rosenwald, chief of the Bureau of Industrial Conservation of OPM, appealed January 5 to glass-container manufacturers, packers, bottlers and other users of glass containers to conserve raw materials essential to war production by simplifying bottle sizes, shapes, and finishes wherever possible.

A widespread and effective simplification program would reduce the variety of sizes and designs now in use, Mr. Rosenwald pointed out, which in turn would permit more efficient use of manpower, fuel, and equipment, as well as achieve important savings of critical materials. Such a program should also include the use of a greater proportion of larger size containers, it was recommended. Scarcity of soda ash and other chemicals used in the glass-container industry, the bureau chief emphasized, necessitates the utmost economy and efficiency in the consumption of these materials.

It was also explained that iron used for molds can be conserved through greater utilization of existing mold equipment and by the elimination of fancy designs which require greater quantities of iron than conventional designs. Paper used for shipping cases, required in vastly increased quantities in the war effort, will also be saved through such conservation methods, Mr. Rosenwald said.

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## Rosenthal leaves OPM post for Economic Warfare

Morris Rosenthal, formerly of Stein, Hall & Co., New York, has resigned from the OPM burlap importing and bag manufacturing industry advisory committee to become an assistant director of the Board of Economic Warfare. Oliver H. Clapp, assistant vice president of Stein, Hall & Co., has been appointed to Mr. Rosenthal's vacancy on the committee.

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## POWER SHOVEL MEETING POSTPONED

The informal meeting of power shovel and construction machinery manufacturers, originally scheduled for January 4, was postponed.

## Organization of salvage committees under way in 16 States and D. C.

Organization of State and local salvage committees is well under way in 16 States and the District of Columbia, it was announced last week by Lessing J. Rosenwald, chief of the Bureau of Industrial Conservation of OPM. Organizers from the Washington office of the Bureau are now in the field seeing governors and State defense council chairmen to arrange for the establishment of salvage committees.

In addition to Maryland and the District of Columbia, where committees are completely organized and in full operation, States in which preliminary organization already is under way include: Connecticut, New York, Illinois, Michigan, Wisconsin, Minnesota, Indiana, Ohio, New Jersey, Nebraska, Mississippi, New Hampshire, Massachusetts, Pennsylvania, and Florida.

### Nation-wide goal by spring

It is considered likely that by the end of January, approximately twenty-five States will have completed their organization and will be actively engaged in the salvage effort, with a Nation-wide salvage structure as the goal by early spring.

The public is being urged to save and dispose of waste paper, scrap metals, old rags and rubber. It has been recommended that these waste materials be sold to local dealers, or given to collecting charities, which in turn sell them. By either route, previously idle or wasted material is moved back into production in the Nation's war program.

State salvage committees will not in any way supersede any salvage efforts already in operation, it has been emphasized. In many places, charitable agencies, schools, and similar groups have been active in stimulating the collection of waste. The waste paper consuming industries also have been conducting campaigns in some of the country's largest cities. It will be the object of the State salvage committees to assist and coordinate all such efforts to the fullest extent and to assure the greatest possible increase in the return of waste materials through every available channel.

### Make-up of committees

State committees will be made up, it is planned, of representatives of collecting charities, parent-teacher groups, civic organizations, State officials, waste

dealers, and representatives of newspapers and radio stations. An executive secretary, employed by the Bureau of Industrial Conservation, will be attached to State committees and will serve as liaison officer between committees and the Bureau.

Members of the County Defense Boards of the U. S. Department of Agriculture have been asked to map out plans for expediting the collection and disposal of waste materials from rural areas.

### Booklets available

The Bureau of Industrial Conservation has prepared a booklet on the salvage for victory program, outlining the proposed plan of State and local organization. This plan is available for all State and local salvage committees and the Bureau has recommended urgently that any salvage organizational structure follow this general procedure.

In addition, the bureau will also provide household booklets for general distribution, outlining "what to save, how to save, and how to dispose of waste." These will be distributed through the salvage committees.

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## Mayors asked to cooperate with conservation chief in pushing waste paper collection

Emphasizing that the waste paper conservation campaign can be most effective through centralization of its national headquarters, OPA Administrator Henderson January 7 asked the mayors of 20,000 cities and towns to cooperate with the Bureau of Industrial Conservation, Lessing J. Rosenwald, chief, which has taken over this work.

In a letter to the mayors, Mr. Henderson pointed out the necessity of making the waste paper campaign effective immediately, because unprecedented demands upon the wood pulp industry have made the shortage acute.

Responding to Mr. Henderson's original appeal a month ago, mayors in gratifying numbers have furthered the campaign. Reports show wide organization of local committees which have begun systematic collection of paper waste formerly lost through burning.



# INTER-AMERICAN AFFAIRS . . .

## U. S. imports outstrip exports in American trade, but we get vital war materials

The OEM Division of Information last week released the following survey:

This Nation has long had a sizable stake in Latin America. Now, as a nation at war, we have much more compelling reasons to look to the South. Our trade in Latin America during the first 9 months of 1941 was a third larger than in the corresponding period of 1940, and it was about 75 percent bigger than in the first three quarters of 1939.

Recognizing the importance of the other American Republics to this Nation—and of this Nation to the other Republics—the Office of Production Management and other defense agencies have already taken a number of steps to assist Latin American governments, both for the purpose of stimulating the civilian economies of those nations and also for the purpose of increasing the flow of materials, especially critical war materials, to United States ports.

### Priority assistance given

The Priorities Division, for example, has in a number of cases given priority assistance to orders placed by Latin American governments and firms. High priority ratings were granted to aid construction of a Brazilian steel mill. Allocation of more than 200,000 tons of tin plate has been arranged for Latin America, and machinery and equipment has been made available by means of priority assistance to help increase the output of Chilean copper mines.

Applications for priority assistance on other orders for materials for the defense of Latin American countries or essential to their civilian economy always receive prompt consideration, with due attention to the relative needs of the United States and of other friendly countries.

### Trade figures impressive

The trade figures alone would be an impressive evidence of hemisphere solidarity, aside from the other steps which have been taken. The Western Hemisphere is not wholly self-sufficient in essential materials, but it comes closer to being than any other comparable area in the world, and under the exigencies of war, the United States is obtaining more of the material it needs from Latin America than ever before.

In normal times, Latin America has supplied the great bulk of United States imports of antimony ore, beryllium, and vanadium for alloys, babassu nuts and castor beans for oils, coffee, flaxseed, henequen which is used as an industrial fiber, quartz crystal, quebracho extract for tanning, sodium nitrate for explosives and fertilizer, and sugar.

The nations to the South have also sent us substantial quantities of the bauxite ore from which aluminum is extracted, cacao beans, hides and skins. Canada supplies most of our nickel.

### Other materials must be imported

Other strategic materials which must be imported by the United States include rubber, tin, Manila hemp, jute, copra, palm oil, kapok, opium, manganese, chromite, graphite, and tungsten. In the past, most of these materials have been obtained from the Far East, South Africa, and Turkey. Shortage of shipping and the submarine menace on some of the normal trade routes have made it imperative to obtain these materials so far as possible from countries nearer home.

As a manifestation of the Good Neighbor policy, the United States since 1939 has undertaken to help the countries of Latin America adjust their economies to the loss of continental European markets. This policy is bearing dividends on both sides, for Latin America supplies us with some of the vital sinews of war which we used to obtain from countries which are now difficult of access or cut off entirely.

### Our imports outstrip exports

United States imports from Latin America have been growing even faster than total trade. Imports from other American Republics in the first nine months of 1941 were nearly 60 percent more than in the same months of 1940. For the first time in recent history, United States imports from Latin America have been larger than exports to the same countries.

In prewar terms, this would have been called an "unfavorable balance of trade." But since the Japanese attack on Pearl Harbor, it is a gratifying sign of the strength and unity of the Western

Hemisphere in materials and productive capacity.

The growth in the import figures has a direct relationship to America's war effort. Imports of sugar and coffee, which outweigh all the other items Latin America sends us in normal times, have remained at about the normal level. The increase has taken place chiefly in copper, wool, hides and skins, manganese, tungsten and other metal and metal ores which now have a vital strategic importance.

In return, the United States has been sending to Latin America larger quantities of machinery and other equipment which the other American Republics used to obtain in substantial quantities from Europe. The United States has made special efforts to export machinery necessary for increasing Latin American production of raw materials, and has sent machines which will help the countries to the South to supply some of their own needs. The United States also exports to Latin America crude petroleum and petroleum products, chemicals, textiles, food and food products, and a variety of manufactured articles from typewriters to automobiles.

### What they send us

Among the most important Latin American sources of strategic and essential civilian materials are the following:

*Argentina* sends us wool, hides and skins, quebracho extract, flaxseed, canned beef, and cheese.

*Bolivia* is one of the world's leading sources of tin ore. Formerly all of this tin was sent to England for smelting before reaching the United States, but now a tin smelter to handle Bolivian ore is being constructed in Texas to cut down the use of shipping necessary to supply us with this important metal. Bolivia is also supplying increasing quantities of antimony to make up for the diminishing volume imported from China.

*Brazil* supplies the bulk of the coffee drunk in the United States, and a variety of other important products including cacao beans, castor beans, babassu nuts, cotton linters for explosives, manganese, quartz crystals, carnauba wax, hides and skins.

### Chile furnishes copper

Ordinarily, the United States is self-sufficient in copper production, but with the tremendous extra need for copper to be used in battleships, shells, and other



give food and strength to the enemies of aggression.

A very important part of the agricultural picture is the tools and manpower which will be available to the farmer. It goes without saying, supplies will not be as abundant, nor will manpower. I do not believe farmers will question or complain about this fact.

#### Expect only fair share of equipment

But we in agriculture cannot and will not take the responsibility of crippling the armament program by asking for or expecting more than our fair minimum share of metals and chemicals and textiles. An early and complete victory over the Axis depends to a great extent upon our ability to produce airplanes, guns, ships, tanks, bombs, in greater numbers than the Axis. We can get the materials for this type of production by taking it away from other less essential uses. We all accept this decision.

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### Agricultural Defense Boards set up in Hawaii, Puerto Rico

The United States Department of Agriculture has announced the establishment in Hawaii and Puerto Rico of USDA Agricultural Defense Boards to coordinate the agricultural activities at these island outposts.

The boards are similar in composition and function to USDA State Defense Boards which have been set up in continental United States. Each board will be made up of principal field officers of major USDA bureaus having offices in Hawaii and Puerto Rico.

#### King chairman in Hawaii

W. Norman King of Honolulu will be chairman of the defense board in Hawaii. Mr. King has had a number of years' experience in both commercial and governmental agricultural work. In August 1941 he was placed in charge of the Hawaiian AAA office. For the 2 years previous, he was conservationist for Extension and Soil Conservation Services in Hawaii.

#### Frisbie heads board in Puerto Rico

J. Bernard Frisbie of San Juan will be chairman of the defense board in Puerto Rico. Mr. Frisbie has had a number of years' commercial experience in both the United States and Latin American countries. He has been a field officer of AAA activities in Puerto Rico since 1934, and is now officer in charge of all AAA activities there.

## HOUSING . . .

### 42,000 demountable homes, 5,667 trailers and 5,200 dormitory units get allocations

Fast, large-scale expansion of defense housing to match the Nation's all-out war effort was promised January 7 by Defense Housing Coordinator Palmer, in announcing that President Roosevelt had allocated \$153,000,000 to the Federal Works Agency for approximately 42,000 demountable houses to be built in some 50 defense areas throughout the country. In addition, \$13,000,000 was allocated to the Farm Security Administration for 5,667 trailers and 5,200 dormitory units, to be located in 22 localities.

Representing more than half the sum recently made available by Congress for emergency housing, the allocation dwarfs all previous orders for demountable housing, and is the biggest step yet taken in speeding up the defense housing program, Mr. Palmer stated.

#### The solution to "ghost towns"

Designed for rapid erection and ready removal to other locations when necessary, demountable housing is considered by experts the best answer to acute housing shortages in defense communities where the population is expected to decline in the post-war period, and where ghost towns might result from too much permanent construction to meet emergency needs. While demountable houses

need not necessarily be prefabricated, it is expected that a large proportion of the projected 42,000 homes will be built by the latest streamlined construction methods.

Although all past speed records must be broken if defense housing is to keep pace with industrial expansion under the victory program there will be no relaxing of standards, Palmer asserted.

#### Some of communities listed

The complete list of defense localities included in the January 7 allocations is not yet available. Funds released by this action will, however, apply to the following communities, where Presidential approval of defense housing has already been announced but where funds have hitherto been unavailable for construction:

Alton-E. Alton, Ill., 200 units; Campo, Calif., 30; Dayton, Ohio, 750; Elkton, Md., 350; Greenport, L. I., 50; Jackson-Flora, Miss., 350; Jackson-Milan-Humboldt, Tenn., 200; Keyport, Wash., 125; Quantico, Va., 250; Sacramento, Calif., 125; Sebring, Fla., 193; Shreveport-Minden, La., 200; Springfield, Ohio, 250.

Previously programmed as permanent housing, now changed to demountable: Buffalo (Cheektowaga), N. Y., 1,050; Buffalo (Lackawanna), N. Y., 400; Mobile, Ala. (Brookley Field), 1,060; Morgantown, W. Va., 150; Muscle Shoals, Ala., 100; Orange-Beaumont-Port Arthur, Tex., 300; Philadelphia (Bristol), Pa., 200; Seattle, Wash., 100.

### President finds need for 680 homes

President Roosevelt determined January 5 that a need exists for 680 homes for families of industrial defense workers and enlisted personnel.

In addition the President approved provision of temporary accommodations for 380 families in three localities, and 200 units by Defense Homes Corporation in two localities.

Localities and the number of homes planned for each are as follows:

*Permanent*—Springfield, Mass., 470; Quad Cities, Ill., 210.

*Temporary*—Dayton, Ohio, 100; Benicia, Calif., 80; Santa Maria-Lompoc, Calif. (Camp Cooke), 200.

*Defense Homes Corporation*—Springfield, Mass., 100; New London, Conn., 100.

### 1,320 defense homes reported as completed in week

Charles F. Palmer, coordinator of defense housing, announced January 6 that 1,320 new publicly financed homes for families of defense workers and enlisted personnel had been completed during the week ended January 3, making a total of 65,004 now ready for occupancy.

With no homes going into construction during the week, the total of publicly financed homes now being built or completed reached 106,412.

Federal funds have already been allotted for 143,064 defense homes.

FHA-inspected privately financed homes started during the week, totaled 1,429. Since January of last year, 214,386 such homes have gone into construction.



# CIVILIAN DEFENSE

## Nation's libraries asked to establish departments for defense information; OCD assistant detailed to help

America's libraries are to become arsenals of defense information.

Eagerness to obtain information on all phases of the war and national defense has swamped libraries throughout the Nation, and librarians are bombarded daily with demands for enlightenment on subjects ranging from how to treat a paratrooper to how to knit one and purl two. As a result, Mrs. Franklin D. Roosevelt on January 7 asked the country's libraries to become a definite part of the civilian defense program.

"I hope that the librarians of the country will feel that they have a great obligation to help in civilian defense," said Mrs. Roosevelt, who is assistant director of the Office of Civilian Defense and in charge of civilian volunteer participation. "First, by making available to the general public official literature on civilian defense, obtained from State and local defense councils. Second, by supplying defense councils, on request, the specific information on problems as they arise about which they lack general knowledge."

### Assistant to put program before librarians

Mrs. Roosevelt has assigned Miss Mary Louise Alexander, a special assistant and library expert, to the task of placing the participation program before the librarians of the Nation. Several larger libraries including those at Cleveland, Los Angeles, and Denver have already established defense information departments.

"It would be extremely helpful," Mrs. Roosevelt stated, "if it was undertaken, particularly in the large libraries, to develop some staff specialists on defense who would know just what material was needed to meet different needs and could help the defense council in distributing any information that they wish to distribute. The defense council, of course, must be the official information center in order to avoid confusion and permit prompt action and they will, of course, use not only the librarians but every other method of disseminating information that they can possibly use. The librarians, however, are a very important factor and we hope they will be used to the fullest extent possible."

Although the library program is in the first stages of development, librarians are urged to make an immediate start toward collecting and correlating defense data from official and other sources and to work closely with the information committees of the local defense councils in developing sources of needed information, Miss Alexander said. She emphasized that such information should be made available to the public immediately.

"Libraries being the logical centers and the most widely available outlet for community information, they are in a most desirable position to serve as auxiliaries to local information centers of defense councils," Miss Alexander said. "Because of the impossibility of furnishing printed instructional publications on all defense subjects to everyone, there should be a place where all available information can be easily found."

### Interest high in several subjects

"At the moment interest is high in such subjects as blackouts, air raid protection; shelters; evacuation; transportation; nutrition; social welfare; family security; child care; mass feeding and housing; defense recreation; emergency medical training courses such as first aid and nurses' aide work. Many want to know about the air raid warning system and the training required for the many civilian defense protective services, as well as many other phases of defense activity," Miss Alexander said. "To make such timely information available now is a proper function of this country's libraries and librarians."

### Council should have librarian member

Each defense council should include a librarian on its advisory board and librarians should enroll in the civilian defense volunteer program, she said. Libraries taking part in the program will incorporate these features:

1. Emphasis on current pamphlet materials and special weight given to morale-building materials.
2. Organization of forums, discussion groups and instructional courses in phases of civilian defense, making

the library buildings available for such programs.

3. Wider circulation of books and other materials dealing with defense to forums and training centers in the area.

4. Greater use of films, radio and other media to reach persons of all ages and interests.

Libraries during the first stages of the Nation-wide library program will pool experience gained over the "defense counter" through the Washington office so that a well rounded program can be developed in every locality, Miss Alexander said.

At central headquarters in Washington a library of information on defense and associate subjects is being organized.

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## Equipment for citizens' defense sought from towns, individuals

The Office of Civilian Defense January 7 instructed its regional directors to exert every effort through all State and city governmental agencies within their regions to obtain, either as loans or as gifts, materials and equipment to be used by the Citizens Defense Corps.

### For volunteer services

The Citizens Defense Corps comprises the volunteer services in the protective division. The equipment and material are those which would be used by auxiliary firemen or by auxiliary policemen, air raid wardens, demolition and clearance crews, rescue squads, road repair crews, decontamination squads, repair squads, etc. Much of this equipment is now in the possession of municipal agencies as well as individuals in each community.

Shortages in many items included in this equipment either exists at present or would exist if large purchases were made.

### Steps to avoid shortages

"It is, therefore, the patriotic duty of everyone to do everything possible to avoid the creation of shortages in materials that otherwise might be available for war uses," the regional directors were notified. Legislation now pending in Congress would permit the Federal Government to furnish some of the equipment necessary.



materials of war, it is fortunate that we are able to supplement our own production of copper by large imports from Chile. Chile also supplies considerable quantities of sodium nitrate.

Colombia furnishes most of the coffee which does not come from Brazil, and also bananas.

Cuba is the world's greatest producer of sugar and the principal source of United States sugar imports. In addition, Cuba is now sending to the United States chromium and manganese ores which are essential in the production of steel.

Ecuador is now furnishing part of the kapok which was formerly obtained almost entirely from the Far East.

Mexico exchanges a considerable variety of products with the United States. Among the materials which the United States is now importing in growing quantities from Mexico are crude petroleum, copper, cattle, sisal hemp, lead, antimony, and zinc.

Uruguay is second to Argentina among the Latin American nations in exports of wool to the United States.

#### Wool and mohair

Argentina and Uruguay alone sent over 60 million dollars' worth of wool and mohair to the United States in the first six months of 1941 as compared with total United States imports of these materials which amounted only to about 85 million dollars in the full year 1940. Chilean copper exports to the United States in the first six months of 1941 were a little less than half the dollar volume of copper imports from all sources in 1940, and amounted to three-fourths of the value of all copper imports in 1939. There have also been sharp increases this year in Latin American exports to the United States of manganese ore, chromite, tungsten, antimony, and zinc.

#### A possible major source of rubber

If the war continues long enough, Brazil may again become a major source of rubber for the United States as it was at the beginning of this century. The Brazilian rubber industry was almost ruined by plant disease, but the United States Department of Agriculture has been developing disease-resistant rubber plants which have been cultivated successfully in several Latin American countries. Over a period of years the Latin American rubber industry can be expanded substantially if that is found necessary and desirable.

While it would take some time for the Western Hemisphere to readjust its

## HEALTH AND WELFARE . . .

### State Nursing Councils created to meet wartime need for personnel

Because war has seriously increased an already alarming shortage of nurses, State Nursing Councils on Defense have now been set up in the 48 States and the District of Columbia, Federal Security Administrator Paul V. McNutt, director of Defense Health and Welfare Services, announced January 8. These State Nursing Councils will be concerned with developing an adequate supply of nurses for wartime needs.

#### Campaign to enroll 50,000

The council's first important assignment, according to Mr. McNutt, is promoting the recruitment of student nurses. To this end, Mr. McNutt said, a campaign is under way to enroll 50,000 young women in the Nation's accredited schools of nursing this year.

"We are faced with a task in overcoming the present shortage of nurses and

building a permanent nursing corps adequate in size to meet the demands of the armed forces and the civilian population," Mr. McNutt declared. "That is why additional thousands of young women must be enrolled at once in accredited schools of nursing."

#### Refresher courses offered

"An immediate source of supply is available in nurses who have been inactive and who are returning to service for wartime duty," Mr. McNutt pointed out. "These nurses are being given refresher training courses to enable them to resume their professional work. Young women who are interested in nursing as a career and as an opportunity for wartime service, should communicate with their State Nursing Council on Defense or with superintendents of nurses of their local hospitals."

economy to such an extent that imports from other parts of the world would not be seriously missed, the hemisphere can go a long way toward supplying its own needs with proper development.

The United States itself produces one-third of the world's iron ore, 40 percent of the iron and steel, two-thirds of the oil, 40 percent of the copper, 29 percent of the zinc, and 24 percent of the lead. Canada is one of the world's largest producers of nickel and a large producer of copper and other minerals. When the potential resources of the Latin American countries are added to these, the Western Hemisphere can with confidence match its productive capacity against the Axis Powers with their satellites and conquered territories.

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### Must use common sense in hiring aliens, no legal barrier, say Knudsen and Hillman

In answer to questions recently raised as to restrictions on the employment of aliens in all war industries, William S. Knudsen and Sidney Hillman, Director General and Associate Director General

of OPM, January 10 made the following joint statement:

#### No legal barrier to employment

"There is no legal barrier to the employment of aliens in any factories having war contracts. It is only in those manufacturing plants which produce secret items for the Army or Navy that the permission of the armed services must be secured by the employer before aliens are hired.

#### Many with ability and loyalty

"Thousands of British, Norwegian, French, Polish, Dutch, and other nationals of the United Nations and of neutral countries are currently employed in plants turning out war materials. There are likewise thousands of able, alien workers whose loyalty to the United States is without question. The aims of democracy and the needs for efficiency alike demand that this ability and loyalty shall not go to waste. In doubtful cases, the appropriate Government agencies are prepared to take proper measures. In all-out war production, we must utilize every human resource with sanity, with common sense, and the conviction that no one shall be denied opportunity to participate in the war effort because of race, creed, color, or national origin."



## President names Dean Landis Executive of Civilian Defense

Dean James M. Landis of the Harvard Law School, for 6 months regional director of the OCD in the first region (New England), this week assumes the newly created post of "Executive" in the national office of the Office of Civilian Defense, to which he was appointed by President Roosevelt.

Dean Landis will function directly under Director F. H. LaGuardia. His successor as regional director in New England has not yet been selected.

Mayor F. H. LaGuardia, director of the Office of Civilian Defense, January 9 issued the following statement:

"The President has designated James M. Landis, dean of Harvard Law School, who is now regional director for the first region of OCD, as executive of the Office of Civilian Defense.

"We have worked out a reorganization, and Dean Landis will take the details of the office administration off my shoulders. I will then be able to devote more time to perfecting the organization throughout the country.

"Frankly this plan meets the Washington situation because of the growth and the added activities of the Office of Civilian Defense, and will afford me more time in the field.

"Frankly it does not meet the New York City situation because it will take more of my time. I must be realistic about this.

"The matter of equipment is of the

## War expenditures near 2 billion for December; \$15,252,000,000 for 18 months

War expenditures came very close to \$2,000,000,000 a month in December, according to estimates prepared by the Bureau of Statistics, OPM. The total of \$1,997,000,000 for the month includes checks paid by the United States Treasury and by the Reconstruction Finance Corporation for war purposes.

### \$15,252,000,000 for 18 months

This brought total war expenditures for 18 months—July 1940 through December 1941—to \$15,252,000,000. An increase in expenditures during December over November of \$465,000,000 was reported, compared with a decline of \$126,000,000 in November from October. This was virtually double the largest monthly increase previously reported.

The following table shows war expenditures month by month, and indicates the change in dollars from the previous month, from July 1940 through December 1941:

### U. S. WAR EXPENDITURES—JULY 1940— DECEMBER 1941

(In millions of dollars)

Date	Expenditures <sup>1</sup>	Change from preceding month
<i>1940</i>		
July.....	186	-----
August.....	213	+27
September.....	234	+21
October.....	312	+78
November.....	391	+79
December.....	483	+92
<i>1941</i>		
January.....	589	+106
February.....	607	+18
March.....	797	+190
April.....	824	+27
May.....	904	+80
June.....	890	-14
July.....	1,021	+131
August.....	1,190	+169
September.....	1,424	+234
October.....	1,658	+234
November.....	1,532	-126
December.....	<sup>2</sup> 1,997	<sup>2</sup> +465
Total.....	<sup>2</sup> 15,252	-----

<sup>1</sup> Checks paid by United States Treasury and by Reconstruction Finance Corporation for war purposes.  
<sup>2</sup> Preliminary figures.

utmost importance. I must warn the country that we must have the fire equipment ordered and in production at once. There must be no delay.

"I also want to see the bill drafted by the Attorney General and approved by the President for the compensation of fire wardens injured in an attack, pass and in operation. I have been working on that for over 6 months."

In Cambridge, Mass., Dean Landis made the following statement:

"I am delighted with the opportunity the President has given me to work with my old and cherished friend, Mayor LaGuardia. My job is as it is described, to carry into execution the policies of the Office of Civilian Defense and to see that they become effective."

## OFFICE FOR EMERGENCY MANAGEMENT

WAYNE COY, *Liaison Officer*

CENTRAL ADMINISTRATIVE SERVICES: Dallas Dort, *Director*.

DEFENSE COMMUNICATIONS BOARD: James Lawrence Fly, *Chairman*.

DEFENSE HOUSING DIVISION: C. F. Palmer, *Coordinator*.

INFORMATION DIVISION: Robert W. Horton, *Director*.

NATIONAL DEFENSE MEDIATION BOARD: Wm. H. Davis, *Chairman*.

OFFICE OF SCIENTIFIC RESEARCH AND DEVELOPMENT: Dr. Vannevar Bush, *Director*.

OFFICE OF CIVILIAN DEFENSE: Fiorello H. LaGuardia, *Director*.

OFFICE OF THE COORDINATOR OF INTER-AMERICAN AFFAIRS: Nelson Rockefeller, *Coordinator*.

OFFICE OF DEFENSE HEALTH AND WELFARE SERVICES: Paul V. McNutt, *Director*.

OFFICE OF PRICE ADMINISTRATION: Leon Henderson, *Administrator*.

CONSUMER DIVISION: Leon Henderson, *Administrator*; Dan A. West, *Deputy Director*.

SUPPLY PRIORITIES AND ALLOCATIONS BOARD:  
The Vice President of the United States, *Chairman*.  
Donald M. Nelson, *Executive Director*.  
The Secretary of War.  
The Secretary of the Navy.  
William S. Knudsen.  
Sidney Hillman.  
Harry Hopkins.  
Leon Henderson.

OFFICE OF DEFENSE TRANSPORTATION: Joseph B. Eastman, *Director*.

OFFICE OF FACTS AND FIGURES: Archibald MacLeish, *Director*.

OFFICE OF LEND-LEASE ADMINISTRATION: E. R. Stettinius, Jr., *Administrator*.

OFFICE OF PRODUCTION MANAGEMENT:

William S. Knudsen, *Director General*.  
Sidney Hillman, *Associate Director General*.  
*Secretary*, Herbert Emmerich.  
*General Counsel*, John Lord O'Brian.

PRODUCTION DIVISION: W. H. Harrison, *Director*.

PURCHASES DIVISION: Douglas C. MacKeachie, *Director*.

PRIORITIES DIVISION: Donald M. Nelson, *Director*.

MATERIALS DIVISION: William L. Batt, *Director*.

CIVILIAN SUPPLY DIVISION: Leon Henderson, *Director*.

CONTRACT DISTRIBUTION DIVISION: Floyd B. Odium, *Director*.

LABOR DIVISION: Sidney Hillman, *Director*.  
RESEARCH AND STATISTICS BUREAU: Stacy May, *Chief*.

BUREAU OF INDUSTRY ADVISORY COMMITTEES: Sidney J. Weinberg, *Chief*.

BUREAU OF INDUSTRIAL CONSERVATION: Lessing J. Rosenwald, *Chief*.



## Victory Garden Program to be initiated under auspices of defense councils

A Victory Garden Program, to be initiated in each community under the auspices of the local defense councils, was announced January 12 by the U. S. Office of Civilian Defense. The program is the result of conferences between the Office of Civilian Defense, U. S. Department of Agriculture, the Office of Education, WPA, and other Government agencies.

The produce from each plot of a divided community garden would go to the family gardening that plot. Produce from gardens managed and worked as community undertakings, as well as surpluses from home gardens, could be used for school lunch projects and emergency food needs.

### Planning prevents waste

The quantity of tools, seed, and fertilizer in the United States is limited and should be used carefully and efficiently to avoid waste. Well planned community gardens conserve these materials and make the use of skilled supervision easier. Home gardens, if worked by experienced gardeners or if supervised properly, are also advisable.

Local civilian defense councils will be aided as to publicity, supervision and planning by the national and regional offices. A handbook containing detailed suggestions on the organization of a Victory Garden Program is being prepared by the Office of Civilian Defense.

Detailed plans of organization of the local Victory Garden committees under the local defense councils have been distributed to the regional offices of the Office of Civilian Defense, in collaboration with Federal, State and county agencies.

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## Dr. George Baehr named to health and medical committee

Dr. George Baehr, chief of the medical division of the Office of Civilian Defense, January 7 was named by President Roosevelt a member of the health and medical committee of the Office of Defense Health and Welfare Services.

The committee comprises the surgeons general of the Army, Navy, and Public Health Services, the chairman of the Division of Medical Sciences of the National Academy of Science, and Dr. Irvin Abell of the American Medical Association.

## Boy Scouts' sphere in civilian defense program clarified by joint statement

The Office of Civilian Defense through its director, F. H. LaGuardia, and James E. West, Chief Scout Executive, January 10 released a joint statement of its relationship with the Boy Scouts of America, to clarify the responsibilities of the two agencies for the duration of the war, as follows:

### OCD is official Federal agency

1. The Office of Civilian Defense is the official Government agency "to assure effective coordination of Federal relations with State and local governments engaged in defense activities, to provide for necessary cooperation with State and local governments in respect to measures for adequate protection of the civilian population in emergency periods, to facilitate constructive civilian participation in the defense program, and to sustain national morale."

### Boy Scouts' objectives

2. The Boy Scouts of America, Inc., as a national organization operating under Federal charter, has the responsibility of maintaining an educational program of training boys in scoutcraft and outdoor skills and citizenship responsibilities, and in developing and moulding character. It has developed and inaugurated a special program of emergency service training. Its regular training, also, includes first aid, firemanship, signalling, mapping, lifesaving, pathfinding, and cooperation with others.

3. Since the Boy Scouts of America have one and one-half million boys and men trained and organized into 49,000 units in practically every community in the United States and territories, it is desirable in the interests of national defense that their activities and ability to serve be coordinated as closely as possible with the civilian protection program of the Office of Civilian Defense.

### Volunteer functions

4. It is mutually agreed that the services of members of the Boy Scouts of America can immediately be utilized in the following enrolled volunteer groups of civilian defense protection:

- (a) Assisting emergency medical units.
- (b) Fire watchers.
- (c) Leadership in the development of adequate locally trained messenger service in which members of the Boy Scouts of America will have special designation, supplementing their uniform, indicative of their special training.

5. When a particular mission is assigned to the Boy Scouts of America, they will become a part of the civilian defense organization during the performance of this mission and work under the general supervision and direction of the Defense Council.

6. Councils of Defense and Local Boy Scout Councils will develop local plans of cooperation in accord with this joint statement and the fixed and stated policies of the Office of Civilian Defense and the Boy Scouts of America.

## OCD takes steps to protect hard-of-hearing

The Office of Civilian Defense January 11 released instructions to be observed by air raid wardens in the event of an air raid for the assistance and protection of persons with impaired hearing.

### Doubly handicapped

These persons, it was pointed out, are doubly handicapped under such circumstances, in that they cannot hear and in a blackout cannot see. Many such persons live alone in apartments and rooming houses and many have neither families nor friends who could relieve the air raid wardens of responsibility for their assistance. Because of their ability as lip readers many such persons could be assistants to air raid wardens when the noise of exploding bombs would distract those with normal hearing.

To the air raid wardens, the Office of

Civilian Defense gave the following instructions:

1. Take a census of all people who cannot hear warning sirens.
2. Urge those who cannot hear doorbells and telephone bells to install signal lights so that they could be reached in an emergency.
3. Urge those living alone to leave a passkey with nearby neighbors.
4. Warn the hard of hearing that for their own protection and those around them, arrangements should be made for warnings to be given them by two or more people.

To persons with impaired hearing, the Office of Civilian Defense issued the following instructions:

1. Follow carefully all instructions issued by your Office of Civilian Defense.
2. Wear your hearing aid, and listen to the radio.
3. Cooperate with your air raid warden in taking a census of the hearing-handicapped.
4. If you cannot hear doorbells or telephone bells, install signal lights so you can be reached in case of an emergency.