


1-27-1942

## Victory Vol. 3, No. 4

Kentucky Library Research Collections  
Western Kentucky University, [spcol@wku.edu](mailto:spcol@wku.edu)

Follow this and additional works at: <https://digitalcommons.wku.edu/victory>

 Part of the [Diplomatic History Commons](#), [Labor History Commons](#), [Military History Commons](#), and the [United States History Commons](#)

---

### Recommended Citation

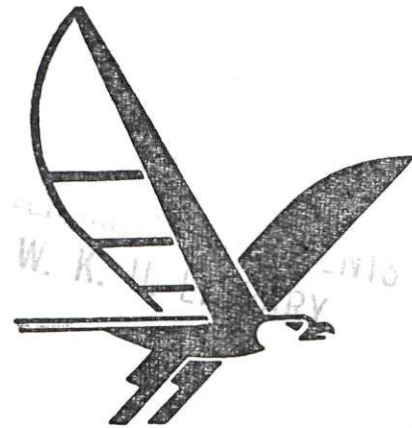
Kentucky Library Research Collections, "Victory Vol. 3, No. 4" (1942). *VICTORY: Official Weekly Bulletin of the Agencies in the Office for Emergency Management*. Paper 23.  
<https://digitalcommons.wku.edu/victory/23>

This Newsletter is brought to you for free and open access by TopSCHOLAR®. It has been accepted for inclusion in VICTORY: Official Weekly Bulletin of the Agencies in the Office for Emergency Management by an authorized administrator of TopSCHOLAR®. For more information, please contact [topscholar@wku.edu](mailto:topscholar@wku.edu).

2.407:3/4

Library, Western Kentucky State Teachers College

# VICTORY



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

WASHINGTON, D. C.

JANUARY 27, 1942

2/3/42 VOLUME 3, NUMBER 4

## WAR EFFORT INDICES

### MANPOWER

National labor force, Dec.....	53,800,000
Unemployed, Dec.....	3,800,000
Nonagricultural workers, Nov....	*40,746,000
Percent increase since June 1940	14
18 war industries, Nov.....	*2,800,000
Percent increase since June 1940	72

### FINANCE

June 1940 to latest reporting date	(In millions of dollars)
Authorized program, Jan. 15....	†77,473
Total disbursements, Jan. 15....	†16,200

### PRODUCTION

June 1940 to latest reporting date	(In millions of dollars)
Paid on contracts, Dec. 31.....	†12,140
Gov. commitments for plant expansion; 660 projects, Nov. 30..	5,067
Private commitments for plant expansion; 2,730 projects, Oct. 31.....	1,048

Week ended Jan. 24, 1942	Strikes	Workers
Significant strikes in progress during week.....	3	550
Number settled.....	2	250

\*Revised.  
†Preliminary.

## War Board absorbs OPM duties

The organization under the new War Production Board, absorbing the functions of the Office of Production Management, was described by WPB Chairman Donald M. Nelson in a press conference January 20. The conference opened with a discussion of the appointment of Ernest Kanzler as chief of the automotive branch, with, as Mr. Nelson said, "all the authority that I've got" to convert the industry to war production.

### One man heads auto conversion

Excerpts follow:

A. I am putting Mr. Kanzler as the head of the (automotive) industry branch in charge of the Government with the necessary authority to make the decisions that need to be made down there on that job to get conversion as quickly as possible. He will have labor advisers and industry advisers that will work with him to get the ideas of how it might be done as quickly as possible, and he will make the decisions on the spot that need to be made. He will have Army men and Navy men right down there with him, and we hope to have that thing set so there will be no debating society about it at all, nothing but straight action.

### To use "whatever means we need"

Q. He will be here?

A. He will be in Detroit as head of the branch. He will be right down there, and his responsibility will be to see that we get the maximum conversion out of that industry by whatever means we need. . . .

### Production Board organization

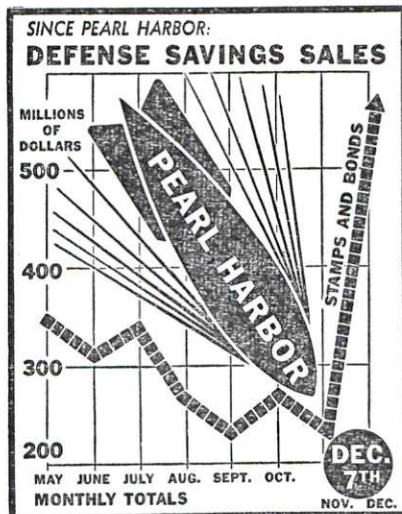
I am sure that revolutionary changes in organization only bring about delay because it always takes time for men to learn to work today. I have tried to set up an organization here directly under the War Production Board. That is calculated to move as rapidly as possible in that direction. That involves first, the elimination as such of OPM. I have set up under the Board six major divisions, and there will probably have to be a seventh. I haven't got that completely thought through at the moment, the field organization that is necessary to do this job out in the field and the relationship between the headquarters in the field and how much responsibility will be here and how much out in the field.

### "Getting the job done"

Q. Would that be a subcontracting office?

A. It will be subcontracting, priorities, or anything that pertains to getting the job done that the War Production Board has authority over. We haven't

(Continued on page 4)





## Review of the Week

One week after the President's order created the War Production Board, Donald Nelson outlined publicly the divisional organization through which the Board will do its work. Besides absorbing and centralizing the functions of the Office of Production Management the new organization adds a requirements committee, in which the needs for materials will be reconciled by the various interested agencies; a progress reporting unit, which will keep the Board informed; and a planning body of independent thinkers to devise better ways to do things.

### Conversion authority delegated

Mr. Nelson appointed, to convert the automobile factories to war production with all possible speed, Ernest Kanzler—the first of a number of WPB branch chiefs who are to be given whatever powers they need to swing American industries into the fight against the Axis. The previously chosen automotive labor and management groups will remain to advise Mr. Kanzler.

To clear the plants for conversion, Chairman Nelson prohibited the manufacture of passenger automobiles and light trucks after February 1, with the exception of a grace period up to February 10 if quotas are not completed. A speed-up was permitted in the making of medium and heavy trucks and passenger carriers, to build a stock pile of these essentials. Priorities on materials were granted to assure the manufacture of these and a limited number of parts for them, as well as greatly increased quantities of passenger car and light truck parts, while the facilities are still available.

### The 168-hour week

On the other front of the production battle, the Labor Division proposed to extend to Atlantic, Gulf, and Great Lakes shipyards the Pacific Coast plan for a 6-day, 48-hour individual work week, which is designed to make possible continuous operation.

The National War Labor Board published its rules of procedure, clearing the

way for action on the 32 cases on its calendar, and received certification of 5 new disputes.

To carry the materials and products of this gigantic joint effort, the railroad industry promised to deliver 36,000 freight cars on schedule by May 1.

### Rationing reaches every home

The contribution every American household will make to the war effort and the stake of every American in the Pacific became clearer when Price Administrator Henderson revealed sugar will be rationed, beginning early in February. Mr. Henderson said there was enough sugar per person for basic dietary needs and warned that hoarders would not be allowed to benefit by their supposed foresight.

Less directly than the sugar rationing, the public will feel the priority order curtailing the use of new rubber for a long list of civilian articles; the order sharply curtailing manufacture of radios for civilian use; and still other orders shutting off nickel and cadmium for a variety of products. OPA followed up the Priorities Division's cadmium restrictions with a price ceiling on the metal, which rustproofs vital airplane parts.

A plant-by-plant survey of copper fabricators was announced by the Priorities compliance section.

### Gasoline up, coal down

OPA permitted a raise of  $\frac{3}{8}$  of a cent per gallon in gasoline prices in 15 Eastern and Southern States. At the same time, however, OPA asked the Nation's retail coal dealers to keep prices down to the levels of December 15-31. A reduction of 25 cents a ton was obtained in the Washington, D. C., area.

The week also brought price action on a wide variety of textiles; ceilings on tire retreading materials; maximum schedules on animal products used for feed; and price limits on new machine tools to take care of the new war demand. Prices of aspirin, caffeine, citric acid, Vitamin C, salicylic acid, and theobromine were discussed at conferences. A majority of producers of flat glass agreed to withdraw a price boost.

## Auto, light truck production stopped February 1 for civilian, military, export use

Donald M. Nelson announced January 20 that he had approved a recommendation of the War Production Board that a priorities order be issued stopping production of passenger cars and light trucks, either for civilian, military, or export purposes, beginning February 1.

The order applies to production of cars and light trucks with or without tires and regardless of the terms of any contract entered into by a producer prior to the order's issuance.

Mr. Nelson pointed out that recent orders freezing sales of passenger autos and light trucks had created a stock pile from which all foreseeable military demands for such vehicles could be satisfied.

Means of seeking relief are provided for manufacturers who find it impossible to terminate assembly line operations by February 1 on the production quotas permitted by OPM for January. The order states that upon filing of individual appeals, permission may be granted to continue these operations until February 10, provided that such continuance does not interfere with conversion of the factory to military production.

The January passenger car quota is 204,848 units, and the light truck quota is 24,169 units. These quotas do not include cars or light trucks produced for the Army and Navy, certain designated governments and certain designated governmental agencies.

★ ★ ★

## EXPLANATION OF CHART

*Explanation of chart on page 1:*

Sale of Postal Savings Stamps increased from \$6,000,000 in November to \$26,000,000 in December, and sale of Defense Savings Bonds rose from \$233,000,000 to \$529,000,000 in the same period.

*(One-column mats of this and all other charts appearing on the front cover of VICTORY are available for publication, on request to the Distribution Section, Office for Emergency Management, Washington, D. C.)*

# VICTORY

OFFICIAL BULLETIN of the Office for Emergency Management. Published weekly by the Division of Information, Office for Emergency Management, and printed at the United States Government Printing Office, Washington, D. C.

Subscription rates by mail: 75¢ for 52 issues; 25¢ for 13 issues; single copies 5¢, payable in advance. Remit money order payable directly to the Superintendent of Documents, Government Printing Office, Washington, D. C.



## Sugar rationing undertaken as a war measure to insure fair distribution, says Henderson

In order to conserve and distribute equitably the supply of sugar available to this country during the coming year, the Office of Price Administration is developing a rationing plan for this commodity and will put it into effect within a few weeks, Administrator Henderson announced January 24.

### Rationing books will be issued

Rationing books have already been designed by the Office of Price Administration for this purpose and the printing of the books will be started in a day or so. Full details of the sugar rationing plan will be made public shortly.

"The rationing of sugar, a commodity of widespread importance to every person in the country, is being undertaken as a war measure," Mr. Henderson stated.

Consumers who reduce their consumption of sugar are making raw materials available for the manufacture of explosives and contributing directly to the war.

There will be enough sugar for each person to supply all basic dietary needs, Mr. Henderson said. Best current estimates put the 1942 supply at 5,300,000 short tons, as against 7,989,000 for 1941, which was a year of high consumption.

It is the patriotic duty of every citizen, the Price Administrator added, to reduce his consumption of sugar by at least one-third immediately; and, if he has built up a hoard, to start using or disposing of it now. "Consumers who are in possession of abnormally large stocks of sugar are warned," he stated, "that they will not be permitted to gain an advantage from their supposed foresight."

★ ★ ★

## IN THIS ISSUE

<b>PRIORITIES</b>	
Winding up auto production.....	6, 7
Use of new rubber curtailed.....	8
<b>PRICE ADMINISTRATION</b>	
Ceiling on machine tools.....	14
<b>LABOR</b>	
Rules of new board.....	22
Shipbuilding work week.....	24
<b>AGRICULTURE</b>	
Goals revised for war.....	26
<b>TRANSPORTATION</b>	
Car builders promise to deliver....	27
<b>CONSERVATION</b>	
Turning autos into tanks.....	28

# On the Home Front

All of us are touched by what happens on every sector of every front in the World Battle and virtually every step taken to speed victory by our wartime agencies has an end effect upon us all.

For some while now the trends have indicated that the American consumer must face increasing deprivation, must be

houses and processing plants stagger under a rush of orders, when the whole economy of food supply is upset.

Now and then, OPA has found, merchants and distributors will be unwise enough to encourage what amounts to hoarding. When such men urge housewives to stock "emergency pantry shelves" they seek temporarily increased profit at the risk of doing their fellow citizens and themselves great damage. Have none of this. Buy foodstuffs as you need them.

Keep your head, and don't be afraid.

### What the week brought

Last week saw these important developments on the war production front, developments which will eventually—as present stocks are exhausted—be reflected in the lives of many consumers: (1) The WPB slapped further drastic controls on rubber which will reduce the amount available for a wide range of civilian products by about 75 percent. And many products, such as garden hose, toys, erasers, sporting goods, and rubber heels, may be made only from reclaimed rubber in the future. (2) Consumers in 15 Eastern and Southern States will pay more for gasoline as the result of a three-tenths of a cent per gallon increase granted by OPA and Petroleum Coordinator Ickes. The increase compensates for higher transportation costs incurred by the oil companies using tank cars and other methods to relieve the shortage of tankers. (3) Representatives of the men's and boys' clothing industry who had been asked to submit recommendations for style simplifications to conserve wool handed up a report to the WPB which, as had been expected, advocated abolition of the two-trouser suit. A break-down on the "two pants" suit: Forty percent of 25,000,000 suits made in the U.S. last year had two pairs of trousers.

Conservation on the civilian front moves forward apace with a national campaign getting in the waste paper which makes ammunition boxes, the scrap metal which makes steel, the old rubber which, reclaimed, frees virgin rubber for the wheels and tracks on which the army moves. OPA's Consumer Division suggests that the public—and that's all of us, consumers, producers, conservationists—carry our own parcels home from the store. Thus saving tires, trucks, and paper.

## TWO QUESTIONS EVERY AMERICAN ASKS

Every American now is asking:

1. *What can I do to help win the war?*

2. *How am I going to be affected by the measures taken in Washington to defeat the Axis Powers, and why?*

Up-to-date answers to these two questions will be given in *On the Home Front*, a weekly feature on this page.

prepared for increasing sacrifice, and last week was no exception.

What the President said about fear, that the only thing we have to fear is fear itself, is particularly true on the consumer front. We have plenty of food and our standard of nutrition even under the most unlikely conditions imaginable would seem extravagantly high to the Japanese with his 35 handfuls of rice each month or the German living on a diet of ersatz and potatoes.

There's sugar, of course—. Sugar is growing scarcer because of the need for alcohol to be used in explosives; we shall have to ration sugar.

We have all the food we need. But suppose—and this isn't theory, the Office of Price Administration and the Department of Agriculture both worry about it—suppose some people, motivated by unreasoning fear, begin to hoard staple groceries.

### Don't fear, don't hoard

If enough people, moved by the contagion of example, do likewise—establish a great number of small-scale establishments for dead storage, as it were—you begin to have the rudiments of a serious situation. First, prices pyramid in response to suddenly stimulated demand. Second, the time comes when retailers' stocks really are depleted, when ware-



## War Production Board organization

(Continued from page 1)

worked it out yet, just haven't had time to work out the relationships of that field organization to the other. But I am saying there will probably be a seventh.

### Representatives to work with Army and Navy

Now, the divisions are:

The Purchases Division under Mr. Douglas MacKeachie, who has been here almost from the very start. I have complete confidence that Doug MacKeachie can bring about streamlining of our procurement procedure, methods, and relationships. The purchasing will be done as in the past, in the Army and the Navy.

We will have more civilian representatives in the Army and Navy branches who will work directly with the men in the services. They are doing the job with the thought that together they will get the job done more quickly.

The Production Division will be under Bill Harrison. I have a great deal of confidence in Bill Harrison. I think he will be hard enough and tough enough to see that a darn good production job is done and that we cut through the bottlenecks of production. He will have many civilians who will be working directly with the people in the Army who are doing the production job.

The Materials Division will be under Mr. Bill Batt, who has been down here from the start.

The Labor Division will be under Mr. Sidney Hillman and will continue as it did in OPM.

The Civilian Supply Division will be under Mr. Leon Henderson.

### Division of Industry Operations

I am setting up a Division of Industry Operations. It will be under Jim Knowlson. Jim Knowlson, who is president of Stewart-Warner, came down here some time ago as my deputy in the Priorities Division, and he will be in direct charge of this Division; of industry branches, the Priorities Division, and such other divisions as need be in order to get a smooth, working relationship with the industries as such. The job of that industry branch will be primarily to get as much conversion as possible of that industry as quickly as possible. That will be the job of that Division of Industry Operations. They will accomplish

that by working with the Production Division and with the Purchases Division and with the corresponding people in the Army and the Navy. They will work with the Civilian Supply Division to bring about such curtailments as may be necessary in the industry, and they will work with the Labor Division to see that the interests of labor are represented in these conversion and other operations of the industry.

Q. Will Mr. Kanzler be in that division?

A. Mr. Kanzler is in that Division and reports directly to Knowlson.

Q. Will Mr. Knowlson's division have the responsibility for initiating programs?

### Initiating conversion

A. For initiating conversion programs? I have very definite ideas on conversion because it has been a thing I have been intensely interested in. Ever since I have been down here I have felt the job we had to do was to get industry converted as quickly as possible into production of war matériel and the production of essential civilian needs. Now, the conversion will be initiated in two places. If the conversion is of the industry as a whole like, for example, what happened in the washing-machine industry, it will be initiated in the Division of Industry Operations. There will be individual plants that will still go right ahead and make contracts with the Production Division, and the Purchases Division working with the Army and Navy on it. They might take isolated companies. If you are going to approach the industry as a whole for large and small, it will probably have to be done in the Division of Industry Operations because we may have come, in this country, definitely, we might just as well face it now, to a situation where there won't be enough of any one item for all of the factories in the industry to make it. In that case, working with the Division of Industry Operations, the industry and the chief will select the companies that will be put on making essential civilian products, and the others will go ahead operating on war materials.

### Subcontracting

Q. Will subcontracting come under this Division?

A. Subcontracting and conversion will be Contract Distribution and will come under the Production Division.

Q. Where is the Bureau of Conservation?

A. I think the Bureau of Conservation will probably be under the Materials Division. I haven't settled that yet. I haven't had a chance to talk to Mr. Rosenwald and get this experience and find out where it fitted best.

Q. Do you know, at this time, who is going to do, in the Production Division, the job of contract distribution, of subcontracting that Mr. Odium did?

A. I think Mr. Walter Wheeler will. He is Mr. Harrison's deputy.

### Knudsen and Hillman

Q. Will Mr. Knudsen and Mr. Hillman remain members of the War Production Board despite the fact that the titles by which they are entitled to membership are abolished?

A. Yes; I think so. I would like to have them in there.

Q. That will require an amendment to the Executive order?

A. Not an amendment to the Executive order, but an amendment of some kind to change the personnel.

The job of the War Production Board is going to be that of reviewing constantly this question of how the production is going, what are the bottlenecks, what changes in organization need to be made in order that it will go faster, what are the things that are impeding the program, are we meeting the President's objective, and if not, why not? To me, that is the main function of the War Production Board. I do want its advice and counsel in the settling of major disputes in connection with the requirements which I will cover.

### Progress Reporting agency

I have set up a Progress Reporting agency under Stacy May. . . . That will follow intimately the progress of all the important items in this program, and know exactly how they can be expected to come off the machines. This agency will view it not alone from the statistical point of view, but from the point of view of projecting into the future, thinking in terms of what the bottlenecks are, how are the components fitting into the picture, have all of the orders been placed, is production moving concurrently together, of all of the things that have to meet in the final end and be assembled in one place? In other words, do we have guns for the tanks, are they meeting together, will they come out together and be an efficient tank as it comes off the line?

Q. Before you get off of Mr. Knowlson's Division, will he also operate in the same way that the old Priorities Division did?



A. Yes, sir. He will have priorities reporting directly to him.

Q. Mr. Nelson, will there be a Priorities Division branch in the Division of Industry Operations?

A. There will be a Priorities Division. It will be part of that Division.

**Relations between divisions**

Q. Can you tell us a little more, sir, about the relationship between the Division of Industry Operations and the Production Division?

A. I can explain that, I think, in detail, as to just how that will happen. I will go into it as far as you would like to go into it. There will be, for each industry, a committee picked and cleared through our Clearance Committee for committees. There will also be a Committee of Labor for that industry picked in the Labor Division, and the two will come together at any time you are thinking of. They will discuss anything in terms of the things that both management and labor are interested in in production. They will handle the problems.

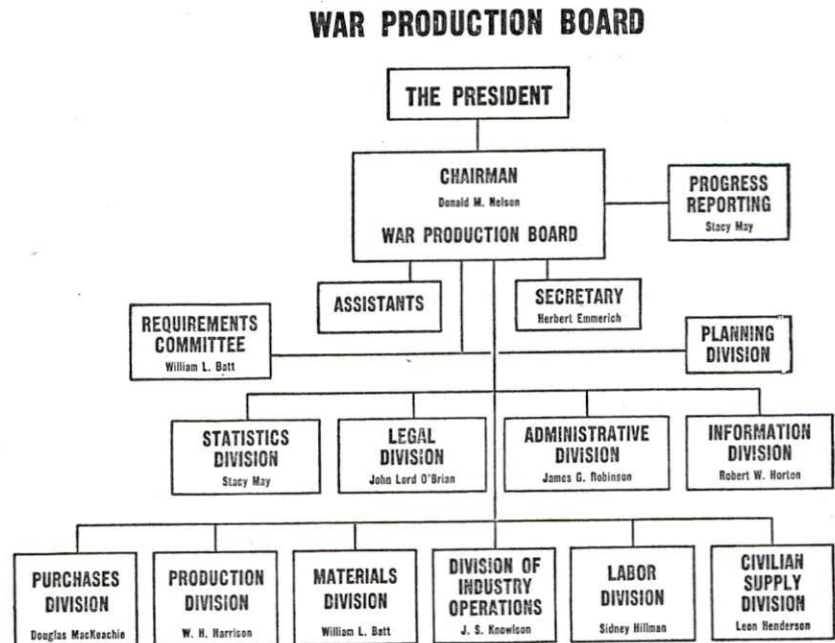
There will be a man in charge of each one of the important industries just as in the automobile industry. Mr. Harrison over here, who is working with the armed services constantly, knowing what they need in things to finish out a program, whether it be more airplane struts, more carburetors, more hydraulic devices, and so forth, will come over to the Division of Industry Operations if he doesn't know of a factory that can do it, and he will sit down and talk it over with Mr. Knowlson. They will call in the industries that they feel have the possibilities, from a knowledge of the industry the branch chief has of the machinery of that industry and what it has been making and what it could make, and will act with Mr. Harrison in seeing about bringing right to him sources of supply that can do that particular job of meeting that bottleneck situation, whatever it may be, that he has.

Q. Mr. Nelson, will there be people who will have relation to other industries such as Mr. Kanzler is going to have to the automobile industry?

A. Yes.

Q. How many industries are being set up under Mr. Knowlson?

A. As many as we need. I visualize somewhere around 50 or 60 which will be the main participants in this conversion proposition, but there will be many other industries set up there. There will be all of the industries of



Organization under War Production Board, January 20

the United States that will be set up in some form, either by a committee or with some representative of Government who will be looking out for the problems of those industries, all of them with the exception of the commodity groups.

**Commodity groups**

Now, I distinguish between the industry and commodity groups in this way. The copper people have just one, big problem. They haven't a problem of conversion. They have a problem of getting out more copper. I want them to report directly to the Materials Division so that they will work right with the Materials Division and not have to go through somebody else if the problem is there of increasing copper. So copper, lead, zinc—the basic raw materials—will report to the Materials Division; but other than that, all of the industries where they can be used in the program or that have definite problems will be represented in some form in that Division of Industry Operations.

Q. Could you tell us exactly what Mr. Kanzler's authority will be in the automobile industry?

A. He is going to have all of the authority that I've got to get that job done.

Q. Will Mr. Ching's committee continue?

A. Mr. Ching will withdraw from the committee. There will be representatives

of labor and industry on the committee who will be advisory. The Government representative has all the authority.

**Power for pooling**

Q. Mr. Nelson, does Mr. Kanzler have the power to make compulsory allocation of orders and compulsory movement of machinery from one factory to another?

A. If he needs it.

Q. Will he have authority to treat the industry as a pool or will he have to deal with individual companies?

A. Of course, individual companies have the machinery, and individual companies have the job. His job is to see that every company is filled to the maximum. I don't look upon pooling as any problem. If the tool room of the Ford Company is idle, and General Motors has need for a lot of tools, it is his job to see that the needs of General Motors are taken care of by the Ford tool room, or vice versa. \* \* \*

**Planning Division**

I will set up a Planning Division because I want a group of people around here, the best people I can get, to do a lot of thinking about how the job might be done better. They will have no administrative or executive function, but it will function to think through the problem of how it might be done better

(Continued on page 6)



## War Production Board organization

(Continued from page 5)

and to be able to sit down and talk it over with any one of the division chiefs, directors of divisions, whether it be production or purchases or materials, or the Division of Industry Operations, or the Labor Division, or any other place.

### Requirements and Materials

Let us move into this Requirements thing, because I think that is one of the important parts of the show in order that we may get decisions made quickly. That is the committee, William L. Batt, chairman.

Now, we have a Materials Division. Let me explain what that committee is. The responsibility of the Materials Division is to see that we have enough material coming out of the mines or out of the factories making chemicals or what not, to supply the needs of this program, and to supply the other demands that are made upon us for materials by the Economic Warfare, Lend-Lease, Civilian Supply, the Army and the Navy, and the sum total of those, plus the Maritime Commission, or any other essential ones that we need, make the total requirements that we need to have this picture.

### Committee of interested parties

Their job is to expand as rapidly as possible to get that, but it may be that you can't expand rapidly enough to get your requirements for a particular thing rapidly increased. Now, that committee will be made up of representatives of each of the interested parties, interested in getting its share of this material. Suppose it is copper. The Economic Warfare group, Lend-Lease, Civilian Supply, Army and Navy, Maritime, all have a full-time representative on that committee. Mr. Batt, the director of the Materials Division, will be chairman of that Requirements Committee.

Now, it will be the function of that committee to allocate material where there is a shortage to each of the interested parties in terms of whatever the importance of the demands seems to indicate. As I stated, they are made up of interested representatives.

The Statistics Division will be there to furnish them the statistics of what the total requirements are.

### The operation of priorities

Q. Mr. Nelson, you say the Requirements Committee will allocate the materials to the various groups? Do you

mean it will allocate so much rubber for the Army and Navy needs and Lend-Lease?

A. Right, and Economic Warfare, and whatever may be necessary.

Q. Well, when the Requirements Board sets these allocations, does the Priorities Division operate?

A. There you have the picture exactly. It comes down to the Division of Industry Operations and with Priorities does it out to the essential places where it is needed.

Q. The requirements board allocation is not going to individual plants?

A. No, sir. The Army will make its allocation to individual plants through the Army and Navy, and so forth themselves, or through the Division of Industry Operations. There are certain ones that are made that way now. Certain others go ahead. They work out their allocations by total quantities. In other words, if they have got so much rubber they have got to decide whether to put that rubber into automobile tires, into tires for airplanes, and into whatever they put rubber in. They must make that decision; we don't.

Q. Mr. Nelson, how will the question of strategical priorities, big bombers versus tanks, and so forth, be determined?

A. Of course that is determined now in the Army and Navy Munitions Board.

Q. Is it determined satisfactorily that way?

A. Not necessarily. They need somebody who can make a final decision in case they get into an argument and I assume that we have the authority to work with them to adjust priorities wherever it is needed and produce the thing in the fastest way.

★ ★ ★

## LIGHT TRUCK MAKING BAN IS SIGNED

Order L-3-f prohibiting the manufacture of light trucks after February 1 has been signed by Donald M. Nelson as Director of Priorities, it was announced January 21. This order supplements Order L-2-g, prohibiting the manufacture of passenger automobiles, which has already been released.

Manufacturers who have not completed their January quota production of light trucks by February 1 will be permitted to complete the quota, provided that all production of light trucks stops not later than February 10.

## March production of medium, heavy trucks raised 34 percent

The War Production Board has authorized a 34-percent increase in production of medium and heavy trucks during March over the same month last year, but ruled that they could not be equipped with tires, casings, or tubes.

Tires and tubes may be used only to assist in delivering the vehicles to dealers, after which they must be removed and returned to the producer.

### To create stock pile

The effect of this provision in orders issued by Acting Priorities Director J. S. Knowlson will be to create a stock pile of medium and heavy trucks for essential civilian uses. Whenever one of these vehicles is released for sale under a rationing plan to be put into effect, four tires and tubes undoubtedly will be provided by governmental authority if not otherwise obtainable. Deterioration of tires mounted on vehicles standing for long periods in dealers' storerooms will be avoided.

### No limit on passenger carriers

In addition to permitting stepped-up output of medium and heavy trucks, WPB authorized unlimited production during March of passenger carriers (seating 15 or more persons) and truck trailers (5-ton capacity or more).

An A-3 preference rating is made available for deliveries of materials going into the manufacture of these heavy-type vehicles, but the rating cannot be applied to deliveries of tires, casings, or tubes to equip medium and heavy trucks.

### March quota raised 34 percent

Manufacturers' quotas set forth in the orders provide for production of 54,710 medium and heavy trucks during March, as compared with an output of 40,802 in March 1941, an increase of 34 percent. No restrictions are placed on production to fill certain Government, foreign government, and Lend-Lease orders.

Unlimited production of passenger carriers during March was authorized because of the increased transportation demands created by curtailment of passenger automobile output and the upsurge in employment in war industry centers. During February, manufacturers of these vehicles will be restricted to an output of 1,065 units, an increase of 138 percent over the same month last year, when an estimated 450 units were produced.



## Auto part making speeded up to build stock, hasten conversion for war

Seeking to hasten conversion of the huge automotive industry to war work, the War Production Board on January 23 permitted sharp acceleration in production of spare parts for passenger cars and light trucks to form a stock pile for future needs.

War demands for the skilled labor and machine tools heretofore employed in producing replacement parts make it necessary, while certain facilities still are available, to build up ample supplies within the next few months for essential requirements.

### 300 percent of 1941 rate

Under orders issued by Acting Priorities Director J. S. Knowlson, producers may make during the first half of this year up to 150 percent of the number of each of the replacement parts sold by them for that purpose during the entire calendar year 1941.

With some decline to be expected in the general usage of passenger cars and light trucks, due to the need for conservation of various scarce materials, particularly rubber, it is estimated that sufficient supplies of certain parts for civilian uses can be assembled during this period to cover all demands this year and next.

Production limitations do not apply to parts made for the Army and Navy, certain other Government agencies, designated foreign governments, and Lend-Lease requirements.

### A-10 rating available

An A-10 preference rating is made available to producers and suppliers to obtain materials going into the manufacture of spare parts.

The rating can be applied only for materials for the following functional repair parts and components:

Engine, clutch, transmission, propeller shaft, axles, brakes, wheels, hubs, drums, starting apparatus, spring suspension, brackets and shackles; the exhaust, cooling, fuel, lubricating and electrical systems, including generators, lights, reflectors and batteries; and gages, speedometers, motors, fuses, flares, directional signals, rear-view mirrors, windshield wipers, control mechanisms, steering apparatus, and driving gears.

The rating cannot be applied to deliveries of materials on purchase orders placed after June 1, nor on orders calling for delivery after June 30.

## Merger of Contract Distribution staff with new Production Division offers chance to broaden work, says Harrison

William H. Harrison, head of the Production Division of WPB, said January 22 that all facilities that can be useful in producing the war materials needed by America's fighting forces will be brought into operation under the new organization.

He said he saw in the consolidation of the functions of the Contract Distribution staff with the Production Division staff of WPB "a great opportunity to broaden the base to get the job done."

"In gearing the productive machinery of the country to turning out the ships, planes, tanks, and guns ordered by the President, there is no difference between prime contractors, subcontractors and sub-subcontractors," Mr. Harrison said. "Each of them is a means to the end toward which we all are moving. That end is the objective set by the President. Everything is contingent on getting that job done."

The following messages were sent to the Contract Distribution field offices by Mr. Harrison and Floyd B. Odum, former director of the Division of Contract Distribution and now economic adviser to Donald M. Nelson, chairman of WPB:

*From W. H. Harrison:*

I am glad to have the organization of the old Division of Contract Distribution of the OPM join forces with the Production Division of the new War Production Board. The ground work undertaken by the Division of Contract Distribution under the leadership of Floyd B. Odum should contribute greatly to our future progress in the War Production program. To meet our 1942 objectives every practical facility must be put into productive use. Mr. Walter Wheeler, Jr., is appointed chief of the Contract Distribution Branch of the Production Division and I am counting upon you to carry on under his direction.

*From Floyd B. Odum:*

The Washington functions and operating personnel of the Division of Contract Distribution are to be merged with the Production Division of the new War Production Board. This is a part of the streamlining of the war effort under the direction of Donald M. Nelson. This change not only meets with my approval but it was recommended by me some time ago. I am certain that this change will make the work of your field offices more important and effective. I very deeply appreciate the important work which you have so loyally and devotedly performed for the Government. No one knows better than I the difficulties under which you have labored and the tremendous effort which you have exerted. I know that you will carry on without loss of momentum during this streamlining period and I am confident that your work will become increasingly important to the winning of the war. Your relationships and contacts with Washington should continue just as usual.

## Limited number of parts for trucks, carriers, school buses benefit by A-3 rating

Orders designed to facilitate production of spare parts for medium and heavy trucks, truck trailers, passenger carriers and school bus bodies were issued January 22 by J. S. Knowlson, acting director of priorities.

Under Limitation Order L-35, producers may make during the first quarter of this year 60 percent of the number of designated replacement parts sold by them for replacement purposes during the last half of 1941.

Under Limited Preference Rating Order P-107, an A-3 rating is assigned to deliveries of materials going into the manufacture of these spare parts.

Medium and heavy trucks mean complete motor trucks or truck tractors weighing 9,000 pounds or more; truck trailers are those having a cargo-carrying capacity of 5 tons or more; passenger carriers mean motor or electrical coaches seating 15 or more persons; and school bus bodies mean complete bodies de-

signed and constructed primarily to transport children of school age. The definition of replacement parts is considerably enlarged over that contained in previous orders.

Under the limitation order, the Director of Priorities may alter the production restrictions from time to time to offset curtailments that may occur in some plants as the result of conversion of facilities to war work.

The A-3 preference rating may be applied by a producer or a supplier to obtain deliveries of materials necessary to produce the permitted number of spare parts. The rating cannot be applied if enough materials are already in inventories to meet the production quota and still leave a producer or supplier with a practicable working minimum inventory. It cannot be assigned to deliveries on purchase orders placed after March 1, nor on orders calling for delivery after March 31.



# PRIORITIES . . .

## Use of crude rubber, latex for wide variety of civilian goods cut 75 percent

More rigid control of the use of crude rubber and latex, under which many products familiar to the average citizen may disappear, was provided January 23 by the War Production Board by issuance of a comprehensive amendment to the rubber conservation order.

The effect will be to reduce the amount of crude rubber and latex available this year for the manufacture of a wide variety of civilian goods by about 75 percent below recent annual consumption.

Such products as bathing suits and caps, erasers, toys and novelties, lawn and garden hose, trouser belts, combs, golf and tennis balls and other sporting goods, heels for ordinary footwear, household aprons, goods made of sponge rubber, and other products of nonessential character can be made in the future only from reclaimed rubber.

### Ban on sales, trade, transfer

Until otherwise ordered, no one may sell, trade or transfer any crude rubber or latex, including compounded liquid latex, without permission of WPB or the Rubber Reserve Company. This ban is intended to strengthen the Government's control over crude rubber and latex stocks not held by the Rubber Reserve Co.

The drastic control program, effective February 1 and issued by Acting Director of Priorities J. S. Knowlson as Amendment No. 3 to Supplementary Order M-15-b, sets forth the uses for which rubber and latex will be made available to processors.

### Monthly restrictions

Except to fill strictly war orders, these uses are restricted each month beginning February 1 to certain percentages of average monthly consumption during the 12 months ended March 31, 1941.

In certain cases, such as for manufacture of all types of tires, casings, and tubes and for retreading and recapping materials, specific permission to use crude rubber or latex must be obtained from WPB. This does not apply to use of reclaimed rubber.

### Consumption for general purposes

In addition to filling war orders, which include the Army and Navy, certain other Government agencies, designated foreign governments, and Lend-Lease con-

tracts, rubber may be consumed each month for the following general purposes, shown in the amendment as List A, and at the following percentages of the base period:

Essential heavy industry belting, hose and packings, 140 percent.

Belting and hose used in the manufacture of consumers' goods, 100 percent.

Miscellaneous rubber goods, 25 percent. (It is expected that this production rate will be sufficient to cover all orders bearing high preference ratings, and will not permit production of nonessentials.)

Equipment for printing and publishing, 80 percent.

Fire and mill hose necessary for civilian defense and the increased industrial activity, 180 percent.

Hospital and surgical supplies and infant feeding products, 100 percent.

Consumers' flat goods, such as water bottles and ice bags, 75 percent.

Shoe cements and quarter lining, 70 percent.

Industrial protective clothing, 100 percent. Firemen's and policemen's clothing, 60 percent.

Rubber footwear for workmen and for athletic use, 30 percent.

Waterproof footwear for civilian use, a health requirement, 40 percent.

Plumbers' supplies, 80 percent.

Tire repair materials, 100 percent.

Latex may be consumed for the following purposes, List C, and at the following rates:

Industrial V belts and belting, 120 percent.

Surgical and medical equipment, 100 percent.

Electricians' and industrial gloves (without fabric), 100 percent.

Cement for new shoes, 70 percent.

Express permission must be obtained from WPB to consume rubber or latex to manufacture tires, casings, and tubes of all types, including passenger, airplane, bicycle, motorcycle, and farm implement; retreading and recapping materials; compounds for insulating wire and cable; toplifts and toplifting materials, soles and tops, and soling material, and jar rings and container sealing compounds. These products are shown on Lists B and D.

### Must conform to WPB specifications

Manufacture of all the products permitted under the program must be in conformity with specifications laid down from time to time by WPB. This means that WPB, after technical studies, may order reductions in the weight of crude rubber used in any permissible product, thus furthering the conservation efforts made necessary by the outbreak of war in the Far East. Until these specifications are drafted, the rub-

ber and latex content of any product cannot be increased.

### Other features of program

In addition to the customary appeal and violation provisions of priority orders, the program contains three other important features:

1. Companies which have subsidiaries in various communities must advise WPB if distribution of rubber or latex among the various units differs in any month from the ratio of consumption by these units during July 1941.

2. Anyone who owns, possesses or has under his control any rubber or latex as of February 1 must file a complete report by February 15 with WPB showing by grades the amounts involved.

3. Persons filling war orders must file complete reports with WPB showing among other things the specifications, quantities and delivery dates involved in each transaction.

### 98 percent imported

The program, which represents a general revision of the curtailment plan under which the industry operated during the latter part of 1941, is made necessary because of the interference with imports from the Far East. Approximately 98 percent of the crude rubber used in this country annually has been imported from that area.

Although a sizeable stock pile was built up in anticipation of an emergency, the demands of the armed forces are so great that consumption for civilian use must be cut to essential requirements. The program is intended to meet military needs without materially affecting industrial efficiency or civilian health.

The program affects an industry whose annual output of rubber products has been estimated as worth about \$1,500,000,000. In the year ended June 30, 1941, the total output was approximately 700,000 tons, a huge part of which went into the manufacture of tires and tubes.

### Labor displacement studied

Numerous conferences were held with industry representatives before the program was drafted. In restricting processors to only the most essential products, WPB took under consideration the fact that hides, fabrics, wood and other less scarce materials may be substituted for rubber in a wide variety of products usually turned out by the industry.

Any labor displacements resulting from the program will be given prompt attention by the Labor Division which already has announced plans for relieving the situation as far as possible. The Production Division is studying methods of getting companies into war production.



## Tires will be taken from stored new autos only in extreme emergency, says Henderson

Unnecessary removal by the Government of tires from new passenger cars stored with dealers under the stock pile recently announced would be highly undesirable and is not contemplated, OPA Administrator Henderson stated January 22.

### OPA reserves right

"Our recent telegram to manufacturers outlining the 'stock pile' plan reserved to OPA the right to remove tires from cars stored with dealers. This was intended solely to cover situations of extreme emergency or to provide protection for tires stored where there was danger of serious deterioration.

"Obviously, new cars and their tires must be kept together."

## Selling tires back to higher trade levels permissible; stock replacements arranged

Those tire dealers, distributors, and wholesalers who are overstocked with new tires and tubes or who wish to liquidate their inventories completely are allowed to do so under the terms of an amendment to the tire rationing order (OPM M-15-c) announced January 22 by OPA Administrator Henderson, who has charge of the tire rationing program.

The amendment becomes effective January 28.

As revised, the tire order also permits dealers, distributors, and wholesalers to replenish their stocks of new tires and tubes by presenting certificates and receipts obtained from sales of new tires and tubes to "eligibles" under the rationing plan. Until now, no replacements could be made for new tires or tubes sold.

### Relief for dealers

That part of the amendment which permits unrestricted sales of new tires and tubes "upstream," that is, from the retailer back to the wholesaler, distributor, or manufacturer, is emergency in character and is intended to provide relief to tire dealers and distributors who may wish to lighten their stocks or liquidate completely because of difficult operating conditions created by the tire rationing program.

"Those dealers who desire to make use of the 'upstream' amendment," Mr. Henderson stated, "have every reason to expect to receive prices for any new tires and tubes sold back to wholesalers, distributors, or manufacturers

## Lend-Lease and other foreign tire sales are subject to strict regulation

Sale of new rubber tires, casings, or tubes to foreign governments under the terms of the Lend-Lease Act can be made only under quotas, allocations, or other restrictions that may be established from time to time, the Office of Production Management announced January 20.

### Rules to be laid down

In an amendment to Supplementary Order M-15-c, which restricts transactions in new tires and tubes, issued by J. S. Knowlson, acting director of priorities, it is made clear that the Lend-Lease exemptions and various other exemptions are subject to rigid restrictions to be laid down.

### Service sales not for private use

The amendment states that sales to the Army and Navy and various other

designated Government agencies do not include sales to individual Army and Navy officers or employees of these agencies for use on their private cars. Neither does the exemption apply to post exchanges and similar organizations, except for Government vehicles operated by them.

Sales to foreign governments not covered by Lend-Lease Act provisions and private export sales can be made only with express permission.

### PD-3 exemption removed

The amendment removes exemptions previously accorded to any person holding an A-3 or higher preference rating issued on a PD-3 certificate. Under the new language, persons to whom any preference rating has been issued must, if they desire to obtain tires for any vehicle on the eligible list under the rationing program, apply for a purchase certificate through a local rationing board.

The amendment does not affect the power to grant specific permission to tire manufacturers for the sale of tires to producers of vehicles for original equipment.

★ ★ ★

## "Camelback" makers asked to hold prices down pending ceiling

Ceiling prices for the three grades of tire retreading material known as "camelback" that OPM ruled to be the only grades permissible for manufacture hereafter, were established, in effect, January 19 in telegrams sent out by OPA Administrator Henderson.

### Formal schedule to be issued

A formal schedule of maximum prices for camelback is being prepared and will be issued in the near future. In the meanwhile, according to the telegrams, producers are requested not to charge more than 28 cents a pound for camelback containing 57½ percent to 62½ percent crude rubber; 23 cents a pound for the grade containing 38 to 48 percent crude rubber; and 18 cents a pound for the grade containing not over 20 percent crude rubber.

These maximum prices correspond to prevailing market levels for equivalent grades.

that will permit them to recover their investment."

That part of the amendment which relaxes replacement restrictions allows a retail dealer or distributor to add to his stock the same number of new tires and tubes that he has sold to "eligible" purchasers against certificates issued by local tire rationing boards. The certificates thus accumulated may be presented to a wholesaler or manufacturer and an equivalent number of tires and tubes purchased. The tires or tubes so bought may be of any type or size. Dealers or distributors may similarly buy replacements for tires or tubes sold to the Army or Navy.

### Citizens may sell back also

"Upstream" selling without certificates is not limited to tire dealers. Any citizen, for example, may sell a new tire in his possession to a retail dealer; a retailer may sell back to a wholesaler or manufacturer; and a wholesaler or distributor may sell back to a manufacturer. Records must be kept of all "upstream" sales by members of the tire trade. These records must show the name of the purchaser, the number of tires or tubes purchased, the price, and the date of sale.

"Downstream" sales can be made only against certificates. However, one retailer is permitted to sell all or part of his tire stock to another retailer without certificates, but this type of sale is not allowed as between wholesaler and wholesaler, distributor and distributor, or manufacturer and manufacturer except when accompanied by certificates.

No member of the tire trade, the amendment stipulates, may draw upon his stock to equip any automotive vehicle owned or operated by him without the express permission of the local tire rationing board in the form of a tire certificate. The "eligibility" status of members of the tire trade will be determined by the boards on the same basis as applies to anyone else.



## Cadmium deliveries restricted, many uses banned; metal needed for military plating

Strict control over the distribution and use of cadmium was taken January 17 by the Director of Priorities with the issuance of Orders M-65 and M-65-a.

M-65 invokes Priorities Regulation No. 1 and directs all deliveries of the metal. Deliveries are restricted to distributors and to transactions on preference ratings of A-10 or higher, or on specific authorization of the Director of Priorities. A distributor may not accept delivery unless he has, in the preceding 60 days, disposed of cadmium equal in weight to his inventory on the date of delivery.

### More drastic April 1

M-65-a prohibits the use of cadmium in the manufacture of a long list of articles, attached to the order as List "A," effective February 1. Use of the metal in these articles in January must not exceed the amount used in January 1941.

Users of cadmium not on the list and not otherwise covered by the order are given until March 31 to continue manufacture. Seventy percent of the amount used in the first quarter of 1941 may be consumed. After April 1 all use of cadmium not specifically permitted by the order must cease.

Permitted uses of cadmium are for certain Government agencies, to comply with underwriter and safety regulations, on preference ratings down as far as, but not including, A-2, and on items in List "B" of the order.

List "A," the prohibited items, includes automotive, trailer and tractor equipment, building supplies and hardware, house furnishings and equipment, textile equipment and a number of miscellaneous uses.

List "B," items not covered by restriction, are chemicals, electrical fittings and contacts, electroplating of textile equipment, alloys in fire protection systems, measuring, recording and control devices, and solders.

### Used on vital plane parts

Approximately 75 percent of the essential use of cadmium is for plating as a preventative of rust. Its war uses are for vital parts of airplanes where rust might develop, and for instruments in planes, tanks and ships. It also is used for locks on ammunition cans where rust might interfere with rapid opening of the lock.

The bulk of the United States cadmium

supply is produced as a byproduct of zinc.

Both orders became effective January 17.

★ ★ ★

## Ceilings put on cadmium as secondary prices rise

Formal price ceilings on primary and secondary metallic cadmium are established in Price Schedule No. 71 issued January 16 by OPA Administrator Henderson. Maximums set are 90 cents per pound, delivered buyer's plant, for sticks and 95 cents for anodes and special shapes. This move is necessitated by excessive prices for secondary cadmium.

Cadmium is a white metal, 85 percent of which is recovered as a byproduct of zinc production. Among its numerous uses, cadmium is being employed increasingly by electroplaters for rustproofing motor parts in airplanes, tanks, and other mechanized equipment.

### Primary prices stayed down

Last July, major primary producers of cadmium upon request of the Price Administrator indicated their willingness to continue to sell at not above 90 cents per pound for sticks and 95 cents for anodes in the case of direct sales to consumers and to sell to dealers at discounts permitting resales to consumers at or below these prices. The agreement has been lived up to by primary producers and distributors.

However, trade quarters report numerous sales of cadmium produced from scrap materials and residues at prices almost tripling those of stabilized primary cadmium. Investigations by OPA indicate that costs of recovery from these materials generally do not require prices higher than those prevailing for primary production. Hence, the Administrator is placing a formal ceiling on both primary and secondary cadmium, effective January 19, 1942.

★ ★ ★

## CRANE ORDER EXTENDED

Preference Rating Order P-5-b, which provides for the assignment of preference ratings to cover the needs of manufacturers of crane and hoisting equipment, has been extended to May 1, 1942.

## Trained investigators will inspect 90 copper plants to determine priorities compliance

A Nation-wide, plant-by-plant survey of some 90 primary fabricators of copper is to be instituted immediately by the priorities compliance section of the War Production Board, it was announced January 22.

The inspection, the third to be conducted in the metals field, will be carried on by a force of attorney-examiners lent by the Federal Trade Commission for the purpose. These experienced industrial investigators have received special training from the copper and zinc branch and the compliance section. They will confer with company officials and make comprehensive studies of receipts of virgin copper and copper scrap, and of deliveries and inventories, to determine whether the fabricators have been operating in compliance with priorities orders.

It is anticipated that the inspection also will indicate the points at which vitally needed supplies of copper and scrap are escaping from military production channels.

★ ★ ★

## Chopping of 3 fibers halted by OPM order

The Office of Production Management on January 20 ordered padding manufacturers not to cut, chop or otherwise begin the processing of any Manila, Sisal, or Henequen fibers 20 inches in length or longer until further order.

A formal order now being prepared will control use of these fibers and permit sales to cordage processors for the manufacture of cordage, binder twine, and wrapping twine.

The processing of Manila fiber is already under control but was included in this prohibition to make it all-inclusive. Sisal comes from Sumatra, Java, South Africa, Haiti, and South America. Shipments have been curtailed. Henequen is Mexican and Cuban Sisal, and while its availability is not affected by the war, a shortage would soon develop if no restriction were placed on it because those who formerly made padding out of Manila and Sisal would switch to Henequen.

OPM acted after receiving information that padding manufacturers were cutting up cordage length and grade Sisal and Henequen fibers as fast as possible making it unfit for cordage and twine.



## Ratings on planes, parts, relays, solenoid assemblies, and radios extended to March 31

Preference rating orders granting priority assistance in obtaining materials entering into the production of airplanes, airplane engines and equipment, electrical relays and solenoid assemblies, radio receiving, transmitting, and directional equipment have been extended to March 31, 1942.

The orders extended and the materials covered are as follows:

P-3—materials entering into the production of airframes.

P-4—materials entering into the production of airplane engines and propellers.

P-9-a—materials entering into the production of heavy bombers.

P-9-b—materials entering into the production of engines for heavy bombers.

P-9-c—materials entering into the production of propellers for heavy bombers.

P-9-d—materials entering into the production of airframes for heavy bombers.

P-9-e—materials entering into the production of gunsights, bombsights, and gunfire controls for heavy bombers.

P-9-f—materials entering into the production of turbo-superchargers for heavy bombers.

P-9-g—materials entering into the production of specified airplane engines by the Packard Motor Car Company.

P-13—materials entering into the production of airplanes.

P-15—materials entering into the production of electrical relays and solenoid assemblies.

P-16—materials entering into the production of radio receiving, transmitting, and directional equipment.

★ ★ ★

## SXP American Egyptian cotton seed reserved for planting

The War Production Board January 21 sent identical telegrams to nine Texas and Arizona cotton seed mills ordering them not to crush for oil, sell, or deliver any SXP American Egyptian cotton seed now in their possession.

### Needed for balloon cloth

All such cotton seed is needed for planting, to increase the supply. SXP American Egyptian cotton is required for the manufacture of balloon cloth and similar aviation equipment.

Pending the issuance of an allocation order, the Division of Priorities sent the telegram to the following mills:

Western Cotton Products Co., Phoenix, Ariz.; J. G. Boswell Co., Phoenix, Ariz.; Agricultural Products Co., Phoenix, Ariz.; Arizona Cotton Growers Finance Co., Phoenix, Ariz.; Arizona Cotton Oil Co., Glendale, Ariz.; Clint Cotton Oil Co., Clint, Tex.; Farmers Cooperative Oil Mills, El Paso, Tex.; El Paso Cotton Industries, El Paso, Tex.; Tornillo Cotton Oil Co., Tornillo, Tex.

## Nickel prohibited for list of items; control over secondary metal tightened

Loopholes in priority control of nickel by which some secondary metal and nickel already in fabricators' inventories has been escaping into less essential uses were plugged by the Director of Priorities January 21 with the issuance of Conservation Order M-6-b.

Primary nickel has been under complete allocation since May 15, 1941, but control over scrap has been less rigid. The new order lists many items in which nickel cannot be used after April 1, 1942, and contains other restrictive provisions designed to conserve nickel for war production. Use of nickel in the items listed must be reduced to 50 percent of a 1940 base period between January 1 and March 31.

### Interpretation to be strict

Use of the metal, except where necessary for operational purposes, is prohibited in the manufacture of transportation equipment, plating, containers of all types, fire-fighting equipment, and lighting equipment. "Operational purposes," it was explained, will be strictly interpreted. Where any other metal will serve, even though nickel is preferable, the substitute must be used.

Nickel cannot be used at all for the manufacture of building supplies, hardware and ornamental metal work; plumbing, heating, and air-conditioning supplies; clothing accessories, jewelry, toilet articles, accessories, souvenirs, novelties, games, toys, art objects, and musical instruments; branding, marking, and labeling devices; decorative uses of all kinds; photographic and art equipment and supplies; sporting goods and pleasure-boat fittings, and saddlery and harness hardware and fittings.

### Home appliances affected

Home and office furnishings and appliances and commercial and industrial appliances also come under the general prohibition, except for heating elements for replacement purposes and in the manufacture of electric ranges, portable heaters and water heaters. The usual nickel-plated home electric appliances are included in the prohibition.

Exceptions to the order are the usual ones of Government orders, safety regulations, and priority ratings of A-1-k or higher.

Uses of nickel not specifically mentioned in the order are limited to OFM allocations of a specific amount of metal

allocated for a definite purpose. Stocks on hand will be taken into consideration in making allocations and secondary metal will be included in such inventory consideration.

The United States is largely dependent upon Canada for nickel, that country producing 85 percent of the world supply. Nickel is one of the most important steel alloys, producing armor plate, projectiles, stainless and noncorrosive steel, and a variety of other products where hardness and resistance to corrosion and chemical action is important.

★ ★ ★

## Burlap allocation modified to permit processing of 10 unbroken bales

The burlap allocation order (M-47) was amended January 19 to unfreeze burlap in the hands of certain manufacturers, such as furniture and textile plants, who under the original order were prohibited from processing any burlap in stock.

By the amendment, such persons or firms may process up to and including 10 unbroken bales out of their stocks.

### Disposal of other stocks

Stocks of more than 10 unbroken bales may be disposed of as follows: burlap of 10 ounces or heavier construction may be sold to the Army or Navy, the Defense Supplies Corporation, or any bag manufacturer filling sand bags or camouflage cloth orders for the Army or Navy. Burlap of less than 10 ounces may be sold for the manufacture of agricultural bags. Another amendment permits bag manufacturers acquiring such unfrozen burlap to exceed their quotas.

### Exceptions to cut-off date

OFM also issued an interpretation of the cut-off date in the original order. The order dated December 22, 1941, requires any burlap importer or importing bag manufacturer hereafter accepting deliveries to set aside two-thirds of the burlap for disposal as directed by OFM. The January 19 interpretation explained that this does not apply to burlap on ships that had passed the customhouse in whole or in part at the time the original order was issued.



## Production of radios, phonographs for civilians cut sharply to meet war demands

The War Production Board acted January 24 to meet huge Army and Navy demands on the radio manufacturing industry and to conserve critical materials by ordering sharp cuts in production of receiving sets for civilian use.

Reductions also were ordered in output of phonographs and radio-phonograph combinations.

### Monthly cut averages 40 percent

Effective immediately, Limitation Order L-44, issued by Acting Priorities Director J. S. Knowlson, provides for an average monthly curtailment in production during the next 90 days of more than 40 percent below the monthly output during the 9 months ended September 30, 1941. Similar cuts were ordered in the number of tube sockets in the sets produced, which will result in corresponding curtailment of the number of tubes used in new sets.

The order does not affect production for certain Government defense agencies, besides the Army and Navy, nor for lend-lease requirements, police departments, or similar agencies of public authority in the United States, and contracts covered by a Preference Rating of A-1-j or higher.

### Large savings in metal

In addition to freeing facilities for vital war work, the order is designated to accomplish savings during the 90-day period of an estimated 750 tons of copper, 100 tons of aluminum, 25 tons of nickel, and 3,400 tons of steel.

Class A manufacturers, those who sold more than \$1,000,000 worth of radio sets and phonographs for civilian requirements during the first 9 months of 1941, were ordered to reduce output by 45 percent. Class B firms, whose sales were under \$1,000,000, must curtail production by 35 percent.

### 100 percent war conversion expected

The radio manufacturing industry, which employs many thousands of skilled and semiskilled workers, has been asked to undertake a \$2,000,000,000 military production program.

Class A companies already have received or soon will be awarded big war orders, and swift conversion of their plants to 100 percent military activity may be expected. Until a larger number of the small (Class B) firms receive more Army and Navy orders, the lighter cur-

tailment ordered in their production will provide them with sufficient civilian operations to keep their skilled labor force intact.

In choosing the first 9 months of 1941 as the base period for the curtailment program, WPB selected a period in which the industry enjoyed an unusually high level of operations. Ten million receiving sets were produced during that period, as compared with an output of 11,800,000 sets during the entire year 1940.

★ ★ ★

## South African asbestos under strict control

South African asbestos has been placed under strict priority control by the Director of Priorities, who issued Conservation Order M-79 curtailing the uses of certain types of asbestos. It takes effect immediately.

The order prohibits the use of South African asbestos after February 1, except to fill defense orders, and permits its use to fill defense orders for specified purposes only.

Unless specifically authorized by the Director of Priorities, after February 1, no one shall process any Chrysotile asbestos fiber unless necessary to fill defense orders for core roving or nonferrous tapes, cloth, and lapps.

Prohibitions are also placed by the order on processing Grade B-1 amosite asbestos fiber except to fill defense orders for woven felt blankets and mattresses for marine turbine insulation. Nor shall anyone process Grade B-3 or D-3 amosite asbestos fiber unless to fill defense orders for turbine insulation blankets, fireproof board, sprayed amosite, welded amosite pipe covering and blacks, 85 percent magnesium pipe covering, flexible amosite pipe insulation or dry pack insulation. The order prohibits installing without specific authority any high temperature pipe covering unless used where temperatures of over 200° Fahrenheit occur.

The order states that anyone processing asbestos fiber should file all information required on form PD-251 or PD-252 and return it by February 10, 1942, and by the tenth of every calendar month thereafter. When requested, any asbestos processor must fill out and return form PD-253.

## Rating on materials for elevator, escalator parts is further restricted

The Division of Priorities tightened substantially January 22 the restrictions on use of Preference Rating A-3 to make materials available for the manufacture of repair parts for freight and passenger elevators, escalators, and dumbwaiters.

### Only when specifically authorized

Priorities assistance for this purpose was granted November 10, 1941, under Preference Rating Order P-72, which expires January 31, 1942. An amendment, issued by Acting Priorities Director J. S. Knowlson and effective February 1, extends for an indefinite period permission to use the rating for quantities and kinds of materials specifically authorized under the Production Requirements Plan.

The rating may be applied for materials for spare parts to be used in South and Central America and the Caribbean area, provided producers file separate PD-25a application forms covering these requirements for the 3-month period specified.

### Other restrictions

No producer may use the rating to obtain materials to replace an elevator machine which is beyond repair with a new machine, or, unless required by Federal, State, or local safety regulations, to make any installation which changes the type of operation or control or merely improves the appearance of the equipment. Deliveries of new-type parts are permitted only when presently installed parts are obsolete or when repairs cannot be made successfully with parts identical with those now installed.

Suppliers cannot use the rating to build up inventories above a practicable working minimum. Before applying it, they must file an acceptance of the order's terms with the Division.

★ ★ ★

## Sugar refiners had 3-day extension to present problem

Sugar refiners were given until the close of business on January 24 to present to the sugar section of the War Production Board any unusual problems requiring individual attention arising out of the sugar conservation order (M-55).

This was a 3-day extension of the time agreed upon at a meeting with sugar refiners the previous week.



## All sulphite pulp allocated for special purposes in January assigned to one company

All sulphite pulp allocated for special purposes this month under General Preference Order M-52 will be assigned to Rayonier, Inc., one of the country's largest producers, the War Production Board announced January 23.

### Relief tonnage not needed

Under the original order, issued January 9, 4,200 tons of sulphite pulp were to have been set aside for the relief of the regular customers of three producers whose plants are widely engaged in war work—Rayonier, Eastern Corporation, and Brown Co.

Eastern Corporation and Brown Co., according to information received by WPB, are in a position to take care of their customers at this time without drawing upon other producers for relief tonnage under the allocation plan.

Under an amendment to the allocation schedule, Rayonier will receive the entire January allotment, which must be distributed among its customers under terms set forth in the original order.

★ ★ ★

## Aid granted laboratories for scientific research only

An interpretation of the preference rating order granting priority assistance to research laboratories was issued January 23 in order to make clear that the preference rating assigned cannot be used for construction or expansion of laboratory buildings.

The only material which may be obtained under the order by a laboratory is that which will itself be used in the conduct of scientific research or which will enter into the production of material which will be so used.

★ ★ ★

## 3 NEW CRITICAL AREAS

With war production being stepped up every day and drawing more and more factory workers into the national effort, three new communities have been added to the Defense Housing Critical Area List.

The assistance of preference ratings will be extended to builders of privately financed housing for war industry workers in Victorville, Calif.; Carlsbad, N. Mex.; and Brunswick, Ga., it was announced January 23.

## Aid for petroleum extended outside U. S., subject to Coordinator's authorization

Priority assistance for the production, refining, transportation and marketing of petroleum by firms operating outside the limits of the continental United States is provided by Preference Rating Order P-98-a, announced January 21 by the acting director of priorities.

The January 21 order permits the use of the ratings assigned by Preference Rating Order P-98 by operators outside of the United States when specifically authorized by the Office of Petroleum Coordinator.

An operator who wishes to use preference ratings under P-98-a must make application to the Office of Petroleum Coordinator and receive authorization specifying the kinds and quantities of materials to obtain which the assigned ratings may be used.

When such authorization is granted, the operator will serve a copy of the order with the serial number assigned to him upon each of his suppliers, and the rating may then be applied and may be extended by the supplier by endorsement in accordance with provisions of Preference Rating Order P-98. The counter-signature of the district representative of the Office of Petroleum Coordinator is not required on orders which bear a preference rating in accordance with the terms of Order P-98-a. Otherwise, operators and suppliers who extend ratings assigned in accordance with P-98-a are subject to all restrictions and provisions of Order P-98.

All reports and communications in connection with this order should be addressed to the Office of Petroleum Coordinator, Washington, D. C., reference P-98-a.

## Last group of OPM priority orders issued by Knowlson

The last group of priority orders prepared by the Office of Production Management was issued January 24 by J. S. Knowlson, Director of the Division of Industry Operations of the War Production Board.

The following orders were issued:

*Conservation Order M-78* curtails the use of mercury in a number of civilian manufacturing processes.

*General Preference Order M-82* prohibits the use of domestically produced hemp seed for any purpose except for the growing of hemp fiber or more hemp seed.

*Supplement No. 1 to copper order M-9-c* conserves approximately 3,500 tons of brass by requiring use of substitutes in the manufacture of shoe eyelets.

*The molasses order, M-54*, is amended in several particulars to eliminate provisions experience has proved to be unworkable, and provisions that worked undue hardship on certain classes of users.

Similar changes are made in the *ethyl alcohol order, M-30*.

*Amendment No. 3 to Limitation Order L-1-a* authorized an increase in the production of medium and heavy trucks during March as compared with March 1941. Amendment No. 2 and Extension

No. 3 of Preference Rating Order P-54 assign a priority rating of A-3 to orders for materials to go into the production permitted by L-1-a.

*Amendments to Limitation Orders L-3-d and L-2-e* formalize the previously announced January production quotas for passenger cars and light trucks.

★ ★ ★

## A-1-a approved for transmission line to aluminum plant

The War Production Board has approved a priority rating of A-1-a for a transmission line to be built by the Ark-La Electric Cooperative from Pensacola Dam in northeast Oklahoma to an aluminum plant being built at Lake Catherine, Ark.

The dam is being operated by the Public Works Administration. The aluminum plant, which will have an annual capacity of 120,000,000 pounds, is being built by the Aluminum Co. of America for the Defense Plant Corporation and will be Government-owned.

In granting this priority to the Ark-La-Co-op, the War Production Board required that Pensacola Dam be interconnected with the private power systems at Riverton, Kans., and that the dam and all publicly-owned transmission facilities in the area be coordinated with the private power systems in the area.



# PRICE ADMINISTRATION . . .

## Ceiling put on new machine tools to head off war threat to price stability

New machine tools, key items in the production of all implements of modern mechanized war, are brought under a price ceiling at the levels of October 1, 1941, in a new schedule announced January 21 by Leon Henderson, Administrator of the Office of Price Administration.

### Presses are included

Defining machine tools as "all machines for the cutting, abrading, shaping, and forming of metals," the new schedule covers, in addition to lathes, planers, milling machines, etc., such items as metal-working presses, which are not ordinarily thought of as machine tools.

### Supply, demand unbalanced

Mr. Henderson ascribed the need for a price ceiling over new machine tools to the unbalanced situation with regard to production and demand. "Under the stimulus of British requirements and the needs of our own defense program, the machine tool industry received hundreds of millions of dollars worth of orders," said the OPA Administrator. "Despite greatly expanded output, the backlogs of machine tool orders have continued to grow.

"The defense program has been superseded by a tremendous war program that will further increase demands for new machine tools. The threat to price stability under these circumstances is obvious and must be headed off."

Mr. Henderson's first direct action to hold new machine tool prices in line was taken May 6, 1941, when he asked all producers to adhere to the price levels prevailing on that date. This request was repeated on August 18, 1941, when reports of price advances reached OPA.

### Industry's suggestions used

Indications of further price unsettlement caused Mr. Henderson to call a meeting of a representative group of machine tool builders for October 22 to discuss the advisability of a formal price ceiling. These discussions were continued at a second meeting with the same group on November 17 at which a tentative maximum price schedule was talked over with the manufacturers attending. On January 7, 1942, some 300 manufacturers of machine tools, representing

practically the entire industry, met with OPA staff members and were informed of the provisions of the proposed ceiling. The schedule embodies many of the suggestions made by various members of the industry with regard to trade practices and policies.

The new schedule, No. 67, forbids the sale by dealers or manufacturers of new machine tools or extras on and after January 20, 1942, at prices higher than the October 1, 1941, list prices. If there was no list price on October 1, the maximum price is the last price at which a similar tool or extra was sold between January 1 and October 1, 1941. A special section spells out the method of determining the maximum price for newly developed or special equipment. Full details of such equipment must be furnished to OPA, along with the proposed selling price, not less than 30 days before the date of delivery. The price thus submitted shall be the maximum price unless OPA objects within 15 days after receipt of the information.

### Government contracts

Existing price arrangements in outstanding contracts between machine tool makers and the Army, Navy, Defense Plant Corporation, Treasury Procurement Division or any other agency of the United States are not disturbed by the new schedule. Deliveries under all other contracts, however, must conform to the new maximum prices.

### Long-term contracts protected by benefit of changes

To protect manufacturers who conclude contracts under which deliveries may be made nine months or more from the date of the contract, the schedule permits the inclusion in such contracts of a provision giving the seller the benefit of any change that may be made in the ceiling prices prior to the date of delivery.

All manufacturers are required to file with OPA by February 15, 1942, complete lists of maximum prices as determined by applying the provisions of the schedule. Other information that the schedule requires includes quarterly affirmations of compliance with the maximum prices from all dealers and manufacturers.

## Ceiling put on magnesite of furnace-lining types

Competing demands of steel companies, furnace-brick manufacturers, and nonferrous metal producers for basic refractory material have necessitated a price schedule, effective January 28, 1942, for the grades of dead-burned grain magnesite which are used as a protective lining in steel furnaces, Leon Henderson, Price Administrator, announced January 22.

The maximum price established by the schedule for carload quantities of maintenance grades of domestic dead-burned grain magnesite in bulk is \$22 a ton f. o. b. Chewelah, Wash.

A delivered price in excess of the maximum f. o. b. Chewelah price may be charged, consisting of such maximum price plus railroad freight from Chewelah to the point of delivery designated by the purchaser.

### Premium for sacks

A maximum price for carload quantities of the product in bags or sacks also is established at \$4 above the ceiling price for magnesite sold in bulk.

The maximum price as established by the schedule is the price which has prevailed for 3 years.

While the schedule establishes maximum prices for only maintenance grades of domestic dead-burned magnesite, it is the intention of OPA later to add to the schedule prices for other grades of the same product and to issue a schedule for all grades of basic refractory brick, whether containing magnesium or chrome or a combination of the two elements.

★ ★ ★

## Flat glass makers agree to withdraw price increase

A majority of manufacturers of window, plate and sheet crystal glass—including Libbey-Owens-Ford of Toledo, Ohio, Pittsburgh Plate Glass Co. of Pittsburgh, and the Franklin Glass Corporation of Butler, Pa.—have agreed to withdraw price increases in conformance with a recent request of OPA Administrator Henderson. A study of the flat glass industry is under way.



## Price request modified for metallic lead products

Modification of an earlier request to hold prices of metallic lead products to the levels of January 2, made the same day that the ceiling price of primary lead was raised 65 points to 6.50 cents a pound, New York, is contained in telegrams sent out to 77 producers January 20 by OPA Administrator Henderson.

The January 20 telegram asks manufacturers of lead pipes, sheets, type and bearing metals, solders, ammunition, and other metallic lead products not to exceed prices obtained by taking their April 1, 1941 prices and adding 65/100ths of a cent (65 points) per pound of lead content in each product. The prices of metallic lead productions on April 1, 1941, reflected a price of 5.85 cents a pound for primary lead established 5 days earlier, in contrast with the present price of 6.50 cents a pound. If products now being made were not priced on April 1, 1941, according to the telegram, OPA's approval must be obtained for any price exceeding that in effect on January 2, 1942.

### January 14-19 contracts remain

The January 20 request is not intended to affect firm contracts entered into in the period from January 14 to January 19, inclusive, in accordance with the previous request. Prices determined by applying the method outlined in the telegram are to continue in effect until formal action is taken by OPA. The maximum price later to be decided upon will depend upon the results of studies now under way and may be either lower or higher than the temporary ceiling.

Mr. Henderson's telegram pointed out that prompt reply to OPA's current letter requesting price and cost data from metallic lead products would facilitate completion of this study.

★ ★ ★

## Tucker named specialist on farm equipment

J. M. Tucker, who has been associated with the farm industry for many years as vice president and general sales manager of the Oliver Farm Equipment Company of Chicago, has been appointed priorities specialist on farm equipment on the staff of Samuel S. Stratton, technical consultant to the Director of Priorities, it was announced January 21 by J. S. Knowlson, acting director of priorities.

## OPM limitations on nonferrous scrap inventories, and OPA price premiums entirely consistent, says OPA head

Limitations on nonferrous scrap metal inventories of both fabricators and dealers, as set by the Office of Production Management, and price premiums, established by the Office of Administration for shipments of scrap in excess of specified quantities, are entirely consistent, OPA Administrator Henderson declared January 21.

### Premiums for large quantities

In most finished and semifinished goods, price premiums are customary for smaller shipments because of higher producing and transportation costs, Mr. Henderson explained, adding that the reverse is the case in most scrap materials, however, because users find it more desirable to receive large shipments, frequently full carloads or more. He pointed out that users are willing to pay more for large shipments, because they require less handling and can be more economically routed into production. To the scrap seller, he said, extra expense is involved in assembling and preparing these large quantities. The premium for large quantities covers this extra cost and affects the additional value.

### Dealer serves both maker and user

Scrap metals usually occur originally in rather small quantities, the Adminis-

trator said. These small quantities usually are sold to a dealer who combines them to make up a full carload or more, which he sells to a consumer at a price slightly higher than at which he has picked up the small lots.

"Since the original maker of the scrap, and the small dealer to whom the scrap may in some cases first be sold, do not have the contacts nor the time and facilities to deal with consumers," the Administrator said. It was OPA's intention in framing its schedules to recognize the function of the larger dealer who expedites the movement of material and thus serves both the maker and the user of the scrap.

### Inventory limitations

"For example, OPA set a ceiling price of 10 cents per pound in lots of less than 40,000 pounds of No. 1 copper scrap, and 10½ cents in lots of 40,000 pounds or more. On the other hand, OPM has placed limitations upon the inventories of copper and brass scrap in the hands of dealers and fabricators. Fabricators' inventories are limited to 30 days' production (unless smaller than 5 tons), and no dealer is allowed to accept deliveries of scrap unless in the previous 60 days he has sold an amount at least equal to his current inventory. These inventory limitations should operate to prevent a misuse of the quantity premiums by small fabricators and small dealers, who might otherwise attempt to hoard materials in order to earn the premium.

"Under present shortage conditions," Mr. Henderson declared, "no person is justified in accumulating more than a minimum scrap metal inventory. If he can possibly increase the speed of movement of his metals inventory, or reduce its size, he should do so," the Administrator concluded.

## Accused of price violation, company makes restitution

The Fort Dodge Iron & Metal Co. of Fort Dodge, Iowa, metal dealer previously cited by OPA as a violator of its Iron and Steel Scrap Schedule No. 4, now has stated in a letter to Leon Henderson, OPA Administrator, that the firm "will in the future abide by the price schedule issued by your office." In addition, the company has made contribution to the Treasurer of the United States of all amounts received by it in excess of the ceiling levels.

Reversal of its position by the Fort Dodge firm satisfactorily closes the matter, Mr. Henderson said January 21.

The Administrator stated that by its current action the company now has shown its good faith toward and its full cooperation in the war effort.

## Standardization of cold rolled steel sizes discussed at meeting

The standardization of cold rolled steel sizes was discussed January 20 by cold finished steel producers and Government representatives under the auspices of the iron and steel branch, Materials Division, OPM. William G. Hume of the cold finished steel branch, was Government presiding officer.

### Problems discussed

Problems discussed at the meeting included the interests of the armed forces in having many sizes of steel for shells, the determination of what sizes and grades of steel are regularly distributed, and the sizes of cold steel units distributed at present, so that manufacturers and Government representatives can eliminate unnecessary sizes to reduce costs throughout production.



## OPA grants increase of 3/10c per gallon on all grades of gasoline sold in 15 Eastern and Southern States

An increase of  $\frac{3}{10}$  cent per gallon on all grades of gasoline sold in 15 Eastern and Southern States has been granted by the Office of Price Administration in accordance with assurances given last fall to the oil industry by OPA Administrator Henderson and Petroleum Coordinator Ickes.

### Reimbursement promise fulfilled

At that time the oil companies were told that they would be reimbursed for additional transportation expenses incurred in efforts to relieve the petroleum shortage on the East Coast by use of tank cars and other high cost methods in place of tankers.

The OPA action represents a fulfillment of those assurances. The reimbursement to the companies will cover only costs incurred since September 4, including those which they are now bearing through their continued use of these high-cost transportation methods.

The  $\frac{3}{10}$  cent-per-gallon increase will be permitted on all sales of all grades of gasoline, including tank wagons, service stations, and all other retail outlets.

### To resume sharing of costs

Permission for the increase is given with the definite understanding that the oil companies affected will resume a plan to share equitably the increased costs of transportation of petroleum and petroleum products by tank car and other means over transportation by tanker under the Maritime Commission charter rate ceilings. This plan was called for in Recommendation No. 12, issued September 30 by the Petroleum Coordinator, and approved September 24 by Thurman Arnold, Assistant Attorney General, and the amendment to No. 12, issued by the Acting Petroleum Coordinator on October 18, last, and also approved by Mr. Arnold.

### Periodic reports required

The 11 companies affected have incurred higher transportation costs to move adequate supplies of petroleum and its products into Maine, New Hampshire, Vermont, Massachusetts, Rhode Island, Connecticut, New York, New Jersey, Pennsylvania, Maryland, Delaware, Virginia, West Virginia, North Carolina, South Carolina, and the District of Columbia. The allowance of the price increase is limited to this territory.

In permitting the increase in prices, OPA declares that periodic reports shall be made to the Office of the Petroleum Coordinator and to the Office of Price Administration.

### OPA reserves right of adjustment

The OPA reserves the right to adjust the motor gasoline price when additional revenue accruing to the oil companies pursuant to the plan equal those additional expenses incurred by tank car or other alternative means of transportation, or any combination thereof.

OPA also reserves the right to place the increase on such other product or products or to adopt any other means of adjustment of such added transportation costs as the public interest may require.

Mr. Henderson explains that the increase was based on the performance of the signatory companies between September 4, 1941, and December 19, 1941, and the subsequent request of the Petroleum Coordinator for intensifying movements of petroleum and petroleum products by rail, pipe line and barge, to compensate for the further diversion of tank ships.

### 11 producing companies affected

The 11 producing companies and the officials notified of the OPA action follow:

R. T. Haslam, vice president, Standard Oil Co., of N. J., 30 Rockefeller Plaza, N. Y.; T. W. Tutwiler, president, Cities Service Oil Co.; 60 Wall Tower, N. Y.; J. F. Drake, president, Gulf Oil Corporation, Gulf Building, Pittsburgh; N. J. McGaw, vice president, Shell Oil Co., Inc., 50 West Fiftieth St., N. Y.; A. E. Pew, Jr., vice president, Sun Oil Co., Philadelphia; George J. Hanks, Tide Water Associated Oil Co., 17 Battery Place, N. Y.; Robert N. Colley, president, The Atlantic Refining Co., 260 South Broad St., Philadelphia; H. F. Sinclair, Consolidated Oil Corporation, 630 Fifth Avenue, N. Y.; Robert E. Wilson, president, Pan American Petroleum & Transport Co., 122 East Forty-second Street, N. Y.; J. A. Brown, president, Socony-Vacuum Oil Co., 26 Broadway, N. Y.; W. S. S. Rodgers, president, The Texas Co., 135 East Forty-second Street, N. Y.

★ ★ ★

## CASH DONATIONS FOR DEFENSE SINCE PEARL HARBOR

Cash donations to the Government for national defense in the 6 weeks since the attack on Pearl Harbor have reached \$241,572.08, the Treasury announced January 22.

## Petroleum policy clarified for producers, others; retailers warned of possible ceiling

Producers, refiners, marketers and others who buy or sell petroleum or specified petroleum products received January 20 from OPA Administrator Henderson a letter intended to clarify all points which have arisen since OPA announced that prices prevailing November 7, 1941, shall be considered maximum prices.

### Crude oil ceilings as of October 1

The maximum for crude oil prices, however, is considered to be the posted or prevailing price as of October 1, last.

### Study under way

Mr. Henderson's letter emphasizes that the statement does not mean that prices of petroleum or petroleum products which prevailed on November 7 have received OPA approval. Such approval or disapproval awaits completion of investigations now in progress on crude production, refining, marketing, and other costs and prices.

### Adjustment procedure outlined

The letter, addressed to members of the petroleum industry, supersedes and clarifies letters written to them on November 7, 10, and 28, 1941.

Methods of procedure when applying for permission to increase prices because of increased costs or to adjust subnormal prices also are outlined.

### Wide range covered

Prices subject to this request, the letter stipulates, shall include all domestic, export and import transactions, sales, transfers, exchanges, or purchases of petroleum and petroleum products involving contract, bid, or spot sales of the following nature:

*Petroleum products.*—Cargo, harbor, barge, refinery, terminal, tank car, and tank wagon.

*Crude petroleum.*—Field or well, gathering point, tank farm, and terminal.

### Retailers warned

Prices charged at retail outlets (service stations, including marine service stations, store accounts, curb side pumps, or other similar type retail outlets) are not formally included in this list. The letter warns, however, that these prices should remain substantially at or below November 7 levels. If they do not, a formal ceiling order will be promulgated placing them under full control.



**PETROLEUM PRICES CLARIFIED**

Clarification of a statement on price basis in a general letter to members of the petroleum industry on January 17, last, was made in a statement January 23 from the Office of Price Administration.

The statement calls attention to the following sentence, under "1—Price basis," in the general letter:

"Whenever prices are fixed or approved by this office, such prices shall be considered the maximum prices for purposes of compliance with this request."

"This phrase," the clarification statement says, "refers to maximum prices approved or established by this office either prior or subsequent to November 7. It includes all maximum prices which the industry has been requested to maintain by letter or formal ceiling order and should be strictly adhered to by the industry."

★ ★ ★

**Ceilings on two kinds of oil set for Gulf and East Coasts**

Following refusal on January 9 to permit large oil companies to increase prices on Bunker C and No. 6 grade fuel oil at East Coast and Gulf Coast ports, the OPA on January 20 issued a schedule formally setting ceilings on those grades, according to an announcement by Administrator Henderson.

The maximum prices set are those effective on January 9, f. o. b. refineries and terminals (ex lighterage) as follows:

	<i>Per barrel</i>
Albany, N. Y. ....	\$1.55
New York Harbor .....	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. ....	.85
Gulf Coast points not specified above...	.85

Issuance of the price schedule followed an investigation by OPA in which consideration was given to pertinent factors, including, among others, current charter rates, actual costs of operating company-owned tankers in which a substantial part of heavy fuel is moved, the fuel oil supply position, defense operations in which fuel oil is required, and the general economic position of refiners and marketers on the Gulf and East Coasts.

**Retail coal dealers asked not to raise prices above those charged individually Dec. 15-31, 1941**

Following reports of increases in retail coal prices in several localities, OPA Administrator Henderson January 18 requested retail dealers of the country not to increase prices above those which they individually charged for different grades and sizes in the period between December 15 and December 31, 1941.

**Mr. Henderson's statement**

Mr. Henderson's statement follows:

I request that the Nation's retail coal dealers do not increase any prices above those which they individually have charged on sales for each grade and size of coal, and for similar conditions of delivery during the period between December 15 and December 31, 1941, inclusive, without the approval of the Office of Price Administration.

Under conditions now faced by the Nation, inflation can be prevented only by prompt and effective stabilization of prices directly affecting the cost of living. Coal represents an important element in the cost of living and is indispensable to the comfort and convenience of millions of our countrymen.

It is, therefore, of the utmost importance that coal sold through retail yards shall not be increased except in such instances as may be authorized specifically by the Office of Price Administration.

★ ★ ★

**Producers asked not to sell fluorspar above January 2 prices**

Fluorspar producers are asked not to publish, quote prices on, nor sell this non-metallic mineral at above their prices in effect January 2, 1942. The request was made in a letter sent them by OPA Administrator Henderson.

**One month notice asked**

In the event that any fluorspar producer considers it necessary to increase prices above the January 2 level, the Administrator requests that he notify OPA one month in advance of the date upon which the intended increase would take effect. In conjunction with any such proposed increase Mr. Henderson asked that detailed factual statement of reasons believed by the producer to justify the proposed increase, including financial data, be submitted.

Fluorspar is of considerable commercial importance in manufacturing steel, aluminum, ceramic, and chemical products, and refrigerants. About 80 percent of domestic fluorspar output comes from Illinois and Kentucky.

**ANTHRACITE ADVISORY PANEL**

Eight anthracite producers, representing a major part of the industry, have accepted appointment by the Office of Price Administration to an industry advisory panel.

C. F. Huber, New York, chairman of the Board, Glen Alden Coal Co.; James Prendergast, Cleveland, Ohio, president, Susquehanna Collieries Co.; J. J. Tedesco, Pittston, Pa., vice president and sales manager, Pagnotti Interests; J. B. Warriner, Philadelphia, president, Lehigh Navigation Coal Co.; Donald Markle, Jeddo, Pa., president, Jeddo Highland Coal Co., and Hazelbrook Coal Co.; R. E. Taggart, Philadelphia, president, Philadelphia & Reading Coal & Iron Co.; J. H. Pierce, Scranton, Pa., president, East Bear Ridge Coal Co., and Edison Anthracite Coal Co.; D. L. Corgan, Harrisburg, Pa., secretary and treasurer, Governor's Emergency Committee, Commonwealth of Pennsylvania.

★ ★ ★

**Washington retail coal dealers restore 25 cents per ton**

Retail coal dealers in Washington, D. C., and vicinity, in response to a request from OPA Administrator Henderson, January 23 voluntarily reduced prices 25 cents per ton on all grades and sizes of coal and coke, effective January 23, 1942.

This reduction restored the prices to the level of January 16, on which date the Washington retail dealers advanced the price on all grades 25 cents a ton without the approval of OPA.

In view of the voluntary reduction by retail dealers in Washington and vicinity, OPA will promptly study costs and margins to determine whether or not an increase in prices is justified at this time.

"This response on the part of Washington's retail coal dealers to our request," Mr. Henderson said, "is a fine example of patriotic cooperation in our effort to protect the people of this country against the evils of inflationary prices. It is the comparatively small price increase, which may seem insignificant at the time, which paves the way for menacing threats against our wartime economy. The local coal dealers have made a notable contribution to our effort.

"Since December 7, it has been necessary for the Office of Price Administration to scrutinize with greatest care any increase in price which may have occurred or may be proposed, especially on commodities which are indispensable to national comfort and health, or directly affect the cost of living.

"The vital importance of preventing price increases right at the beginning must be recognized, for inflation comes about by many small incremental price advances, no one of which may seem important in itself.

"It must be obvious, therefore, that no higher prices from now on can be permitted, unless facts supporting applications for increases are placed before OPA for consideration and investigation justifies such increases."



## Ceilings set on "clean" osnaburgs and revised for 5 grades of "part-waste"; premiums reduced for "feeler motion"

Ceiling prices for part-waste osnaburgs coarse cotton fabrics were revised and maximum prices were set for the first time over "clean" osnaburgs in an amendment to Price Schedule No. 35, Carded Grey and Colored-Yarn Cotton Goods, announced January 22 by OPA Administrator Henderson.

### Used mostly for bagging

Osnaburgs are used mostly for bagging, but for the past several years have come into vogue for draperies, curtains and other interior decorating uses. "Part-waste" osnaburgs, as the name indicates, are made partly from cotton waste, while "clean" osnaburgs are made entirely from virgin cotton.

The January 22 amendment also reduces the premium allowed for "feeler motion," a loom attachment that prevents weaving imperfections in cloth, from 1 cent a pound to  $\frac{1}{8}$ th of a cent per yard and extends "feeler motion" premiums to osnaburgs and carded broadcloths. Premiums for certain fancy weaving effects, such as "fancy draw," are also made available to osnaburgs by the amendment.

### Ceilings on 5 grades of part-waste

Until now, Schedule No. 35 contained ceiling prices for part-waste osnaburgs only and grouped these fabrics according to yarn sizes—those made with yarn numbers up to and including 9s and those made with yarn numbers above 9s. As revised, maximum prices are established for five grades of part-waste osnaburgs, expressed in yards of goods per pound, prorated to 40-inch widths. Clean osnaburgs made of "tinged" (off-white) cotton, carry a premium of  $1\frac{1}{2}$  cents a pound over the part-waste maximums, while clean osnaburgs made entirely of white cotton carry a premium of 2 cents a pound. An additional differential of  $\frac{1}{2}$  cent a pound is allowed for osnaburgs with 32 or more picks per inch.

### Keyed to raw "spot" cotton

As is the case with all other cloths covered by Price Schedule No. 35, the new osnaburg ceiling prices are keyed to the market prices of raw "spot" cotton and fluctuate upward or downward by  $\frac{1}{2}$  cent per pound for each 43-point change in cotton prices.

Using, for purposes of illustration, the 18.97 closing spot cotton price of Janu-

ary 20, 1942, the new maximum price per pound for the five grades of part-waste osnaburgs, under 42 inches in width, would be as follows:

Class	Weight prorated to 40 inches (yd. per lb.)	Maximum prices
Cents		
A.....	2.35 and under.....	32
B.....	2.36 to 2.70.....	33
C.....	2.71 to 3.05.....	34
D.....	3.06 to 3.50.....	35
E.....	3.51 and over.....	35½

(As stated previously,  $1\frac{1}{2}$  cents per pound may be added to the above prices for clean osnaburgs woven of "tinged" cotton; 2 cents a pound for clean osnaburgs woven of white cotton; and a further  $\frac{1}{2}$ -cent per pound for osnaburgs with 32 or more picks per inch.)

### "Feeler motion" premium reduced

Reduction in the "feeler motion" premium, Mr. Henderson stated, has been decided upon because the previous 1 cent per pound exceeded the amount customarily obtained for feeler motion, as well as the additional cost of making feeler goods. The premium is now made applicable to osnaburgs because of the anticipated heavy defense demand for "feeler motion" osnaburgs. Application of the premium to carded broadcloth is in line with suggestions made by the trade and serves the purpose of equalizing the ceiling for feeler-made print cloth and feeler-made carded broadcloth.

Changes made in the schedule by the present amendment are effective January 23. The new prices apply to all sales and deliveries made on or after that date, except deliveries made against contracts entered into while previous maximum prices were in effect and in conformity with them.

★ ★ ★

### Open-die forging makers discuss problems

All companies known to manufacture for sale steel forgings made on open dies were invited to send representatives to a meeting in Washington January 26, OPA Administrator Henderson said January 21 in a letter sent to the industry.

Objectives of the OPA were to be outlined at this meeting by Joel Dean and his associates in the machinery section of the Office of Price Administration.

## Kapok schedule amended to allow for price changes in Dutch East Indies

Persons in the United States who act as agents for sellers of kapok in the Netherlands East Indies are permitted to make sales at the minimum prices set by the Netherlands Government under the provisions of an interim amendment to Price Schedule No. 59—Kapok—issued January 21 by OPA Administrator Henderson.

Mr. Henderson established an emergency ceiling over kapok prices December 22 because of the Far Eastern situation, and stipulated that no sale should be made for a price higher than the highest price received during the period November 15–December 6. Shortly thereafter the Netherlands Government raised its minimum prices for Prime Japara and Average Java kapok by  $\frac{3}{4}$  of a cent per pound.

Thus, because this brought the price in the United States above the OPA emergency ceiling, United States agents of sellers in the Netherlands East Indies were prevented from offering kapok for sale to United States importers or consumers. The interim amendment relieves this situation. However, until such time as specific ceiling prices for kapok are established, which it is planned to do in the near future, United States importers and consumers are required to observe the maximum prices as established by the emergency schedule.

★ ★ ★

### Fair treatment of all customers asked of rayon producers

Robert R. Guthrie, chief of the textiles, clothing, and equipage branch of OPM, has sent a letter to all rayon producers and jobbers instructing them to make available to their former customers a fair share of their yarn, to be based on a customer's past purchases from such producer or jobber.

### Customers have been getting less

Information brought to OPM through a recent questionnaire reveals that rayon producers and jobbers have been using a larger proportion of the rayon yarn than in the past, leaving less for their customers. Mr. Guthrie asked that this situation be corrected so that the entire industry will be treated fairly.



## Ceilings set on several grades of wool tops, yarns used for Army cloth, underwear

Specific maximum prices for several grades of wool tops and yarns used by manufacturers to make Army O. D. serge, shirting flannel, and underwear were established in an amendment to Price Schedule No. 58—Wool and Wool Tops and Yarns—announced January 19 by OPA Administrator Henderson.

As was the case in the recent amendment setting specific maximum prices for South American wool, the January 19 amendment is of a special nature designed to make it possible for small manufacturers to bid on large Army contracts on January 20.

### Ceilings on other grades pending

Work of developing actual ceiling prices for other grades of wool tops and yarns is proceeding and further amendment of the schedule in this connection will be made in the future.

The prices set in the current amendment are those which reflect the levels of the base period, October 1–October 15.

### Grades covered by ceilings

"Wool tops" is a term applied to semi-processed clean wool, consisting of relatively long fibers, since the shorter fibers have been combed out. They come in the form of rather thick, slightly twisted strands, or loose rope, in which the fibers lie parallel. These "tops" are spun into yarns.

Two grades of "tops" in "domestic," "foreign," and "blend" classes are given maximum prices in the new amendment, ranging from \$1.30 to \$1.44 a pound for "oil combed." For these same tops "dry combed," it is stated, the maximum prices given may be increased by 2½ percent.

Two types of serge yarn, one type of shirting flannel yarn and two types of underwear yarn are given ceiling prices ranging from \$1.20 to \$2.28 a pound.

★ ★ ★

## 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.

## Wholesaling and jobbing of cotton twine exempt from ceilings; premium on cotton yarn used for Army mosquito netting

Wholesaling and jobbing of cotton wrapping twine are exempted from ceiling prices and a special premium is provided for the high-quality cotton yarn used in Army mosquito netting in two amendments to the carded and combed yarn price schedules announced January 22 by OPA Administrator Henderson.

### Producers' ceilings continue

The revision affecting twine applies to Schedule No. 33, Carded Cotton Yarn, and was made because the maximum prices are designed essentially to cover sales by producers and by jobbers who specialize in the yarn business. While cotton wrapping twine consists simply of carded yarn, it is distributed largely through wholesale paper dealers, usually as a sideline. Sales of wrapping twine by the producer continue to be covered by Schedule No. 33. Jobbers' prices will be watched and ceilings will be imposed if found necessary.

### Premium for high-quality yarn

The other amendment applies to Schedule No. 7, Combed Cotton Yarn, and

provides a premium of 10½ cents a pound for 55 single combed yarn when made for weaving into mosquito netting to meet Army specifications. Mosquito "bars" made for the Army require a yarn made with a higher twist and a longer staple of cotton than are used in yarn produced for standard commercial purposes. Establishment of a specific premium for this particular yarn is in line with the practice, recently initiated in the cotton yarn and textile schedules, of providing definitive prices for products which, although made to specification, are being manufactured in large quantities for military purposes.

### "Memorandum" sales

Also included in the amendment to the combed yarn schedule is a technical change whereby the period during which certain types of specialty yarns may be sold on "memorandum" is extended through January 31. It is expected that a complete revision of this schedule, previously announced as in preparation, will be issued by that date.

## 4 new consultants named to textiles and containers branches

Philip D. Reed, special assistant to the Directors General of the Office of Production Management in charge of industry branches, announced January 19 the following appointments in the textiles and containers branches:

*John E. Bromley*, of Glenside, Pa., as consultant on lace and embroidery for the textile and fiber section of OPM. Mr. Bromley is treasurer and director of John Bromley & Sons (also trading as Bromley Manufacturing Co.), Philadelphia. The lace industry manufactures netting which has several important military uses, such as mosquito netting and camouflage netting. The embroidery industry makes chevrons and other insignia for Army and Navy uniforms.

*Arnold Leroy Lippert*, of Wilmington, Del., as consultant on dyes for the textiles, clothing and equipage branch of OPM. For the past 7 years Mr. Lippert has been chemical director of Joseph Bancroft & Sons, Wilmington. Prior to that he was with DuPont.

*Ames Stevens*, North Andover, Mass., as consultant on wool fabrics in the textiles, clothing and equipage branch. Mr. Stevens has had extensive experience in the textile business.

*Harvey W. Clements*, of Chicago, as consultant on shipping bags for the containers branch. Mr. Clements is sales manager of the Bemis Brothers Bag Co., Chicago.

## Further action adjusts wool yarn prices

Minor adjustments to maximum prices for wool yarns used in military fabrics were announced January 21 by OPA Administrator Henderson.

The adjustments, in the form of an amendment to Price Schedule No. 58, Wool and Wool Tops and Yarns, consist of:

1. An increase from \$2.19 to \$2.21 a pound for O. D. Serge, 18-oz. French spun yarn made of 50 percent domestic wool and 50 percent foreign wool.

2. Two new classifications for Merino underwear yarns—one for such yarns when all domestic wool is used and one for the same yarns when spun from 50 percent foreign and 50 percent domestic wool.

### Ceilings brought into line

The upward adjustment in the serge yarn price is made to bring the ceiling into line with the maximum prices for the same yarn when made either wholly from domestic wool or wholly from foreign wool.



## Price schedule additions and changes

Following are additions and changes to OPA price schedules, December 4, 1941, to January 21, 1942. The last previous list appeared in VICTORY December 9.

### NEW SCHEDULES

- No. 47, Old Rags, issued December 6, 1941; Amendment No. 1, issued December 23, 1941, Form 147:1.
- No. 48, Emergency Civilian Defense Materials and Equipment, issued December 10, 1941; Supplemental Schedule No. 1, Flashlights, Flashlight Batteries, and Flashlight Bulbs, issued December 10, 1941.
- No. 49, Resale of Iron or Steel Products, issued December 13, 1941; Forms 149:1, 149:2, 149:4.
- No. 50, Green Coffee, issued December 11, 1941; Amendment No. 1, issued December 13, 1941; Amendment No. 2 and Revision, issued December 27, 1941; Amendment No. 3, issued December 30, 1941.
- No. 51, Cocoa Beans and Cocoa Butter, issued December 11, 1941; Amendment No. 1, issued December 13, 1941.
- No. 52, Pepper, issued December 11, 1941.
- No. 53, Fats and Oils, issued December 12, 1941; Amendment No. 1, issued December 31, 1941.
- No. 54, Douglas Fir Peeler Logs, issued December 12, 1941.
- No. 55, Second-Hand Bags, issued December 16, 1941; Form 155:1.
- No. 56, Reclaimed Rubber, issued December 16, 1941; Form 156:1.
- No. 57, Wool Floor Coverings, issued December 16, 1941; Amendment No. 1, issued December 31, 1941, Forms 157:1, 157:2, 157:3, 157:4.
- No. 58, Wool and Wool Tops and Yarns, issued December 17, 1941; Amendment No. 1, issued January 10, 1942; Amendment No. 2, issued January 15, 1942; Amendment No. 3, issued January 17, 1942; Amendment No. 4, issued January 20, 1942; Form 158:1.
- No. 59, Kapok, issued December 18, 1941; Amendment No. 1, issued January 20, 1942, Form 159:1.
- No. 60, Direct-Consumption sugars, issued December 20, 1941; Amendment No. 1, January 9, 1942, FR correction January 17, 1942.
- No. 61, Leather, issued December 24, 1941, Form 161:1.
- No. 62, Cigarettes, issued December 30, 1941; Amendment No. 1, issued January 9, 1942.
- No. 63, Retail Price for New Rubber Tires & Tubes, issued December 30, 1942, FR correction January 10, 1942.
- No. 64, Domestic Cooking and Heating Stoves, issued December 31, 1941, Form 164:1.
- No. 65, Resale of Floor Coverings, issued January 2, 1942; Amendment No. 1, January 7, 1942, Forms 165:1, 165:2.
- No. 66, Retreaded and Recapped Rubber Tires. The Retreading and Recapping of Rubber Tires, and Basic Tire Carcasses, issued January 10, 1942.
- No. 67, New Machine Tools, issued January 20, 1942, Forms 167:1, 167:2, 167:3, 167:4.
- No. 68, Hide Glue Stock, issued January 13, 1942, Form 168:1.
- No. 69, Primary Lead, issued January 13, 1942.
- No. 70, Lead Scrap Materials, Secondary Lead, including calking lead; Battery Lead Scrap; and Primary and Secondary Antimonial lead, issued January 13, 1942, Form 170:1.
- No. 71, Primary and Secondary Cadmium, issued January 16, 1942.
- No. 72, Bunker C and No. 6 Grade Fuel Oils, East and Gulf Coasts, issued January 17, 1942.
- No. 73, Fish Meal, issued January 17, 1942.
- No. 74, Animal Products Feedingsuffs, issued January 17, 1942.
- No. 75, Dead-Burned Grain Magnesite, issued January 21, 1942, Form 175:1.

*Supplementary Order No. M-15-c, To Restrict Transactions in New Rubber Tires, Casings and Tubes.* (This order and Amendment No. 3 were issued by the Office of Production Management. Amendments Nos. 1, 2, 4, and 5 were issued by OPA under the authority delegated to it under the supplementary order, as well as the Tire Rationing Regulations listed below.)

*Supplementary Order No. M-15-c, issued December 27, 1941; Amendment No. 1, issued January 2, 1942; Amendment No. 2, issued January 3, 1942; Amendment No. 3; issued January 20, 1942; Amendment No. 4; issued January 15, 1942; Amendment No. 5, issued January 21, 1942.*

*Tire Rationing Regulations, issued December 30, 1941; Amended January 12, 1942.*

### CHANGES IN SCHEDULES

- No. 2; Amendment No. 6, issued January 9, 1942.
- No. 4; Revision and Amendment No. 11, issued December 22, 1941; Amendment No. 12, December 24, 1941.
- No. 7; Amendment No. 4, issued December 24, 1941; Correction January 2, 1942; Amendment No. 5, issued January 5, 1942; Amendment No. 6, issued January 21, 1942.
- No. 11; Amendment No. 6, issued December 9, 1941; Revision and Amendment No. 7, issued December 23, 1941; FR Correction December 27, 1941.
- No. 12; Amendment No. 2, issued December 27, 1941.
- No. 15; Revision and Amendment No. 2, January 13, 1942.
- No. 16; Amendment No. 2, issued January 3, 1942.
- No. 21; Amendment No. 1, issued January 15, 1942; FR Correction January 20, 1942.
- No. 28; Amendment No. 1, issued December 18, 1942.
- No. 30; Amendment No. 3, issued December 15, 1941; Amendment No. 4, issued January 15, 1942.
- No. 31; Amendment No. 1, January 2, 1942.
- No. 32; Revision and Amendment No. 4, issued December 26, 1941.
- No. 33; Amendment No. 2, issued January 21, 1942.
- No. 35; Amendment No. 2, issued December 26, 1941; FR Correction January 3, 1942; Amendment No. 3, issued January 5, 1942; Amendment No. 4, January 21, 1942.
- No. 36; Amendment No. 1, issued December 19, 1941.
- No. 37; Amendment No. 1, December 19, 1941.
- No. 38; Amendment No. 1, December 18, 1941.
- No. 40; Amendment No. 1, issued January 15, 1942.
- No. 42; Amendment No. 1, issued January 8, 1942.
- No. 44; Amendment No. 1, issued December 27, 1941.
- No. 45; Amendment No. 1, issued January 2, 1942.

\*\*\*

## \$15,000,000 IN VITAL WAR MATERIALS FROZEN

The Treasury Department has revealed that an estimated \$15,000,000 worth of vital war materials, originally destined for Far Eastern areas now occupied by Japan, will be redirected into the United Nations war effort through freezing control.

## Large U. S. sulphur producer voluntarily renews pledge to sell at 1941 base price

One of the country's largest producers of sulphur, the Freeport Sulphur Co., has voluntarily offered to continue to sell sulphur throughout the current year at the 1941 base price of \$16 a ton, f. o. b. mines, Price Administrator Leon Henderson announced January 19.

### An unsolicited pledge

At the beginning of 1941 the company, which operates mines in Texas and Louisiana, gave Mr. Henderson an unsolicited pledge that it would not increase the \$16 base price of an amount of sulphur sufficient to last its customers for 1 year at the then-current rate of sales.

In a letter just received by Mr. Henderson, Langbourne M. Williams, Jr., Freeport Sulphur president, states that "even though our sales in 1941 considerably exceeded the amount indicated by the rate prevailing at the time we made this commitment, all demands for our sulphur were filled during the full year at no increase above the base price of \$16 a ton, f. o. b. mines.

### Henderson expresses appreciation

"In the light of developments that have taken place during the past year, a similar price pledge seems even more desirable today. We are glad, therefore, to renew this offer and to promise not to increase our \$16 base price for delivery during the year 1942."

Mr Henderson expressed his sincere appreciation of the attitude displayed by the company and said:

Sulphur is a primary industrial raw material that is particularly vital to war industries. Any increase in its price at this time inevitably would be reflected in higher costs for the innumerable products using sulphur. The efforts of my office to hold prices stable in the face of tremendous inflationary pressures have been assisted importantly by the splendid cooperation given by this major producer. I am confident that the other companies which mine sulphur will add their contributions to that of the Freeport Sulphur Co. so that our sulphur consuming industries may continue to enjoy stable prices during this year.

Indeed, the example set by Freeport Sulphur is one that many other industries might well use as a pattern in this war emergency. Government regulation of prices can be held to an absolute minimum if our country's producers, manufacturers, wholesalers, and retailers all join in a concerted effort to hold prices down.



## Fish meal under ceiling to prevent withholding for higher prices

Temporary maximum prices for sales of fish meal by processors are established in Feedingstuffs Price Schedule No. 73 issued January 20 by OPA Administrator Henderson. These maximums are based on a guaranteed minimum percentage of protein per ton and vary at the Pacific Coast and Atlantic and Gulf Coast points.

During the past 2 months, fish meal prices have advanced approximately \$16 per ton, or about 26 percent in value, according to OPA, which explains that, since the 1941 fish catch was probably the largest on record, available information indicates that supplies are being withheld in expectation of further price advances. Hence, to prevent withholding and assure adequate food supplies, a temporary schedule has been set, effective January 20, 1942, establishing the general level of prices prevailing January 17, 1942, as maximums for fish meal.

Upon completion of studies in progress now, a permanent schedule of maximum fish meal prices will be established.

★ ★ ★

## Bag "hardship" cases can apply for relief

Prompt consideration will be given by the Office of Price Administration to applications for relief in cases where the methods of determining maximum prices under the second-hand bag schedule have worked a hardship on persons selling against contracts that have been long outstanding, Administrator Henderson announced January 23.

Under the terms of the schedule, if a seller made no sales during the base period November 15 to December 6, 1941, inclusive, he is required to take the price which he received on the last sale made prior to November 15, 1941. A number of concerns were found to have made long-term commitments for the sale of their entire output well before November 15. Prices on these contracts were greatly below the market prices which prevailed during the base period used in the schedule. Relief in these cases will be granted to individual applicants whose last sale or contract was made at a time sufficiently before the base period that compliance with the schedule now works excessive hardship.

## Manufacturers asked not to sell coated, bonded abrasives above Oct. 1 prices

Manufacturers of coated abrasive products and bonded abrasive products were asked by OPA Administrator Henderson not to publish, quote prices on, nor sell their output at prices above those each manufacturer had in effect October 1, 1941. This request, made in letter form, applies to all such items sold by these manufacturers, whether part of their regular line or a specialty.

### OPA asks for advance notice

In the event that any manufacturer considers it necessary to increase prices over those in effect October 1, OPA requests that it be notified one month in advance of the date upon which the intended increase would take effect. Should a manufacturer submit such proposed price rise, he is requested at the same time to forward a detailed factual statement of reasons believed by him to justify proposed increases, including financial data.

### Price rise being investigated

Coated abrasives include sandpaper, garnet paper, flint cloth, aluminous

oxide cloth, etc. Their part in the war effort includes use in finishing aircraft engine parts, air frames, hard metals, and cutting and finishing leather and leather products. Coated abrasive product prices advanced on the average from 6 percent to 10 percent in November-December 1941, the first advance since 1937. The price rise is being investigated by the Office of Price Administration, and until full details for this rise are forthcoming, it has been determined that the previously existing price level should not be exceeded.

### Needed for airplanes, tanks

Bonded abrasives include grinding wheels, honing sticks, sharpening stone, etc., are important in armament production, and are essential to the manufacture of airplanes, tanks, etc. Grinding wheels are essential to repair of combat vehicles and aircraft in the field, since interchangeability of parts and close tolerances would not be possible without their use. No significant change in bonded abrasive product prices has been reported in the past year.

## Auto transactions before Jan. 1 clarified by amendment

Orders banning the sale, delivery, or transfer of motor vehicles were amended January 20 to clear up questions arising in connection with deliveries made under installment-buying plans prior to announcement of the ban January 1.

The amendments, covering the orders on passenger cars, light, medium, and heavy trucks, and truck trailers, make it clear that the ban does not prevent transfer of title to a vehicle under the terms of a conditional sale, chattel mortgage sale, bailment lease, or similar installment contract entered into prior to 6 p. m., eastern standard time, January 1.

The amendments also state that the ban does not prohibit retaking, repossession, or redelivery of any vehicle upon default, breach, or other contingency under the terms of any installment contract entered into prior to 6 p. m., eastern standard time, January 1.

At the time the ban became effective, it was announced that amendments permitting completion of conditional sales and repossession would be issued.

## Animal product feedstuffs under temporary ceiling

Temporary price ceilings on animal products used as feedstuffs are contained in Animal Products Price Schedule No. 74, issued January 20 by OPA Administrator Henderson.

Price increases of \$12.50 per ton, or about 20 percent in value, since the outbreak of hostilities necessitated the move, according to OPA, and it is felt that supplies are being held back in expectation of further price increases.

The ceilings use the prices prevailing January 17, 1942, as maximums. The schedule is effective as of January 20, 1942. Upon completion of studies now in progress, a permanent schedule will be established. Should unwarranted price rises occur at distribution stages not covered by the schedule, appropriate action will be taken by OPA.

The term "animal product feedstuff" is defined as covering 14 different commodities used as such or as ingredients highly important in the manufacture of mixed feeds for livestock and poultry.



# LABOR . . .

## Board adopts rules of procedure

The National War Labor Board at a regular meeting January 23 adopted Administrative Regulation No. 1, concerning the organization of the Board and Administrative Regulation No. 2 entitled "Rules of Procedure." The text of the Rules of Procedure, dated January 22, follows:

### ADMINISTRATIVE REGULATION NO. 2 RULES OF PROCEDURE

Whereas, an Executive Order of the President dated January 12, 1942, created the National War Labor Board, and charged it with certain duties and conferred upon it the power to promulgate rules and regulations appropriate for the performance of its duties, and

Whereas, at a duly held meeting of the Board a committee was appointed to consider and draft rules and regulations with respect to organization and procedure, and such committee has made its report to the Board.

Now, therefore, by virtue of authority vested in the National War Labor Board by Executive Order of the President dated January 12, 1942, it is hereby ordered that the following rules and regulations govern the procedure of the Board:

#### NEW CASES

##### RULE 1—NEW CASE DOCKET:

Whenever any case is certified to the Board, or whenever the Board assumes jurisdiction of any case of its own motion, the Executive Secretary shall place such case on the New Case Docket. Unless otherwise determined by the Standing Committee on New Cases, the cases shall be put on the New Case Docket in the order of the time of certification or assumption of jurisdiction.

##### RULE 2—NOTICE OF JURISDICTION:

Whenever any case is put on the New Case Docket, the Executive Secretary shall notify the parties and shall keep the parties advised of the procedure to be followed, and in the event that there is a strike or lock-out in progress at the time such notice shall contain a request that the strike or lock-out be discontinued and that the parties restore the status quo existing before the strike or lock-out occurred or the dispute arose, pending the determination of the case by the Board.

##### RULE 3—PROCEDURE OF STANDING COMMITTEE ON NEW CASES:

All new cases shall be put on the New Case Docket and be referred immediately to the Standing Committee on New Cases which shall consider the case and dispose of it in accordance with the following rules and principles:

(a) If the Committee is in doubt as to the power of the Board to dispose of the case under the Executive Order of the President, it shall refer the case to the next meeting of the Board.

(b) If the Committee finds that the dispute is one for which procedures for adjustment or settlement are otherwise provided and those procedures have not been exhausted; or that direct collective bargaining has not been resorted to; or that procedures provided in a collective bargaining agreement have not been resorted to; or that the services of the Commissioners of Conciliation of the Department of Labor have not been used, it shall refer the case to the next meeting of the Board.

(c) If the Committee finds that the case is one in which the Board has power to act, and that the parties have exhausted all the existing procedures of settling the dispute and that such dispute might be settled by mediation, it shall recommend to the Board that the dispute be put on the Mediation Docket.

(d) If the Committee finds that the dispute is of such a nature that mediation would not be appropriate, the Committee shall recommend to the Board that the case be put on the Board Docket.

(e) If the Committee finds from the character of the dispute that it will be necessary to conduct investigations or examinations prior to either the mediation of the dispute or the consideration of the dispute by the Board, the Committee shall recommend to the Chairman the designation of an investigator or examiner to investigate the dispute and report to the Board.

##### RULE 4—NOTICE TO THE PARTIES:

Whenever any case is placed on the Mediation Docket or the Board Docket or Board Hearing Docket, the Executive Secretary shall notify the parties of the time and place of the mediation or hearing before the Board.

#### MEDIATION

##### RULE 5—APPOINTMENT OF MEDIATORS:

The usual procedure of the Board in mediation shall be mediation by tri-partite panels designated by the Chairman from the Associate Members. The Chairman, may, however, appoint one or more mediators without regard to this rule in any case where the parties have agreed. On any tri-partite mediation panel the representatives of employers and employees shall be equal.

##### RULE 6—STATEMENT OF POSITION BY THE PARTIES:

The parties to a dispute which has been set for mediation shall prepare a brief and concise statement in writing of their position. Such statement should where practicable be submitted to the Executive Secretary of the Board, at least three (3) days in advance of the date set for the mediation.

##### RULE 7—REFERENCE TO VOLUNTARY ARBITRATION:

If settlement of the dispute is not brought about by mediation the mediators shall try to induce the parties to submit the dispute to arbitration either by an arbiter of their own choosing or by an arbiter selected in some manner that is agreeable to the parties.

##### RULE 8—REPORT BY MEDIATORS TO THE BOARD:

If the mediator or mediators are unable to settle any dispute by agreement or voluntary arbitration, a report shall be made to the Board setting forth findings of facts and recommendations for settlement of the dispute. Such report shall be transmitted to the Executive Secretary who shall thereupon transfer such case to the Board Docket.

#### PROCEDURE BEFORE THE BOARD

##### RULE 9—EXECUTIVE SESSIONS:

At an Executive Session of the Board, the Board shall consider in order all cases on the Board Docket and shall dispose of them in accordance with the following principles:

(a) If the Board approves the findings and recommendations of the mediators or mediator, it shall thereupon render a decision of the Board based upon such findings and recommendations.

(b) If the Board determines that it is necessary to make further investigation of facts with respect to any particular case, it

shall recommend to the Chairman that an investigator or examiner be designated to make such investigation and report to the Board.

(c) If the Board determines that the case is of such character that it is desirable to have the parties to the dispute appear before the Board, it shall place such case upon the Hearing Docket of the Board.

##### RULE 10—HEARINGS BEFORE THE BOARD:

The Board shall consider all cases put upon the Hearing Docket at Hearing Sessions. In the oral presentation of the case to the Board the parties shall be allowed an equal amount of time, not exceeding forty-five (45) minutes, unless the Board determines in advance that a longer time is necessary.

★ ★ ★

## Welders' training aided by priorities

Priorities assistance was granted January 17 for deliveries of steel plate and welding electrodes used in the operation of defense training classes for welders under the United States Office of Education.

Preference Rating Order P-92 was issued to carry out the program which has been set up by the Office of Education in 22 States.

No specific preference rating is assigned to deliveries of steel plate and welding electrodes. The rating will be determined from time to time by the Priorities Division as applications are received through the Office of Education. An application form (PD-183) has been drawn up for this purpose.

### More than 15,000 in training

The Office of Education is training more than 15,000 welders in vocational schools throughout the country in order to fill demands for war industries. Some of these defense training classes have had difficulty in obtaining steel plate and welding electrodes for necessary practice work by students and in some cases classes have been curtailed or stopped.

With priorities assistance these classes will be able to function normally and may even be expanded. Preference ratings, presumably of a high grade, will be made available for deliveries of materials to the various State Departments of Education and for deliveries to suppliers of materials going into steel plate or welding electrodes.

However, no more than 30 percent of the steel plate to be delivered under a preference order can be "new" plate, which plate will be used only for testing the proficiency of welding students.

In addition to other restrictions, the State Departments of Education may ap-



ply the designated rating only to purchase orders and contracts placed by them prior to the termination of the 3-month period specified on the application form. It is intended that applications must be resubmitted for each quarter of 1942, so that initial applications would apply only to orders and contracts placed during the period January 1-March 31.

#### Classes in many States

In order to obtain a basis for review of the training situation each quarter, it is provided that the application form should contain information on the number of welders being trained, inventories, and anticipated deliveries and requirements for the succeeding period.

Training classes designed to turn out workers skilled for vital shipbuilding and ordnance work have been established in Alabama, California, Connecticut, Illinois, Indiana, Louisiana, Maine, Maryland, Massachusetts, Michigan, Minnesota, Mississippi, Missouri, New Hampshire, New Jersey, Ohio, Oregon, Pennsylvania, Texas, Virginia, Washington, and Wisconsin.

★ ★ ★

#### Six OPA accountants named

Six appointments to the division of accounting, analysis and review of the Office of Price Administration were announced January 20 by H. F. Taggart, chief of the division.

*Gustav C. Hertz* was appointed to the rent section. For the past 6 years he has been president and general manager of Hertz & Co., Inc., registered security dealers in Washington, D. C.

*Milton J. Howison* was named to the steel section. He has been for many years industrial engineer and cost accountant with the Sense Engineering Co. of Pittsburgh, industrial engineering firm for many large steel mills.

*John J. Madigan* was appointed to the food section. He has had 12 years' experience in the meat packing industry as chief accountant and acting comptroller for the Western Packing & Provision Co. of Chicago. Subsequently he was secretary and treasurer of the Bay State Lumber Co. in Chicago and a public accountant under his own firm name.

*Joel Penton* was named to the textile and leather goods section. He has been associated for the past 10 years with United Merchants and Manufacturers, Inc., of New York City, textile converters and manufacturers.

*William E. Posey* was appointed to the lumber and building materials section. He has had 26 years' accounting experience in the building materials industry, and as a public accountant.

*Walter Waltrip* was named to the fuel section. A native of Chicago, he has been connected with the bituminous coal industry for 30 years, the last 25 as an accountant for William Roy Carney, owner and operator of extensive coal properties in the Middle West, with headquarters in Chicago.

## Board reaches first interim agreement, opens hearings in 12 disputes; 5 new cases

The National War Labor Board last week issued regulations on organization and procedure, obtained resumption of work in a strike case that had been certified to it, worked out its first interim agreement, and received certification of 5 new cases.

At its meeting January 22, the Board adopted the regulations on organization and procedure drawn up by the six-man committee appointed for this purpose at the previous meeting. The regulations dealing with the organization of the Board provide for the appointment of 24 associate members, composed equally of representatives of the public, employers, and employees, who will do most of the mediation work. They also made provision for the appointment of special mediators, investigators, and examiners whenever the Board finds it necessary to do so. The regulations on procedure are printed elsewhere in this issue.

#### Western Machine Tool Works

On January 21, the Secretary of Labor certified the dispute between the Western Machine Tool Works, Holland, Mich., and the International Association of Machinists, AFL. Telegrams were sent immediately to both parties asking for an "immediate and complete resumption of production pending the Board's consideration of the matter." A strike had been in progress at the plant since January 20 over grievance machinery and wages but upon receiving the Board's wire, the union called off the strike and the 140 employees returned to work. Conciliation Commissioner John L. Connor was appointed to hold hearings in Holland opening Monday, January 26.

#### Los Angeles Railway Corporation

On January 22, after 2 days of hearings, the National War Labor Board announced that an interim agreement had been reached in the case involving the Los Angeles Railway Corporation, the Amalgamated Association of Street, Electric Railway, and Motor Coach Employees of America, AFL, the Transport Workers Union, CIO, and the Brotherhood of Railroad Trainmen.

The controversy, which threatened to tie up streetcar and bus transportation in the Los Angeles area, arose over the discharge of 135 members of the CIO union upon their refusal to join the AFL union, which has a closed shop contract with the company. The validity of that contract has been questioned by the

Transport Workers Union. The strike threat was removed at the Board's request, and representatives of the three unions came to Washington for a hearing before the labor members of the Board.

The agreement, which was worked out with the aid of the labor members, provides for the immediate reinstatement of all employees discharged for failure to join the AFL union; for the freezing of the status quo on membership in the three unions pending final decision in the case by the Board; that employees who are not now members of any union shall join one of them within 30 days and remain members as a condition of employment; that any unsettled dispute which may arise over the application of the agreement shall be referred to the labor members of the Board for final decision, and the full Board shall make the final decision in the case and all parties agree to comply with that determination.

#### New cases

Five new cases were certified to the Board last week, and hearings in twelve disputes are scheduled for this week. The five new cases are: Western Machine Tool Works, Holland, Mich.; and the International Association of Machinists, AFL; Bower Roller Bearing Co., Detroit, Mich., and the United Automobile Workers, CIO; Chicago Pneumatic Tool Company, Garfield, N. J., and the International Association of Machinists, AFL; Berkshire Fine Spinning Associates, Inc., Fall River, Mass., and the Textile Workers of America, CIO, and the American Federation of Textile Operatives, independent; Babcock and Wilcox Co., Barberton, Ohio, and Federal Labor Union, AFL.

★ ★ ★

## 67,755 defense homes reported ready for occupancy

Charles F. Palmer, Coordinator of Defense Housing, announced January 22 that 1,561 new publicly financed homes for families of defense workers and enlisted personnel had been completed during the week ending January 17, making a total of 67,755 now ready for occupancy.

With 298 homes going into construction during the week, the total of publicly financed homes now being built or completed reached 107,030.



## OPM to carry war program to CIO, AFL on "home grounds" with regional meetings

War production conferences in which the AFL and CIO will meet on a regional basis for the first time in many years, were announced January 21 by OPM Associate Director Sidney Hillman.

"The principal objective of the sessions," Mr. Hillman declared, "will be to bring labor organizations into the war effort on their home grounds."

### First three institutes scheduled

He added that thousands of delegates of locals and State and city central bodies and industrial councils, both AFL and CIO, together with Government officials and universities and colleges all over the country, were participating.

The first three institutes scheduled will be held February 7-8 at Philadelphia for unions in eastern Pennsylvania, southern New Jersey, and Delaware; February 21-22 at Pittsburgh for the region including western Pennsylvania and northern West Virginia; February 28-March 1 at Columbus, Ohio, for all Ohio unions. Plans are under way for similar meetings in California, Colorado, Washington, Tennessee, and Alabama.

### Experimental conference successful

An experimental conference held December 6 and 7 at Harvard University was attended by 436 delegates representing 119 AFL and CIO labor organizations from 59 Massachusetts communities.

"The Harvard sessions were so successful," stated the OPM Associate Director and Labor Division head, "that we have decided to schedule a series of such institutes. We believe they will play an important part in further increasing labor productivity."

Hillman pointed out that during recent months many new facilities and services of the Federal Government have been made available to labor and that "an exchange of views between Government leaders and union representatives will result in better understanding of their mutual problems under the war production program."

### Philadelphia conference

The Philadelphia regional conference, locally sponsored by the University of Pennsylvania, Pennsylvania State College, and Temple University, will be addressed by the following speakers:

George Y. Yantis, member of the National Resources Planning Board; Dr. George W.

Taylor, member of the National War Labor Board; Stacy May, director of OPM Research and Statistics; James B. Carey, secretary-treasurer of the CIO; and a national AFL official to be designated; Eli L. Oliver, chief of the Labor Relations Branch of OPM's Labor Division, and representatives of the OPA.

### Fenton to speak at Pittsburgh

Frank P. Fenton, organizational director of the AFL, Carey, Oliver, and other Government and labor officials to be announced later, will be among principal speakers at the Pittsburgh sessions to be held at Carnegie Institute of Technology.

### McNutt to speak at Ohio conference

At the Columbus conference, sponsored by Ohio State University, the Government aspect of the victory program will be given by Paul V. McNutt, Federal Security Administrator; Lt. Col. A. Robert Ginsburgh, aide to the Under Secretary of War; Paul B. Appleby, Under Secretary of Agriculture; Oliver, and Dan A. West, deputy administrator in charge of OPA's Consumer Division. Carey and Fenton, together with Ohio leaders of the AFL and CIO, will outline labor's part in war production.

## WPB hasn't ordered cut in dairy deliveries, union men are assured

Assurances that no curtailment has been ordered by the War Production Board in the daily delivery of milk and other dairy products have been given to representatives of the International Brotherhood of Teamsters Union (AFL), Sidney Hillman, Labor Director of the WPB, announced January 24.

A committee of delegates of milk truck drivers and other dairy workers' locals met with Clyde Beardslee, chief of the dairy section, food supply branch and representatives of the Labor Division of WPB. Beardslee informed the delegates that not only was no curtailment order issued by WPB but that the Labor Division would be consulted before any action affecting workers in any way was taken, Hillman said. The committee of the Teamsters Union had protested that employers in certain sections of the country have already inaugurated every-other-day milk deliveries claiming that the Government had ordered them to do so as a means of conserving tires and trucks.

The committee offered a program of conservation of tires and other materials

## Ship workers' 48-hour, 6-day week ratified on Pacific Coast

Plans for shipbuilding on a 6-day 48-hour week for workers, patterned after a wartime agreement ratified by Pacific Coast unions, will be proposed for yards in the Atlantic, Gulf, and Great Lake zones, WPB Labor Division Director Hillman announced last week.

Under the Pacific Coast agreement worked out by the representatives of the Government, labor and management, shipyards will be in production 7 days a week, 24 hours a day, with staggered shifts making possible 1 day of rest weekly for each worker. Time and one-half overtime will be paid for all work above 40 hours weekly.

★ ★ ★

## SHIPBUILDING EXPANDED

In response to President Roosevelt's directive that 8,000,000 deadweight tons of shipping be constructed in 1942, and 10,000,000 tons in 1943, the Maritime Commission has expanded its program by negotiating for the construction of 522 additional merchant ships, Commissioner Howard L. Vickery said in a press conference January 17.

needed in delivery services as follows:

1. The adoption of a 7:00 a. m. loading of retail delivery trucks on a one trip daily basis.
2. The curtailment of all special delivery trucks wherever possible.
3. The recapping and retreading of all available tires immediately while there is still no restriction on this practice.
4. The use of horse-drawn vehicles to replace trucks wherever possible.

The committee of labor delegates contended that any contemplated program of restricting the daily delivery of fluid milk and other dairy products would seriously affect the economic position of farmers, who must dispose of their product daily.

The conservation program of the union representatives was drawn up at a joint meeting of the national Dairy Employees Conference and the Mid-States Dairy Workers Conference (both affiliates of the Teamsters Union) held in Chicago January 17, with delegates present representing 200,000 workers in the industry.



## Fighting U. S. soldiers promised 20,000 anti-aircraft guns in 1942

The order (by President Roosevelt): "... increase our production rate of anti-aircraft guns so rapidly that in this year, 1942, we shall produce 20,000 of them. . . ."

The reply (by OPM): Our fighting men will get the 20,000 anti-aircraft guns.

Already in production at a wide variety of civilian plants and service arsenals are anti-aircraft guns of the three principal sizes. The automobile industry has assumed the heaviest assignment in the manufacture of these weapons, although subcontracting of parts is being extensively used. Usually a small number of parts are made by the company holding the prime contract, with the other work contributed by smaller workshops. Such examples of industrial cooperation are typical of the spreading of work on anti-aircraft guns. Directly and indirectly, hundreds of concerns, large and small, are participating in the program. Additional orders to be placed as a result of the President's order are expected to go to the same type of firms now engaged in making these weapons.

### Wide range in size

American anti-aircraft guns range in size from the .50 caliber machine gun, used to protect troops from low flying enemy dive bombers and strafers, to the Navy's 5-inch fixed mount gun, with a vertical range in the stratosphere.

Intricate and expensive to manufacture, anti-aircraft artillery was produced in only limited quantities in this country prior to June 1940.

Our present models are the result of continuous studies by the ordnance departments of our services and the experience gained from the use of anti-aircraft weapons during the early stages of the present war abroad. Some foreign types have been extensively tested and improved models are now in quantity production. In this latter group are versions of the Swedish Bofors 40-mm. and the Swiss Oerlikon 20-mm. gun.

### .50 caliber machine gun

Although .30 caliber machine guns and even rifles are used against low flying hostile planes by ground troops, the .50 caliber anti-aircraft machine gun is especially designed for this purpose. Simi-

lar to the .50 caliber heavy machine gun used against personnel, the anti-aircraft machine gun has a mount that enables it to be directed against overhead targets.

In the 20-mm. class (slightly under 1 inch) the Oerlikon gun is being produced for the Navy, where it is used as defense against dive bombers, augmenting the larger weapons that can shoot to higher altitude. Its range is much greater than that of the machine guns. Improved production methods have made it possible for the Oerlikons to be turned out in larger quantities.

### 37-mm. gun for low-flying aircraft

Another automatic weapon developed primarily for use against low-flying aircraft is the 37-mm. gun. Tracer bullets are fired so the path of the slugs can be observed and instant correction made. Since planes attacking ground troops are flying at speeds that keep them within range only 10 seconds, such instant changes in aim are of vital importance. The 37-mm. projectile explodes the moment it strikes any part of a plane, causing considerable damage, often knocking it out of action. If the projectile misses, it explodes automatically in the air.

### 40-mm. Bofors used at Dunkirk

The 40-mm. Bofors gun first went into manufacture in this country in the spring of last year. Less than 3 months later, on June 30, 1941, the first of this type was delivered to the army, and quantity production is about to begin. Like the 37-mm. gun, for use against low-flying aircraft, the Bofors fires a high explosive projectile weighing slightly more than 2 pounds to a maximum vertical range higher than that of the 37-mm.

The Bofors also uses tracer-type, self-destroying ammunition. A feature of this gun is a funnel-mouth at the end of the barrel that prevents the flash from blinding the crew, especially during night firing. This is the gun that the British used at Dunkirk and it is credited with greatly reducing the effectiveness of German aircraft over that area, making the withdrawal successful.

### 3-inch for middle altitudes

One of the anti-aircraft weapons developed by the Army Ordnance Department within the limits of appropriations before the emergency period was the 3-inch gun. Its size is approximately that of the 75-mm. field gun, and it has been standard mobile equipment of many

Coast Artillery anti-aircraft units. It fires a projectile weighing somewhat more than 12 pounds and is used against planes flying at middle altitudes.

In traveling position, the gun, with platform, pedestal mount, and carriage weighs about 8 tons, but its crew can get it ready for action in less than 10 minutes. Usually the 3-inch gun is used in batteries of four, controlled by a director with which each gun is connected and which automatically transmits to dial the correct angles of elevation and direction. The gun crew has only to feed the loader and follow the dial pointers.

### 90-mm. gun against high bombers

The next anti-aircraft weapon in size is the 90-mm. gun, designs for which were ready for production at the beginning of the emergency. A picture of this model can be seen on the defense-series 2-cent stamp. The gun, now in quantity production, has replaced the 3-inch size as the standard anti-aircraft gun for the Coast Artillery and is said by Army experts to outclass in accuracy and range Germany's corresponding weapon of 88-mm. Our model represents a considerable improvement over the 2-inch type, giving batteries greater range and more punch. Its rate of fire is slightly lower than that of the 3-inch gun, but the projectile of the 90-mm. weapon is much heavier, weighing about 21 pounds. It is used against high-flying bombers.

★ ★ ★

## W. F. Earls, N. D. Farmer added to machinery staff

Appointment of two former business executives to the machinery section of the Office of Price Administration was announced January 22 by J. K. Galbraith, assistant administrator.

William F. Earls, formerly connected with the Rockbestos Products Corporation, New Haven, Conn., will serve as senior business specialist of the processing machinery unit.

Previous to his connection with Rockbestos, Mr. Earls was associated in executive capacities with United States Rubber Co., National Broadcasting Co., and Frank M. Knox Co., all in New York City.

N. D. Farmer, management engineering consultant, was named to the machine tool unit. Familiar with all phases of industrial reorganization and development of management controls, Mr. Farmer has also served as an operating executive in such positions as vice president, general manager, comptroller and factory superintendent.



# AGRICULTURE . . .

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

## 1942 farm goals substantially raised in light of Pearl Harbor; emphasis is placed on oil-bearing crops

Secretary of Agriculture Wickard has announced revised goals for farm production in 1942 substantially larger than the record output called for in the goals announced in the fall of 1941.

"The new 1942 goals, revised in view of Pearl Harbor," Secretary Wickard stated, "call for the greatest production in the history of American agriculture, and for putting every acre of land, every hour of labor, and every bit of farm machinery, fertilizer, and other supplies to the use which will best serve the Nation's wartime needs.

### Most crucial production season

"The coming production season is the most crucial in the history of American agriculture. To American farmers, the Nation looks for enough production this year to feed and clothe our own people for their wartime task. To American farmers, the United Nations look for indispensable supplies of food and fiber for their people and fighting forces . . .

"Some of these goals will be very difficult to reach but we believe farmers can do it despite wartime shortages of farm labor, machinery, and production supplies. For wheat, cotton, and tobacco, the goals should not be exceeded. To do so would waste precious labor and supplies. For the other commodities, if farmers are able to exceed the goals and processors can handle the products, the Nation's interests would be served. In a word, we must produce to the limit in 1942 the things where shortages may occur under wartime conditions, because if the war is a long one, it will become progressively more difficult to get production.

### Redoubled efforts asked of farmers

"More than a year ago, we began the effort to step up production of the crops and livestock needed to supply ourselves and the British. Throughout 1941 we continued efforts to increase production and we changed our programs to help farmers raise more. Farmers responded magnificently. The 1941 farm production was the largest on record.

"Now with the Nation in war, and serving as both the food store and the

arsenal for the United Nations, we call on farmers for redoubled effort. We are throwing all the resources of the Government agricultural programs into helping them do their wartime job. Every program is being realigned to make it serve the single purpose of speeding production.

### Emphasis on oil-bearing crops

"The goals place particular emphasis on the production of oil-bearing crops such as peanuts and soybeans so that our supplies of oils and fats may not be reduced too drastically, even though importations from the Far East are cut off.

"We are increasing the goals for corn by 5 million acres in order to have plenty of grain to continue the expansion in meat, dairy, and poultry production now well under way. In order to expand feed supplies in certain areas and to provide storage space for the new wheat crop, we also are making arrangements to release Government-owned wheat for feeding at prices comparable with corn.

"The goals call for an increase in dry edible beans and dried peas. An additional 5 million bushels of rice are called for. Provision is made for an increase over 1941 of more than 18 million cases in the pack of canned fruits and vegetables."

### To employ price and loan supports

To increase the production of fats and oils, the goal for soybeans is raised to 9 million acres; flaxseed, 4½ million acres; and peanuts, 5 million acres. Price and loan supports will be employed, including a loan on flaxseed averaging at least \$2.10 per bushel farm basis with location and grade differentials; purchases of soybeans at \$1.60 a bushel, farm basis, for designated varieties of U. S. No. 2 Yellow, with location and grade differentials, and Government purchases of peanuts at \$82 a ton for U. S. No. 1 White Spanish Type for oil, delivered at the approved local receiving agency, with location and grade differentials. The purchase price for No. 1 Runners will be \$78 a ton and \$70 a ton for class A Virginias. Efforts will be made to step up the production of lard, tallow, and grease in packing plants.

To increase the supply of animal feeds, corn goals and corn acreage allotments are raised 10 percent and there will be no marketing quotas on corn this year.

Corn producers in the commercial corn area who wish to exceed their acreage allotments by planting up to their usual acreage in order to have more feed may do so without incurring reduction in other payments. This will be especially helpful in the dairy areas.

### Big increase in hogs, eggs

Farmers are increasing their hog and chicken numbers to such an extent that it will be possible to turn the additional feed supplies into larger quantities of meat, lard, and eggs than was thought possible 4 months ago when the first goals were announced. The revised goals call for an increase of 4 million head in hogs marketed, and 200 million dozen eggs over the September 1942 goals. The increased feed supplies also will help to attain the goals set for meats and for milk marketing and production. The price-supporting program announced last fall for hogs, eggs, evaporated milk, dry skim milk, cheese, and chickens (excluding broilers) continues in effect. Under this program prices are supported at a minimum of 85 percent of parity.

### Restrictions on rice acreage removed

Because of ample supplies, wheat and rye acreage remain at the level of the September goals. All restrictions on rice acreage have been removed, and the goal has been raised 120,000 acres. This will provide for a substantial increase in rice production in 1942.

The goal for dry beans is 13 percent above 1941 acreage and for dry edible peas the goal is 73 percent more than in 1941. Prices will be supported at not less than \$4.75 per hundredweight for U. S. No. 1 Pea beans and Medium White, Great Northern, California Small White, and Pinto beans, and not less than \$5.25 per hundredweight for U. S. No. 1 dry peas of designated varieties, in bags f. o. b. cars at country shipping points. No. 2 grades will be supported at a slightly lower level.

### More canned vegetables, fruits

The revised acreage goal for canning vegetable crops is expected to result in a pack 45 percent above the 1936-40 average, and a program has already been announced for obtaining an increase of more than one-fifth over the 1941 pack of canned peas and tomatoes. Indica-



tions are that production of vegetables for fresh use in 1942 will show an increase over 1941 production.

Canned fruit is expected to be 4 million cases larger than in 1941. Dried fruit production is expected to be 100 thousand tons larger than in 1941.

The potato goal provides for increases in planted acreage over 1941 and a price-supporting program is to be announced.

Revised goals for all types of tobacco except cigar wrappers are higher than those established in September.

It is expected that cotton acreage will be about a million acres larger than was anticipated in September. To increase production of long-staple cotton special premiums will be offered on staples of 1½ and over.

★ ★ ★

## OPA advises housewives not to stock "emergency shelves"

Two consumer officials of the Government in a joint statement January 17 called on housewives to resist vigorously high pressure appeals from any merchant to stock up "emergency pantry shelves."

### Practice is unpatriotic

Dan West, deputy director of the consumer division, OPA, and Donald Montgomery, consumers' counsel in the United States Department of Agriculture, declared this practice was a direct encouragement to hoarding and therefore unpatriotic. Their statement said:

A consumer living close to Washington, D. C., has brought to our attention a printed handbill of a national distributor of groceries which she was given at a grocery store in Virginia. On one side of this handbill the housewife is told what to do in an air raid. The other tells her there is no necessity for hoarding and then actually encourages hoarding by telling her she should keep on hand at all times a large assortment of fancy groceries. This list includes 64 different foods in quantities far greater than any family's ordinary needs.

### Grocers' shelves would be cleaned off

If all the families of the Nation were to follow the advice in this handbill, most of the foods listed would be completely cleaned off grocers' shelves and go into dead storage, doing nobody any good.

Encouraging such a stampede to market by housewives could have no other effect than to create havoc, boost prices, and embarrass patriotic merchants who are not trying to profiteer on consumers in wartime.

### Buy food supplies as usual

Fortunately this practice does not appear to be widespread among food distributors.

Our advice to housewives who encounter this kind of panic-arousing sales appeal is to do all they can to put a stop to it instantly. Go ahead and buy your food supplies as usual, and tell any merchant who urges you to stock up on foods for the emergency that he is doing our country a serious injury at a time when everyone must put our Nation's safety ahead of personal advantage.

# TRANSPORTATION . . .

## Railroad industry promises to meet schedule—36,000 freight cars by May 1

The railroad industry has assured the Office of Production Management that it will meet the production schedule recently outlined for it by the former Supply Priorities and Allocations Board—36,000 freight cars by May 1.

This big output, necessary in the war program, will mean a general speeding up of freight car assembly lines in plants throughout the country.

### Advisory committee meets

On January 2, SPAB authorized OPM to grant priorities and other help during the first quarter of 1942 for production of 36,000 freight cars in February, March, and April, continued production of 926 locomotives of various types now on order, and for all types of repair and equipment maintenance material.

The railroad industry advisory committee met January 20 under the direction of Andrew Stevenson, chief of the transportation and farm equipment branch of OPM, to discuss progress made under this program and consider a proposed rail program.

Committee members, representing car builders, locomotive builders and the railroads, agreed that the production schedule would be met. This schedule has been estimated to require 1,413,893 tons of steel, 353,637 tons of cast iron, 19,985 tons of various nonferrous metals, and 570 tons of rubber.

### To standardize construction

The members agreed, as part of the speed-up program, to standardize construction of freight cars, using throughout the industry the specifications established by the Association of American Railroads.

The industry representatives advised Mr. Stevenson that every effort will be made to make deliveries of new cars earlier than had been scheduled.

At the same time, the committee asked Mr. Stevenson and other OPM officials to resurvey the railroad industry's needs for steel castings as compared with war program needs in the hope that assurance can be given that this vital material will continue to be available.

### Passenger needs discussed

The committee also discussed requirements for passenger service in the light of increased military traffic, curtailed

use of automobiles and reduced supplies of rubber for civilian purposes. It urged that materials be made available immediately for repairs to existing equipment and that reconsideration be given of the need for new coaches.

Among those attending were:

V. V. Boatner, director of the railroad division of the Office of Defense Transportation; C. D. Young, chief of the materials section of ODT; J. J. Pelley, president of the Association of American Railroads, and the following members of the industry committee: George Brooke, president, Chesapeake & Ohio; William Jeffers, president, Union Pacific Railway; J. B. Hill, president, Louisville & Nashville Railroad; C. A. Little, president, Pullman-Standard Car Mfg. Co.; J. F. MacEnulty, president, Pressed Steel Car Co.; W. E. Hedgcock, vice president, American Car & Foundry Co.; W. H. Harman, vice president, Baldwin Locomotive Works; W. C. Bower, vice president, New York Central; F. J. Gavin, president, Great Northern; F. S. Gurley, vice president, Atchison, Topeka, & Santa Fe; E. E. Norris, president, Southern Railway; C. W. Pidcock, Jr., president, Georgia Northern Railway; V. C. Armstrong, Poor & Co.; F. A. Livingston, president, Ralston Steel Car Co.; Alva W. Phelps, assistant general manager, Electro-Motive Corporation; T. M. Evar, president, H. K. Porter, Inc.; S. G. Down, vice president, Westinghouse Air Brake Co.; William B. Given, Jr., president, American Brake Shoe & Foundry Co.; Karl Fischer, assistant to the president, Burlington Lines; F. B. Ernst, vice president, American Steel Foundries Co.; A. A. Frank, president, Standard Railway Equipment; L. A. Selig, president, General American Transportation Co.

★ ★ ★

## Rationing of railroad tickets not necessary now—Eastman

Joseph B. Eastman, Director of the Office of Defense Transportation, said January 23 that the time has not yet arrived when the rationing of railroad tickets to civilians is necessary, but that carriers should give and are giving first attention to military requirements for rail facilities.

He said:

No studies have been launched and no discussions have started regarding possible rationing of railroad tickets.

My organization has just started its work, and plans and policies have not proceeded to the point that any specific passenger or freight traffic studies are under way.

However, carriers should give and are giving first attention to military requirements and will continue to do so.

It is possible that conditions may in the future arise requiring some restriction in civilian travel beyond that which is voluntarily taking place, but in my judgment and that of my staff, that time has not yet arrived.



# CONSERVATION . . .

## Bureau takes over auto junking drive. moves to clean it up in six months

An intensive program to empty the Nation's auto graveyards of between four and five million old cars within 6 months was announced January 24 by Lessing J. Rosenwald, chief of the Bureau of Industrial Conservation.

Supervision over the collection of iron and steel scrap from "graveyards" was transferred January 23 from the iron and steel branch to the Bureau by Donald M. Nelson, chairman of the War Production Board.

### Junk can be requisitioned

Immediately Mr. Rosenwald announced a plan under which field agents of the Bureau will comb the country for auto graveyards and request owners to proceed immediately to cut up cars and sell the scrap to dealers of their own choosing. A procedure has been worked out so that a requisition order can be issued within 24 hours in any cases where owners are recalcitrant. In such cases the Government would take possession of the property and call for lump sum bids on all cars in the yard. A contract would then be awarded to the high bidder to cut and grade all scrap so obtained and the amount of the bid would be used by the Government to establish a fair price to be paid the owner. Such a transaction would require from 30 to 90 days for completion.

### Advantages of voluntary action

Mr. Rosenwald said that he did not contemplate the necessity of widespread use of this authority. He pointed out that prompt agreement to clean out graveyards has been obtained from three owners this week. The advantage to the graveyard operator in disposing of his cars voluntarily is great, Mr. Rosenwald stressed. Under a voluntary arrangement he is allowed a month or two to cut up his cars and dispose of the scrap at the best possible price. He may remove salable parts from the cars, and he may retain later model automobiles if they can be repaired and sold for use.

On the other hand, if requisitioning powers are used, all the cars on the lot are sold at whatever price they will bring with no provision for removal of parts.

### Murphy heads new unit

C. B. G. Murphy will serve as chief of

the new auto graveyard unit of the Bureau. Mr. Murphy has been serving for the past several months as an organizer of State and local salvage committees.

It is estimated that the four and five million old cars in graveyards scattered throughout the country will yield between 3,000,000 and 3,750,000 tons of scrap.

New steel usually contains approximately 45 percent scrap and the unprecedented rate at which the steel industry is now producing requires far greater quantities than are normally recovered by the industry.

### Other salvage measures

The drive against idle scrap in auto graveyards supplements other attacks on the scrap problem already in progress under the supervision of the Bureau. These include drives to salvage newly generated industrial scrap and to recover old rails, obsolete machinery, and farm and home scrap.

Allocation of iron and steel scrap will remain within the province of the iron and steel branch under the supervision of Frank Vigor. L. J. Borinstein, who was in charge of the unit until January 1, has consented to serve as consultant to the iron and steel branch when and as needed.

★ ★ ★

## Price executives named for consumers' durable goods

Appointment of new price executives for the consumers' durable goods section of the Office of Price Administration was announced January 22 by J. K. Galbraith, assistant administrator.

### Bogardus transferred

Merle Fainsod, formerly associate price executive, was named acting price executive, while Alfred Auerbach, until recently the editor of "Retailing," was appointed associate price executive.

The post of price executive of the consumers' durable goods section had been held by James Bogardus, who recently was transferred to New York as regional price executive.

## Printing groups discuss ways to save ink, salvage metals

Methods of conserving colored inks and salvaging dormant metals in the printing and publishing industry were discussed at a recent meeting of the printing and publishing branch of the War Production Board and its industry advisory committee, ink manufacturers, national advertisers, other agencies, and other users of colored inks. Conservation problems are under study with the full cooperation of the Bureau of Industrial Conservation of the War Production Board.

In an effort to diminish as much as possible the curtailment of the use of certain colored inks, those taking part in the meeting canvassed all possibilities of avoiding waste and the use of substitutes. Many of the materials entering into the production of colored inks have become vital to the war effort.

Probably inks will lose some of their gloss. It is expected, however, that the supply of black ink will meet requirements.

The printing and publishing branch will consider suggestions as to proposed methods to unfreeze copper, lead, tin, antimony, brass, aluminum, and zinc now in the form of obsolete engravings, printing plates, and dies held in printing plants throughout the country.

The legal branch will attempt to solve legal restrictions growing out of varying practices within the industry in regard to the disposal of such metals.

The meeting was presided over by E. W. Palmer, chief industrial consultant of the branch.

★ ★ ★

## Paper for many uses may depend on conservation success

Calling upon food manufacturers and distributors to take aggressive action through their own trade channels to promote conservation and salvage of paper, Lessing J. Rosenwald, chief of the Bureau of Industrial Conservation of the War Production Board, emphasized the fact that continued supplies of paper for many important civilian uses might actually be dependent upon complete cooperation in salvage efforts by manufacturers, distributors and the general public.



## Training, new methods develop U. S. diamond die industry sufficient for all war needs

America's supply of vital diamond dies that change the shape of things to come has been safeguarded for war production by the miscellaneous minerals branch, Materials Division, OPM.

The OPM facilitated the establishment of a new defense industry in the United States, sufficient to supply our military fine wire needs during the world struggle between the United Nations and the Axis.

Yankee ingenuity and modern mechanized high-speed techniques have been combined to train hundreds of die makers. Today America is the leading diamond die maker of the world.

Diamond dies make possible the drawing of fine wire vital in the manufacture of aircraft instruments, high frequency radio tubes, resistance wire in all measuring instruments, electric lights, and inner workings on the dashboards of tanks and bombers.

Until last year, individuals were still manufacturing the dies by perseverance alone, wearing tiny holes in the gems by poking at them with continually sharpened needles for hundreds of hours. Now they are scientifically drilled in whole groups, with new visual inspection aids and high-speed electric motors. Building the entire industry from one family of Frenchmen, officials have now reached the point of future security from demands that the defense efforts of the United Nations may make.

★ ★ ★

## Herr named adviser on aircraft procurement

Douglas C. MacKeachie, Director of the Division of Purchases of OPM, announced January 19 the appointment of Elda Albert Herr, of Evansville, Ind., as procurement advisory specialist for the equipment and supplies procurement advisory branch. Mr. Herr, stationed at Wright Field, Dayton, Ohio, will consult with the Army Air Corps on the procurement of aircraft.

Mr. Herr came to OPM from Servel Inc., refrigerator manufacturers at Evansville. He previously was buyer for the Frigidaire Division of General Motors at Dayton and also was with the company's Canadian plant at Toronto.

## Leave cuffs off trousers to save wool, clothing representatives suggest to WPB

Representatives of the men's and boys' clothing industry have submitted to War Production Board recommendations for style simplifications that they estimate would result in a saving of from 25 to 30 percent in cloth, based on last year's production.

The recommendations were prepared at the request of the Office of Production Management as a means of making the curtailed supply of new wool go as far as possible in meeting civilian requirements.

### Worsted cut 50 percent

Under the recent wool conservation order, the use of new wool for civilian needs for the first quarter of this year is cut 50 percent on the worsted system and 60 percent on the woolen system. Conservation can be attained through style simplification and the use of substitutes.

A meeting January 21 dealt only with style simplification. The following were among the recommendations made by industry representatives:

1. Limit a suit to one pair of trousers. Of 25,000,000 suits manufactured in this country last year, 40 percent were two-trousers suits. Each pair of trousers represented an average of 1½ yards of cloth, or 15,000,000 yards for the 10,000,000 double-trouser suits. This 15,000,000-yard saving would make it possible to produce 17 percent more suits.

### Some vests might go

2. Elimination of vests on all double-breasted suits. Forty-three percent of last year's suits were double-breasted. Elimination of the vest is estimated to save 4 percent.

3. Limit the length of a coat to 29½ inches on a size 37 regular and a corresponding reduction on other sizes. This would reduce the length of a coat by about an inch.

Further ideas were: (4) Eliminate patch pockets; (5) Eliminate inside bellows pockets; (6) Eliminate all belted models; (7) Eliminate cuffs on trousers; (8) Eliminate pleats on trousers; (9) Limit overcoats to 43 inches. They now average around 46 inches.

The representatives also recommended reducing the size of swatches or samples to 6 by 9 inches and using a single ply backed on cardboard. They now range in size from 6 by 9 to 10 by 16 inches and are double-ply. Several hundred

thousand of the samples are used annually and represent a total waste.

### These are only recommendations

Other recommendations included the following on trousers: Eliminating extension waist band, limiting the rise to 11½ inches, limiting the knee width to 22 inches and the bottom to 18½ inches, eliminating the outlet on outside seam, eliminating self belts, and limiting the inside length of trousers to 35 inches.

Additional recommendations on overcoats included eliminating bellows pockets, patch pockets, cuffs on sleeves, and all belts and pleats.

"These recommendations do not necessarily represent the views of the War Production Board," said R. R. Guthrie, chief of the textile, clothing and equipage branch. "They are recommendations of some industry representatives and as such will be considered by us. The most careful consideration will be given before any action is taken by us on each of these recommendations."

★ ★ ★

## Shipping problems, inventories discussed by cork committee

Shipping problems and inventories were discussed January 22 by members of the cork industry committee, Materials Division, War Production Board. Fred W. Gardner was Government presiding officer.

Other problems discussed by manufacturers and Government representatives during the meeting included the salvage campaign, stock pile locations, and the baling wire shortage in Portugal. Officers of both the Army and Navy attended the meeting.

★ ★ ★

## OPA regional attorneys named

Appointment of Philip Weltner, former assistant director of the Price Division in the Office of Price Administration, as regional attorney for OPA at the Atlanta, Ga., office was announced January 23 by Administrator Henderson.

Appointment of Edward Crane as regional attorney for the Office of Price Administration at its Dallas regional office was also announced.

The Dallas regional office handles OPA affairs in Texas, Oklahoma, and Louisiana.



# CIVILIAN DEFENSE . . .

## Labor representatives pick 37 members for OCD National Labor Advisory Committee

Official representation of organized labor on municipal and State defense councils by persons selected by the labor groups themselves was formally adopted as policy in a conference held in Washington January 23, between representatives of the Office of Civilian Defense and the American Federation of Labor, the Congress of Industrial Organizations, and the Railroad Brotherhoods.

Representing the Office of Civilian Defense were Director F. H. LaGuardia, James M. Landis, executive, and Mrs. Eleanor Roosevelt, assistant director in charge of volunteer participation.

### National Labor Advisory Committee

To implement this policy, and with the concurrence of the officials of the Office of Civilian Defense, the conference elected a National Labor Advisory Committee for the Office of Civilian Defense composed of 37 representatives of the AFL, the CIO, and the Railroad Brotherhoods. The conference also voted to continue as a subcommittee of the larger committee the following three members: Robert J. Watt, International Representative of the AFL, John Brophy, director of the Congress of CIO, and D. B. Robertson, president of the Brotherhood of Locomotive Firemen and Enginemen.

### OCD policy statement adopted

The conference adopted the following "Statement of Federal Policy by the Office of Civilian Defense."

The Office of Civilian Defense has been directed, under its Executive order: to study and plan measures designed to afford adequate protection of life and property; to plan and promote programs designed to enlist full civilian participation in the war effort, to meet the emergency needs of local communities arising from the impact of the industrial and military effort, and to plan and promote activities designed to sustain the national morale.

In accordance with these mandates, the Office of Civilian Defense has called upon labor to contribute to the full extent of its ability in the organization and manning of the protective services, and to join with other citizens in services directed to meet community problems. Labor has pledged its full support.

The Office of Civilian Defense recognizes that Labor's role in the war is of vital importance to maximum production, adequate protection and effective volunteer participation. Labor's responsibilities require that

Labor shall be adequately represented in the determination of policy and in the administration of Civilian Defense.

The conference also adopted the following declaration of principles:

#### ON REPRESENTATION

The continuation as an active group of the Labor Advisory Committee composed of Mr. Watt, Mr. Brophy and Mr. Robertson.

Extension of State and Local Defense Councils to include labor representation in every State and community, as official members of these councils and through persons recommended by labor itself.

Organization of labor committees on civilian defense within the labor movement to provide information and recommend policies to their representatives on Local and State Defense Councils.

Development of program, personnel, and policy of Volunteer Offices so that they may increasingly meet the needs of workers in the communities and fully utilize their services.

#### ON PROTECTION

OCD national office to advise Regional, State, and Local Councils of the availability of skilled workers in the ranks of organized labor and recommend the enlistment of such groups in accordance with the number needed.

OCD national office to suggest to its Regional Offices, State, and Local Defense Councils the importance of securing the cooperation of labor and employer groups in developing a joint program for protection of industrial plants and its administration.

Organized labor to inform its membership of methods of cooperation suggested above and urge such cooperation on a local and plant basis.

#### ON COMMUNITY PROBLEMS

Labor shall seek to secure information concerning community problems affecting standards of living, standards of work, and community services, and refer through the appropriate channels such information to the OCD. (This might be done by using either their State Bodies or national unions as transmitting agencies to the Labor Advisory Committee of OCD.)

The OCD shall seek through its national office, Regional Offices, and State and Local Defense Councils effective use of all local resources to meet these problems.

The OCD shall seek to effect maximum benefit to local communities through services made available by the various Federal agencies.

Labor shall accept active responsibility for interpreting and supporting programs directed to meet the community problems arising from the impact of the war program.

The OCD shall with the cooperation of labor seek to mobilize all sections and groups within each community in order to:

a. Secure community support for a program directed to eliminate discrimination in employment and training by reason of sex, race, creed, or color.

b. Enlist and welcome volunteers from every walk of life, from every economic, social, racial, and religious group. Everyone is needed.

## MEMBERS OF LABOR ADVISORY COMMITTEE

Following is the membership of the Labor Advisory Committee:

Irving Abramson, president, New Jersey State Industrial Union Council, Newark, N. J.; Mrs. Dorothy Bellanca, vice president, Amalgamated Clothing Workers of America, New York, N. Y.; John Brophy, director, Industrial Union Councils, Washington, D. C.; Edward J. Brown, president, International Brotherhood of Elec. Workers, Washington, D. C.; J. R. Burney, Order Railway Conductors, Savannah, Ga.; A. J. Chipman, Brotherhood of Loc. Firemen and Enginemen, Denver, Colo.; Miss Elizabeth Christman, secretary-treasurer, National Women's Trade Union League of America, Washington, D. C.; John T. Corbett, Brotherhood of Locomotive Engineers, Washington, D. C.; George S. Counts, president, American Federation of Teachers, New York, N. Y.; William C. Doherty, president, National Assoc. of Letter Carriers, Washington, D. C.; Martin Durkin, secretary-treasurer, United Assoc. of Journeymen Plumbers and Steam Fitters, Washington, D. C.; John B. Easton, president, West Virginia Industrial Union Council, Charleston, W. Va.; Miss Ernestine L. Friedman, asst. director, Workers' Service Program, WPA, Washington, D. C.; Leo E. George, president, National Fed. of Post Office Clerks, Washington, D. C.; Louis Goldblatt, secretary-treasurer, Cal. State Industrial Union Council, San Francisco, Calif.; Mrs. Bernice Heffner, secretary-treasurer, American Federation of Government Employees, Washington, D. C.; H. P. Hempy, general secretary-treasurer, Brotherhood of Locomotive Engineers, Cleveland, Ohio; G. F. Irvine, Brotherhood of Loc. Firemen and Enginemen, San Francisco, Calif.; Tom Joyce, Switchmen's Union of North America, Scranton, Pa.; John Lundergan, Switchmen's Union of North America, New York, N. Y.; Thomas J. Lyons, president, N. Y. State Federation of Labor, New York, N. Y.; B. F. McLaurin, International Field Organizer, Brotherhood of Sleeping Car Porters, Washington, D. C.; George Meany, secretary-treasurer, American Federation of Labor, Washington, D. C.; E. C. Millman, president, Brotherhood of Maintenance of Way Employees, Detroit, Mich.; Saul Mills, secretary-treasurer, Greater N. Y. Industrial Union Council, New York, N. Y.; Thomas O'Brien, Brotherhood of Railroad Trainmen, Boston, Mass.

I. M. Ornburn, secretary-treasurer, Union Label Trades Department, Washington, D. C.; John Phillips, president, Pennsylvania Industrial Union Council, Harrisburg, Pa.; George J. Richardson, secretary-treasurer, International Assoc. of Fire Fighters, Washington, D. C.; D. B. Robertson, president, Brotherhood of Loc. Firemen and Enginemen, Cleveland, Ohio; Joseph Salerno, president, Mass. State C. I. O. Industrial Union Council, Boston, Mass.; August Scholle, president, Michigan C. I. O. Council, Detroit, Mich.; Ted F. Silvey, secretary-treasurer, Ohio State Industrial Union Council, Columbus, Ohio; Anthony Wayne Smith, Congress of Industrial Organizations, Washington, D. C.; Robert J. Watt, international representative, American Federation of Labor, Washington, D. C.; Gardner R. Withrow, Brotherhood of Railroad Trainmen, LaCrosse, Wis.; A. Young, Order Railway Conductors of America, Los Angeles, Calif.



### President finds need of 3,364 homes

President Roosevelt has determined that a need exists for 3,364 homes for families of industrial defense workers and enlisted personnel in 14 localities, upon recommendation of Defense Housing Coordinator Palmer, it was announced January 18. Of these, 1,385 units are to be built by Defense Homes Corporation, 1,155 units by Federal Works Agency, and 824 by the United States Housing Authority's local authorities.

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

Locality	Number of units	Construction agency
Ayer, Mass.....	100	DHC
Belleville, Ill.....	75	DHC
Bremerton, Wash.....	150	DHC
Fort Knox, Ky.....	150	DHC
Great Bend, N. Y.....	100	DHC
Philadelphia, Pa.....	250	DHC
Tacoma, Wash.....	200	DHC
Norfolk, Va.....	984	DHC & USHA
Rockford, Ill.....	200	USHA
Canton, Ohio.....	400	FWA
Enid, Okla.....	65	FWA
Greenville, Miss.....	95	FWA
Harlingen, Tex.....	95	FWA
Massena, N. Y.....	500	FWA

★ ★ ★

### FSA authorized to start on 4,475 dormitories

The third and fourth groups of temporary shelter projects to be built under the recent Presidential allocation of \$13,000,000 were announced by Defense Housing Coordinator Palmer. Mr. Palmer made public letters to C. E. Baldwin, FSA Administrator, authorizing the Farm Security Administration to proceed immediately with construction of 4,475 dormitories, 2,800 dormitory units, and 350 trailers in 15 defense localities, as follows:

Locality	Trailers	Dormitories
Little Rock, Ark.....	200	.....
Newport News-Yorktown, Va.....	250	2,000
Texarkana, Tex.-Ark.....	400	.....
Benicia, Calif.....	50	.....
Harrisburg-Middletown, Pa.....	.....	300
Huntsville, Ala.....	200	.....
Jacksonville, N. C.....	175	.....
Kingsbury-LaPorte, Ind.....	600	1,000
Ogden, Utah.....	300	.....
Orange-Beaumont-Port Arthur, Tex.....	300	.....
Parsons, Kans.....	300	.....
Pine Bluff, Ark.....	300	.....
Shreveport-Minden (including Homer), La.....	300	.....
Vallejo (Mare Island), Calif.....	.....	1,500
Whidbey, Island, Wash.....	50	.....

# War Workers Need

# ROOMS APARTMENTS HOMES

**REGISTER YOUR  
VACANCIES NOW**

**Phone or Visit Homes Registration Office**  
**REpublic 1086 - 14th ST. and PENNSYLVANIA AVE.**

HOMES FOR WAR WORKERS are needed with increased urgency since Pearl Harbor. This poster, prepared by the OEM Information Division to help in the campaign to see that no available quarters are overlooked, was displayed first in the National Capital and will be sent to Homes Registration offices all over the Nation. Mats available for publication, on request to OEM Distribution Section.

### FWA given "go" signal for 17,805 demountable houses

The third and fourth groups of defense housing projects to be built under the recent Presidential allocation of \$153,000,000 were announced by Defense Housing Coordinator Palmer, in making public letters to Brig. Gen. Philip B. Fleming, FWA Administrator, authorizing the Federal Works Agency to proceed immediately with construction of 17,805 demountable houses in 15 defense localities:

Locality	Number of family dwelling units
Burns City, Ind.....	250
Charleston, S. C.....	2,410
Charlestown, Ind.-Louisville, Ky.....	750
Choteau-Pryor, Okla.....	600
Granite City-East St. Louis, Ill.....	800
Hartford, Conn.....	225
Higley, Ariz.....	110
Little Rock, Ark.....	600
Newport News-Yorktown, Va.....	6,330
Roswell, N. Mex.....	130
San Miguel-Paso Robles-Bradley (Camp Roberts), Calif.....	150
Texarkana, Tex.-Ark.....	600
Kingsbury-LaPorte, Ind.....	3,150
Parsons, Kans.....	400
Vallejo (Mare Island), Calif.....	3,000



## Report to the Nation discusses progress of war effort, and future capacity

A comprehensive report to the American people presenting the story of what the United States has accomplished to date in preparing for total war and aiding the United Nations against the Axis has been completed by the Office of Facts and Figures, Director Archibald MacLeish announced January 20.

This "Report to the Nation," prepared at the request of President Roosevelt, is based on factual information furnished through the Bureau of the Budget by the various Government departments and agencies primarily concerned.

The United States production program, as described in the Report to the Nation, covers every phase of the war: the Army and the Navy, planes, tanks, ordnance, munitions, shipments throughout the world under the Lend-Lease Act, construction and expansion of new plants and conversion of existing plants. The report tells the story of ship construction and repair. It describes the degree to which more workmen are needed in war industries and the plans for recruiting and training them. The part played by science in the war against the Axis is also described.

### Only a start has been made

The report constantly stresses the fact that a start, only, has been made. For military reasons it cannot reveal the exact number of planes, tanks or ships being built. Yet the rate of building is impressive. Production of tanks and other

combat vehicles is now more than three times as large as a year ago; guns of all types nearly five times as large. Army warplane production, the report states, "has been stepped up to the point where, with Great Britain, we soon shall exceed the plane output of the Axis countries. More important, we shall have the plant capacity to increase our production to the point where we can seize control of the air in all areas of the world struggle." Not only this, the report continues, but the Army now has "four types of combat planes—*better* than anything yet produced abroad." In short, the Army's story is one of equipment of all kinds as well as housing for an ultimate army of 7,000,000 men, the largest in the history of the Nation.

### To keep public informed

In his request to Mr. MacLeish, the President said:

"I am most anxious that the general public be fully informed concerning the scope and progress of the defense program," and added: "It is extremely important that the country should be aware of the progress of the defense effort in so far as information can be published without giving aid and comfort to those who are not our friends. The people of a democracy are entitled to the essential facts and the government of a democracy must continuously have, in critical times, as well as in peaceful times, the benefit of enlight-

ened public criticism and enlightened public understanding."

In transmitting the report to the President, Mr. MacLeish said it constituted "an accounting of the Arsenal of Democracy from the time, in the summer of 1940, when the American people put their labor and their resources at the disposal of the forces opposed to Axis aggression, to the time, in the winter of 1941, when Axis aggression struck at the American people themselves and changed the Arsenal of Democracy to an Army of Democracy."

### Scope of report

In its survey the Office of Facts and Figures has limited itself "to the record of what was actually done and to the question of present ability to move forward," Mr. MacLeish said. "The question the American people now wish answered is not the question of American production of war materials, of American consumption of consumer goods, over the eighteen months from the fall of France to the declaration of war by Japan. The American people realize that their consumption of consumer goods was higher during this period, and their production of war materials lower than they might well have been. What the country wishes to know now is where it stands in relation to the work it has to do—what its present production capacity of materials of war is—what it is ready to accomplish. For in modern warfare it is not stocks in reserve but production capacity in prospect which makes a nation powerful. Considered in this aspect, the country can take much satisfaction in the facts here recorded."

## 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 WAR LABOR 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 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 PRICE ADMINISTRATION: Leon Henderson, *Administrator*.

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

WAR PRODUCTION BOARD:  
Donald M. Nelson, *Chairman*.  
Henry L. Stimson.  
Frank Knox.  
Jesse H. Jones.  
William S. Knudsen.  
Sidney Hillman.  
Leon Henderson.  
Henry A. Wallace.  
Harry Hopkins.

WAR PRODUCTION BOARD DIVISIONS:

Donald M. Nelson, *Chairman*.

Secretary, Herbert Emmerich.

PURCHASES DIVISION: Douglas MacKeachie, *Director*.

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

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

DIVISION OF INDUSTRY OPERATIONS: J. S. Knowlson, *Director*.

LABOR DIVISION: Sidney Hillman, *Director*.

CIVILIAN SUPPLY DIVISION: Leon Henderson, *Director*.

PROGRESS REPORTING: Stacy May, *Chief*.

REQUIREMENTS COMMITTEE: Wm. L. Batt, *Chief*.

STATISTICS DIVISION: Stacy May, *Chief*.

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

LEGAL DIVISION: John Lord O'Brian, *General Counsel*.