WAR EFFORT INDICES

MANPOWER
National labor force, Jan. 32,400,000
Unemployed, Jan. 4,200,000
Nonagricultural workers, Jan. 28,838,000
Percent increase since June 1940. 11
Farm employment, Feb. 1, 1942. 8,940,000
Percent decrease since June 1940.

FINANCE
June 1941 to latest reporting date
Authorized program, Feb. 15—$114,432
Total disbursements, Feb. 15—$13,600

PRODUCTION
June 1941 to latest reporting date
Paid on contracts, Jan. 31—$14,104
Private commitments for plant expansion: Dec. 31—$1,326
Week ended Feb. 21, 1942
Significant strikes in progress during week 7
Number settled during week 4
*Preliminary.

MONTHLY LEND-LEASE AID

The American people will deliver war goods on schedule, even though in 1943 it is going to mean living standards lower than at the bottom of the depression, Price Administrator Henderson assured the Overseas Press Club in New York City February 26. Excerpts:

The President, as must any inspired leader, has given us targets—45,000 tanks, 60,000 planes, 8 million tons of shipping and guns to match. In order that these planes shall have full boards of instruments, in order that no gun shall stand helpless because of lack or deficiency in ammunition, and above all—to insure that fully equipped and well-trained troops shall be on hand to fight with them, our production goal for 1942 is now in excess of 50 billion dollars. On the drawing boards today 1943 is at least 50 percent greater. In other words in 1942 as our contribution in the way of the merchandise of death we are prepared to deliver a greater quantity of goods than this entire Nation had to keep it alive in 1932.

America can and will
I am particularly well equipped to give you assurance that the American productive system can and will deliver these goods. As one who has literally trembled at the slow pace of American industry, as one who has looked into the eyes of our producers for many months, I can tell you in confidence that you need never fear but what this sleeping giant we call the American system will meet its delivery schedules. But as allies in this United Nations effort depending upon our capacity to build guns, ships, planes, and tanks, and everything that goes with them, you want to know, and as full partners you are entitled to know, whether you have the full support of the American people. . . . My answer is an unhesitating yes.

The gap between money and goods
For the American people that means a deficit of at least 15 billion dollars between the amount of money available to buy goods for consumption and the amount of purchasing power in their pockets. It means that we stand today staring at the grim prospect of inflation. It means that the level of living within a few short months will be not much above 1932 and that in 1943 we shall surely fall below 1932. You guests may not appreciate what it means to the American people to fall below the bottom of our great depression, but the people listening tonight will know what it means and understand that it is a warning to pull in their belts and pull hard.

This time, however, we will go on reduced rations not because of helplessness or because we have followed false gods. We go by choice which is the supreme right of a free people.
Review of the Week

Price Administrator Henderson last week assured a group of news writers that the American people can and will deliver on schedule the vast quantities of munitions asked by President Roosevelt, even though:

"It means that the level of living within a few short months will not be much above 1932 and that in 1943 we shall surely fall below 1932 . . . below the bottom of our great depression."

The sacrifice is here

Mr. Henderson referred to billions of dollars which will flow into American pockets and cannot flow out into the purchase of goods because the goods will not be there. And if anyone doubts that this sacrifice of consumer goods will be made, he has only to look at last week's record of the War Production Board:

WPB ordered the production of domestic mechanical refrigerators discontinued after April 30, so that the entire industry can be converted to make war materials.

Guns before girdles

A board official announced that the factories making textile machinery are expected to devote 40 to 50 percent of their capacity to ordnance by midyear. Wool of "military quality" was further and drastically limited for civilians. Manufacturers got word that 12-page shotguns shall be delivered only for such purposes as guarding defense plants. Materials for fire engines and equipment was strictly curtailed.

Aluminum for 125,000 planes a year

Meanwhile, the Materials Division announced that work is far along on an aluminum and magnesium production program which at its peak will provide enough for 125,000 planes a year. At the same time, WPB moved to take all idle stocks of aluminum, from which it expected to get about 20,000,000 pounds.

Will distribute fairly what there is

But the Price Administrator, speaking of his own problem, said also:

"We are determined that our supplies shall be distributed equitably and fairly."

Aiming at his objective of fair distribution, Mr. Henderson put price ceilings on 26 canned fruits and vegetables; prescribed uniform maximum prices for domestic shorn wool; established top distribution, Mr. Henderson put price ceilings on 26 canned fruits and vegetables; prescribed uniform maximum prices for domestic shorn wool; established top prices for used egg crates, which greatly affect the price of eggs; took steps to govern the prices of "victory" bicycles; curbed the prices of cotton and "novelty" rugs; asked makers of sporting firearms, and also makers of flashlights and equipment, to keep down their quotations.

Furthermore, all deliveries of chlorine were put under control of the Director of Industry Operations except for water and sewage treatment. All stocks of chlorinated rubber (ordinarily used for painting concrete, treating fabrics and inks, greaseproofing; needed for flame-proofing, tracer bullets, electrical insulation) were frozen. WPB ordered types of pipe fittings cut from 8,500 to fewer than 3,000, and at the same time gave warning that fancy radiators and similar heating gadgets will probably disappear. Manufacturers got word that 12-page shotguns shall be delivered only for such purposes as guarding defense plants. Materials for fire engines and equipment was strictly curtailed.

WPB issued an order by which the use of power can be restricted if necessary in Buffalo, Niagara Falls, and Western New York.

VICTORY


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March 3, 1942
March 3, 1942

VICTORY

On the Home Front

This week’s story is the same as last week’s, only more so. It is that “more so” which makes all the difference between victory and defeat. Notch by notch Uncle Sam is taking in his belt, and he’ll be cutting extra holes in it before we come out of the woods on the other side of the mountain.

The rate at which we lose peacetime fat, sacrifice of luxuries and comforts and conveniences, is a pretty good index to our progress in this war. Our troops will ride to the final triumph in tanks which might have been pleasure cars or mechanical refrigerators, our pilots will fly to that final triumph in planes made of aluminum which did not become pots and pans for the kitchen or parts for new vacuum cleaners.

More aluminum, not for pans

Last week saw output of new mechanical refrigerators doomed for the near future as completely as was output of new automobiles and while it brought announcement of a tremendous new aluminum production program this didn’t provide for a solitary pot or pan. Instead, the program’s need for power forecast new civilian sacrifices, less electricity for household and nonessential manufacturing uses.

You’ll wear different clothes

Well, nobody on the Home Front is going to complain about the hardship of what Price Administrator Henderson last week bluntly called “a general reduction in our standard of living.” Not when he knows what happens to the bravest of soldiers when they haven’t enough airplanes or guns or tanks.

It became more than ever apparent last week that the war is going to make a tremendous difference in what people wear. WPB prepared an order which will restrict print cloths to only four color combinations and even these must be light in shade and the patterns must leave more white. The reason for this is the tremendous need for dyestuffs which are also ingredients in the manufacture of military explosives. Uniforms also absorb vast quantities of the heavier dyes.

And coarser wools

WPB also cut still further the amount of first-class new wool which may be used in making civilian garments. The range is now from 10 to 20 percent of what a manufacturer once used, depending upon the type of fabric into which the wool goes. But WPB at the same time released for civilian use larger stocks of the coarser wools.

No more fancy radiators

Moving in on every aspect of civilian living like a flood, the war still further inundated the plumbing and heating industry last week. Manufacturers agreed with WPB officials to simplify their products, which means no more fancy radiators or concealed piping and the like until the peace. WPB also urged repair of old plumbing and heating installations wherever possible, rather than replacement.

The Office of Price Administration, alert to avert a rise in the price of eggs, slapped a price ceiling over used egg cases. This may seem a bit indirect, but it isn’t. Probably about 112,000,000 cases of eggs will be moved this year and there’ll only be about 30 million new egg cases. That’s the way the business operates. . . . OPA moved to assist the farmer by freezing fertilizer prices and established uniform prices for domesticd shorn wool just as the shearing season got under way . . . in view of the pressing demand for wool, further price advances would have been inevitable without control . . . There’ll be binding twine for the coming harvest and tin cans for the home canner . . . We’ll have less wrapping twine made of agave, an East Indian fiber, in order that we may bind the grain harvest . . . And home canners were reassured last week.

Man in street likely to stay there

All the activity in the past few days surrounding automobiles and tires and tubes boils down to very little so far as the ordinary civilian is concerned . . . He’s unlikely to get a purchase certificate for a new car and there won’t be any can back released this month for treaded tires for passenger cars. But he might heed OPA’s advice to save the antifreeze he drains from his radiator this spring . . . The chemicals used in antifreeze mixtures are useful in explosives and then tanks and planes will be needing antifreeze, too . . . Ten-passenger vehicles were placed specifically under new car rationing . . . It was used to be eight passengers, but the number was upped to cover all types of station wagons.

Chlorinated rubber in peacetime made waterproof paints, was used in treating textiles and in making seals for bottle tops. In war it flameproofs fabrics and is used in tracer bullets, among other things . . . Flashlight manufacturers have been asked by OPA not to raise prices, and Home Fronters not to hoard dry cell batteries . . . The batteries go to pieces, anyway, if they’re stored too long . . . Just like sugar.

WPB guarding your sugar

With sugar rationing almost here, commercial canners have been urged by WPB not to accept delivery of sugar for 1942 canning operations more than 45 days before they begin operations . . .

There are from 60 to 95 percent of average sales for a 12-month period ending last June 30, depending upon size of the factory . . . But metals used in such machines are under rigid control . . .

There’s a clue to how we of the Home Front should regard loyal aliens in this facet: More than 99 percent of aliens who applied for jobs on secret war production were approved by the Army and Navy after investigation.

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MATERIALS . . .

Vast aluminum, magnesium expansion on way; enough for 125,000 planes a year

Vast expansion of the nation's aluminum and magnesium production facilities was announced February 28 by William L. Batt, Director of Materials. The program is designed to assure enough of these essential materials for the production of 60,000 airplanes this year and 125,000 next.

2½ billion pounds of aluminum

Aluminum facilities in the United States now in operation plus those under way and due to start production soon call for reaching a top rate of 1,450,000,000 pounds of annual capacity. This will be increased to 2,100,000,000 pounds a year, Mr. Batt said, which, with Canadian imports, is scheduled to give the Nation a top rate of something over 2,500,000,000 pounds of aluminum when the whole program is completed.

The 1939 aluminum production was 330 million pounds. The United States produced 615 million pounds of primary aluminum in 1941 exclusive of imports. In 1942, present estimates call for a similar production in excess of 1 billion pounds.

Magnesium goal 725 million

Magnesium capacity, now scheduled to reach 400 million pounds a year through plants either in operation or under construction will be increased to 725 million pounds annually.

The aluminum program, Mr. Batt said, may be broken down into four parts: Present facilities totaling 850 million pounds; those now under way, known as the first expansion program, adopted early last year, totaling 640 million pounds; contracts with the Aluminum Company of Canada for imports reaching a total of 450 million pounds a year in 1943; and the present expansion program just adopted by the Requirements Committee of the War Production Board and approved by WPB Chairman Nelson for an additional 640 million pounds.

All of first lot under construction

The first expansion program is expected to begin to make itself felt in May of this year and to reach the full production rate of 1,450,000,000 pounds by the end of the year. Imports of more than 250 million pounds are expected from Canada this year.

Construction is starting for all the first 640-million-pound expansion, Mr. Batt said, and surveys for power requirements and possible locations already have been made and contracts let for much of the new program.

In addition to providing this vast amount of primary metal, fabricating facilities, Mr. Batt pointed out, must be provided to turn it into useful products. These facilities must also be able to handle the substantial quantities of useful scrap which can be recovered in the fabricating process. This is conservatively estimated at 15 percent of primary production.

Fabricating offers problem

In general, the cost of providing fabricating facilities for a given amount of aluminum is about twice that of facilities for production from mining the ore clear through to the finished ingot. The lag for constructing fabricating machinery is equally important. Fabrication of high strength aluminum alloy requires heavy and costly machinery.

As an example, crankcases for the new big aircraft engines must be forged with 35,000-pound hammers; in contrast, the automobile industry generally uses hammers of 16,000 pounds.

When this output reaches its peak, Mr. Batt said, it will provide enough aluminum to meet President Roosevelt's program of 125,000 airplanes a year together with all necessary spare parts and have some leeway in material.

The total output now underway, he said, will be far beyond the reach of anything the Axis powers can hope to produce, according to Mr. Batt. This will provide all the magnesium needed for the production of aluminum alloy for the entire aircraft program and a tremendous quantity of incendiary bombs.

Gas power to be used

A committee of the National Academy of Sciences has carried on extensive research in this field and has recommended either of two ferro-silicon processes developed independently.

Contracts now have been entered into between the Defense Plant Corporation and six American companies for the design and construction of magnesium plants using ferro-silicon processes, Mr. Batt said. Their aggregate capacity is 157 million pounds of metal a year. All but one of them will use gas heat rather than electricity as a source of power.

These plants can be completed much more rapidly than electrolytic plants, he said, and will be less expensive to construct. While cost of operation will be higher, they are expected to provide a high quality magnesium in the shortest possible time. An additional 24 million pounds probably will be produced by the ferro-silicon process, perhaps a part of it by still another new variation of the process now being examined by the National Academy Committee.

Rich deposits discovered

The search for new magnesium brines has resulted, Mr. Batt said, in the discovery of rich and extensive deposits. Drilling there has brought out magnesium chloride about three times as rich as the best in use heretofore.

This source will be used for material to produce an additional 144 million pounds of magnesium annually by electrolysis. Contracts for 36 million pounds of this amount had been let by February 28 and negotiations for the remainder were expected to be completed within a few days.

This contemplated production of 725 million pounds of magnesium a year is believed to exceed anything the Axis powers can hope to produce, according to Mr. Batt. This will provide all the magnesium needed for the production of aluminum alloy for the entire aircraft program and a tremendous quantity of incendiary bombs.
INDUSTRIAL OPERATIONS...

WPB takes steps to round up all idle aluminum stocks to meet critical shortage

The WPB, in the first series of nationwide roundups, February 24 moved to acquire possession of all idle aluminum inventories in the hands of fabricators.

Asked to sell excess stocks

Letters were addressed to more than 500 manufacturing users of aluminum by J. S. Knowlson, Director of Industry Operations, requesting them to sell to the Government their excess stocks of this vitally needed material. It is estimated that about 20,000,000 pounds of aluminum will be recovered from these sources for use in essential military production.

At the same time, Mr. Knowlson appealed to all holders of aluminum not to wait for the Government to seek them out, but immediately and voluntarily to make their excess inventories available for war use. He urged them to report at once to the inventory and requisitioning branch of the WPB any inventories which they would be willing to sell to meet the critical shortage now existing.

Some will have to be remelted

Where it can be used in its present form, the aluminum obtained by the program inaugurated will be shipped immediately to plants engaged in producing implements of war. However, it is anticipated that a high percentage of the material will have to be remelted before it can be used again. Despite this fact, the Government is offering to those companies being requested to sell their excess inventories available for war use. He urged them to report at once to the inventory and requisitioning branch of the WPB any inventories which they would be willing to sell to meet the critical shortage now existing.

Board not to administer details

Because of its extensive field organization, the Federated Metals Division of the American Smelting & Refining Co. has been designated the agent of the Metals Reserve Co., and will handle the transactions involved. In succeeding salvage programs, involving a wide range of commodities, other existing business organizations may be used. These arrangements obviate the necessity of setting up additional administrative machinery within the WPB, in Washington and in the field, and will make it possible to take action with greater speed, and at less expense to the Government than if the Board set itself to administer the details of the job.

Government, industry to share expense

The plan announced February 24 will result in a sharing by the Government and industry of the expense involved in recovering processed aluminum into metal which can be used in the production of implements of war.

The Government’s salvage prices run from current market quotations for ingot and scrap, including castings and forgings, to 80 cents a pound for finished items valued at 90 cents a pound, or more, on October 1, 1941, with the greatest loss to both parties occurring in the higher brackets, and the least in the lowest.

Owners accepting the terms offered will be directed by the field representatives of the American Smelting & Refining Co. to ship to consignees, after definite shipping instructions have been given to that company by the WPB. Regardless of the prices paid by the Government, the companies to which the Government sells this aluminum will pay no more than the maximum scrap prices established by OPA for aluminum which must be remelted before it can be used again.

In cases of refusal to accept voluntarily the established prices, the WPB will probably have to requisition the material, leaving the question of compensation to be determined in accordance with the procedures established under the requisitioning statutes.

Truck makers permitted to finish February quotas in March; tires provided

Truck manufacturers who do not complete production of their February quotas of medium and heavy trucks by March 1 will be allowed to carry over the unused portion of the quota into March, it was announced February 23 by the Director of Industry Operations. The manufacturers were warned, however, that March quotas will probably be canceled.

March quotas may be canceled

The manufacturers have been notified by telegram of this modification of Supplementary General Limitation Order L-1-a. The action has been taken because the civilian production schedules of several truck manufacturers have been upset during the current month by military orders.

Enough tires for the trucks produced under the February quotas have already been provided, but lack of rubber and other critical materials will probably necessitate cancellation of the March quotas. The original order establishing March quotas did not provide for tires.

In the telegram announcing modification of the limitation order, manufacturers were also told to advise the automotive branch of the Division of Industry Operations by February 26 as to the minimum number of trucks exclusive of tires and cabs which they could build by using semifabricated and fabricated materials provided under their March quotas.
End of home mechanical refrigerator production ordered for April 30; entire industry to be converted to war

The War Production Board February 23 ordered the production of domestic mechanical refrigerators to be discontinued after April 30, 1942, so that the entire industry can be converted into the production of war materials.

Limited production until April 30

Limited production is permitted until the cut-off date. The order issued February 23 (L-5-c) supersedes a previous order, L-5-a, which governed the rate of refrigerator production for the months of January and February. The February 23 order permits manufacturers to produce between February 15 and April 30 a number of refrigerators equal to three times the number permitted for February by the superseded order. Thus, a manufacturer who was permitted under L-5-a to build 100 refrigerators in February is permitted under the new order to build 300 refrigerators between February 15 and April 30, regardless of the number of refrigerators produced by him during the first half of February under the superseded order.

Asked to produce simpler models

The ratio of deluxe models to other models may not be increased over the ratio that prevailed in the production of any one company from August 1, 1941, to January 31, 1942. Deluxe models includes “deluxe,” “semi-deluxe,” and “high-humidity” models. The industry has been requested by WPB to confine production as much as possible to the simpler stripped models.

Refrigerators produced up to April 30 will be frozen and will aid in the building of a stockpile that will total approximately 750,000 units, which will be available only for essential civilian and military requirements.

The order does not affect the production of replacement parts, which will continue unrestricted.

Freeze order modified

The War Production Board also issued February 23 an interpretation of the freeze order, L-5-b, ruling that refrigerators that were sold, leased or traded before 10 a.m., Eastern War Time, February 14, 1942, but not delivered, shipped or transferred until after that time, are to be included as part of the retail sales quota permitted under the freeze order.

The freeze order applied to all manufacturers, distributors, and retailers but permitted retailers to sell one-twelfth of the number of refrigerators sold by them in 1941 or 100 new refrigerators, whichever is greater. Stocks in excess of that amount must be held, and retailers may not acquire new stocks to make up the permitted quotas for retail sale.

WPB orders pipe fittings reduced from 8,500 to 3,000 to save materials, work

Simplification of pipe fittings was ordered by the War Production Board February 25 in Schedule II to Limitation Order L-42 covering plumbing and heating equipment. Schedule I, issued February 11, required simplification of iron, brass, and bronze valves.

Recommended by Bureau of Standards

The pipe fittings schedule, in its entirety, has already been issued as simplified practice recommendation by the Department of Commerce Bureau of Standards under No. R185-42. Reduction under this program of the number of fittings in current use from more than 8,500 to less than 3,000 will satisfy 92 to 94 percent of all demand, according to the plumbing and heating branch of the WPB.

After March 1, grey cast iron, malleable iron, or brass, or bronze pipe fittings not conforming to the established schedule may not be produced, except with the express permission of the Director of Industry Operations.

Provision for special cases

Provision is made, however, for the delivery of any pipe fittings held in finished form by a producer on March 1, or those which had been processed in such a manner that their manufacture in conformity with the schedule would be impractical.

WPB officials said that use of the simplified pipe fittings schedule would release substantial amounts of critical materials which would otherwise be tied up in slow-moving stocks. The schedule eliminates more than 3,600, or 73 percent, of the cast iron fittings formerly produced; over 1,100, or about 50 percent, of the malleable iron fittings; and 784, or about 60 percent, of the brass or bronze fittings.

Will reduce interruptions

In addition to releasing urgently required materials, adoption of the schedule will eliminate a great number of interruptions in production necessary to manufacture small quantities of items for which demand is limited.

A general industry conference precedent the adoption of Schedule II. The Limitation Order permits appeal by any manufacturer who is seriously affected by the requirements.

Home laundry equipment quota rate continued to March 15

The War Production Board on February 25 issued an order, L-6-b, extending to March 15 the February quotas for the manufacture of domestic laundry equipment.

February quotas range from 60 to 95 percent of average monthly sales for the 12 months ending June 30, 1941, depending on the size of the plant. Under the extensions, the same rate of production is permitted for the first half of March, the number being half that of the February quotas because it covers only half of March.

Before March 15 the War Production Board will meet with representatives of the industry to discuss restrictions beyond that date.

The quotas for the first half of March do not authorize companies to obtain or use materials in excess of quantities authorized under existing orders governing scarce metals or other materials.
WPB limits new broadcast facilities on recommendation of Communications Board

War Production Board Chairman Nelson announced February 24 a plan for drastic limitations on all new construction of standard broadcast facilities in the United States. The program also limits any changes in broadcast facilities.

Director of Industry Operations Knowlson said that future priorities assistance to enable builders to obtain critical materials would be in accord with the plan.

The plan was worked out on the basis of recommendations made by the Defense Communications Board. The Board's recommendations, which were approved, were:

1. No critical materials shall be allocated by the War Production Board or further authorizations issued by the Federal Communications Commission for the construction of any new standard broadcast station where all or a substantial part of the proposed primary service area is already provided with primary service from one or more standard broadcast stations.

2. No critical materials shall be allocated by the War Production Board or further authorizations issued by the Federal Communications Commission for construction in order to change the transmitting facilities of any existing standard broadcast station, unless the change will result in a substantial new primary service area no substantial part of which is already provided with primary service from one or more standard broadcast stations.

3. No critical materials shall be allocated by the War Production Board or further authorizations issued by the Federal Communications Commission for construction, under outstanding authorizations of the Federal Communications Commission:

   (a) Of any new standard broadcast station where all or a substantial part of the proposed primary service area is already provided with primary service from one or more standard broadcast stations; or

   (b) In order to change the transmitting facilities of any existing standard broadcast station, unless the change will result in a substantial new primary service area no substantial part of which is already provided with primary service from one or more standard broadcast stations.

Fancy heating equipment's disappearance forecast

Fancy radiators, concealed piping, and other heating equipment luxuries will probably disappear from trade channels for the duration of the war. The War Production Board announced February 25 by the plumbing and heating branch of the WPB.

At a meeting called by the branch to discuss simplification of vapor and vacuum specialties, manufacturers agreed to simplify the number of sizes of radiator valves, trap bodies, and other items.

The American textile machinery industry is engaged in the manufacture of direct war materials as well as repair parts and machinery for the production of the yarns and fabrics needed for military and civilian requirements. R. S. Dempsey, Chief of the textile machinery section of WPB, said on February 24.

"By the middle of 1942 the big producers will have completed their tooling-up and about 40 to 50 percent of their capacity will be on ordnance work," Mr. Dempsey said.

Other half for repairs, essentials

"The other half of the industry's capacity will be devoted to the production of parts for maintenance and repair of existing textile machinery, and the manufacture of new equipment for mills engaged in the production of goods required to clothe the armed forces and for essential civilian clothing."

"Only those mills now producing or which will produce goods on which there are present or anticipated shortages will be able to get new machinery."

"Machinery now being built is going first to those mills which will make duck, combed yarn, and combed twills, and other constructions on which the Army and Navy are not able to fill their requirements according to schedule. Machinery for these purposes is being accorded relatively high preference ratings. As the size of the armed forces increases, it is anticipated that further shortages will arise and the policy will be to allot machinery only to those mills that will increase their production of war goods. This will apply also to machinery for replacement of worn-out equipment. If a mill is running on war goods, or it can no longer run some of its units, that mill will be given consideration for replacement machinery."

Some contract deliveries may wait indefinitely

"When this country entered the war in December, there was a considerable quantity of textile machinery on order. Most of this machinery was intended to make goods that are not essential to the Army and Navy or civilian needs. Unless this machinery can be changed over to make needed goods, delivery of this machinery must be indefinitely postponed."

"There is no time to build new mills or to put additional equipment in place to relieve shortages. The job must be done by using all the machinery in place to produce quickly those goods that are vital to the war program. It is possible to convert some machinery units, to make goods they have never made before. This conversion must be accomplished without delay."
PRICE ADMINISTRATION . . .

60-day ceilings imposed on wholesale prices of canned fruits, vegetables to check inflationary rise

Protective price regulation became a reality to the American housewife and her dinner table February 28 as OPA Administrator Henderson moved to halt further price increases in canned fruits and vegetables.

Covered by order

Eleven canned fruits and 15 canned vegetables were placed under a 60-day price regulation. The Temporary Maximum Price Regulation No. 6, issued February 26, 1942, was effective March 2.

Canned fruits covered by the order are: apples, apple sauce, apricots, cherries (red, sour pitted), cherries (sweet), fruit cocktail, fruit salad, peas, pears, pineapples, plums.

Canned vegetables covered by the order are: asparagus, beans (all dry varieties), beets, carrots, corn, peas, pumpkins, squash, spinach, sweetpotatoes, tomatoes, tomatoes, turnips, and tomato juice.

Basis for ceilings

Maximum ceilings are set by OPA at the highest prices at which sellers did business during the 5 days between February 23 and February 27, 1942. By the end of the temporary 60-day period, canned fruits and vegetables will be placed under permanent maximum price regulations.

The order applies only to canners and wholesalers. However, Mr. Henderson emphasized that since prices are stabilized at the wholesale level, the only justification for retail advances is to reflect some slight increases in replacement costs.

"In the absence of direct price control at the retail level," the Administrator said, "the responsibility for keeping retail prices at a reasonable level rests squarely on the shoulders of the retailer. Should this responsibility prove too much, OPA will take steps to control prices at the retail source."

War production not affected

The Department of Agriculture has advised OPA that the temporary "freeze" order will in no way interfere with the program for "all-out" production of canned fruits and vegetables in 1942. Growers will not be affected by the order since it applies to the fruits and vegetables sold by growers and packed by canners in 1941 or earlier.

For most commodities covered in the regulation, the 1942 crop will not be ready for marketing until the July-September period. OPA indicated that it is studying canning industry costs now. If prices are set for 1942 crop fruits and vegetables, that factor will be taken into account, including the prices canners pay to growers.

Exceptions

The new regulation will permit exception to its provisions only of canned fruits and vegetables in transit in public carriers prior to March 2, 1942. Forward delivery contracts, or those for payment at higher prices to prevail at time of delivery, are clearly "cut across," except at prices at or below the maximums set.

Every effort will be made to limit the canners' or wholesalers' profit margins to reasonable levels, without, however, penalizing them to the extent of working at a loss. However, the margin between the wholesale cost and selling price shall be no greater than the maximum for the 5-day period preceding issuance of the regulation. It is provided, also, that, in all cases, a quantity equivalent to the first acquired canned fruits and vegetables shall be sold first.

Inflationary trend indicated

Average price of canned fruits and vegetables at the canner's level has increased about 20 percent since August 1941. Retail prices have increased approximately 10 percent in the same period. Price advances at the canner's level are considered by OPA a fair criterion of the inflationary trend that has developed. In general, August canning prices mirrored the canner's actual costs, plus a normal profit, since by that time a large proportion of his costs for materials and labor had been incurred. Furthermore, the canner now has relatively small stocks of the 1941 pack still on hand.

Nearly all of the 1941 pack of fruits and vegetables now is out of growers' hands. Therefore, it is pointed out, any increase in prices on that pack at any level beyond the producer of the commodity would be of scant benefit to him. However, wholesalers' stocks are abnormally high. They would have been in a highly advantageous position to profit by inflationary and speculative price advances. The following table gives distributors' stocks of certain canned fruits and vegetables on January 1, 1942, as compared with January 1, 1941, expressed as a percentage of the January 1, 1939, stocks, the latter representing 100 percent. (Figures are from the Bureau of Census.)

<table>
<thead>
<tr>
<th>Commodity</th>
<th>Jan. 1, 1942</th>
<th>Jan. 1, 1941</th>
</tr>
</thead>
<tbody>
<tr>
<td>Peaches</td>
<td>143.7%</td>
<td>128.3%</td>
</tr>
<tr>
<td>Corn</td>
<td>173.5%</td>
<td>11.3%</td>
</tr>
<tr>
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<tr>
<td>Peas</td>
<td>138.0%</td>
<td>84.5%</td>
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Exceptions to growers.

Recent price advances, conducive to further speculative withholding and profiteering by the trade, which in turn was likely to accentuate hysteria—buying and hoarding by the ultimate consumer—were cited by Mr. Henderson as reasons for the temporary "freeze" order.

Military needs grow

Furthermore, the possibility of additional sharp price advances in the future was quite a lively one, barring control curbs.

Already large Army, Navy, and Lend-Lease requirements, to be filled from the 1941 pack, have been increased substantially since this country's entry into the war. However, a great portion of these requirements already have been filled. With the exception of canned dry beans, all commodities listed in the regulation will be used by these agencies before the 1942 pack is available. This might reduce slightly supplies available for consumer use, and, without check, might have had some repercussion on the general price structure.

In addition, the War Production Board recently limited tin supplies for many of these items in its Tin Plate Conservation Order, M-81. Effect of this move, also if unchecked, would be competitive bidding for irreplaceable commodities and the foods packed in those can sizes which have been eliminated. It might also be reflected in an increased demand for substitute canned foods.
All coal dealers asked to hold prices to December 15-31, 1941 levels; temporary procedure set up to expedite adjustments

In connection with the wider request, OPA set up temporary procedure for consideration of adjustments which may be sought as a result of war conditions.

Since the January 18 request, OPA reports, there has been a general compliance on the part of retail coal dealers. Industry conferences with representatives of wholesale and retail dealers and tidewater dock operators, however, developed the need for clarification and the establishment of procedure for further price studies.

Steps to expedite adjustments

It is realized in OPA that changing conditions beyond control of the industry may materially affect the cost of producing and distributing coal, especially in some geographical areas. Therefore, to expedite adjustments which may be deemed necessary in certain instances, a temporary procedure has been set up.

Bed linens which are "seconds" must be so labeled, says Henderson

Labeling bed linens which are "seconds" by use of the term "second selection" will not satisfy provisions of Price Schedule No. 89 (Bed Linens), Price Administrator Henderson pointed out February 27.

Label required after March 2

"The term 'second selection,'" the Administrator stated in reply to trade inquiries, "does not describe goods of second quality with sufficient clarity. Bed linens which are seconds should be called seconds and the schedule specifically so provides."

In connection, Mr. Henderson emphasized that all bed linens sold on or after March 2, 1942, must bear the required label. This date, which is prescribed in the schedule, is 1 month after effective date of the order.

In cases where title to the goods passed before March 2, and the goods merely are held by the seller for the buyer's convenience, the goods may be turned over by the seller to the buyer after March 2, without affixing labels to the individual pieces. Where title passed on or after March 2, bed linens cannot be delivered unless they bear the required label.

In some instances, wholesalers and large retailers make up their own labels and send them to the manufacturers to be affixed to the sheets. Mr. Henderson stated that OPA would hold the manufacturer, who affixes the labels to the sheets, responsible for the accuracy of the contents of such labels.

OPA asks week's notice on petroleum interpretations

Persons seeking interpretations of Price Schedule No. 88 (Petroleum and Petroleum Products) should submit requests for such interpretations in writing at least a week before any contemplated personal consultation with the fuel section of the Office of Price Administration, Administrator Henderson suggested February 27.

This procedure, Mr. Henderson said, would permit OPA to prepare interpretations in conformity with Procedural Regulation No. 1, requiring that all interpretations be in writing.
Uniform ceilings imposed on domestic shorn wool, vital to military, civilian needs

Uniform maximum prices for domestic shorn wool were established under the first permanent price regulation issued by OPA Administrator Henderson since he took office under the Emergency Price Control Act of 1942 on February 11 last.

Based on average farm price

This maximum price regulation No. 106, which became effective February 28, 1942, establishes dollars and cents maximum prices for grease wool sold on a clean basis. The ceiling established is on the basis of 37.1 cents per pound for grease wool, which is the average farm price prevailing on December 15, 1941. The latter is the highest of four prices which, under the act, the Administrator must use in setting maximums for agricultural commodities. These four prices are 110 percent of parity; the market price on October 1, 1941; the market price on December 15, 1941; or the average price during the period July 1, 1919 to June 30, 1929.

Supersedes former schedule

The ceiling on wool on a clean basis is $1.18 per pound for fine 64s, 2½ inches and longer, which, as is the case for other grades, generally reflects the Boston market price on December 15, 1941.

The new regulation supersedes Price Schedule No. 58 insofar as it covered domestic shorn wool. The old schedule was a "freeze" type, using as its base period October 1 to December 15, 1941.

Sales withheld pending ceilings

A brokerage commission of not more than 1 percent of the applicable maximum price is provided for. This, of course, does not apply to wool handled on consignment.

Considerable interest has been evidenced in the wool trade regarding the new ceilings as the 1942 shearing season starts in February. Many growers in the West, who have started to shear their sheep already, but withheld their forward sales pending a permanent ceiling, now will be able to start selling. There also has been a lively inquiry from Boston, which is the center of the trade.

Big factor in living costs

As well as being of prime importance to the armed forces, wool is a substantial factor in the cost of living for the average citizen, accounting for perhaps 3½ percent of his expenses. In spite of the fact that domestic output in 1941 was the largest in this country's history, it accounted for only about 50 percent of our total consumption of more than 900,000,-

000 pounds. Imports from South America, Australia, and New Zealand definitely are an uncertain factor under the present shipping difficulties.

Inventories of some 350,000,000 pounds here are about normal. These have increased about 100,000,000 pounds in the last year. Furthermore, the War Production Board has curtailed wool processing for civilian use.

However, with increased military need in sight, further advances in wool prices seemed inevitable, without price control. This was particularly necessary because little hope was held out for any further substantial increase either in domestic production or in imports to take care of expanded demand.

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Rises in burlap prices permitted, to take care of increased importing costs

Increases in maximum prices established for burlap—to meet additional costs of shipping caused by the war—are permitted under Amendment No. 1 to Revised Price Schedule No. 18, according to announcement February 27 by OPA Administrator Henderson.

The amendment, effective March 3, 1942, permits only the additional costs of actual cost incurred for increased war risk insurance and ocean freight over the rates prevailing when the maximum prices were originally established.

Insurance has risen

When Price Schedule No. 18 for burlap was issued August 15, 1941, the then prevailing war risk insurance rates of approximately 2½ percent were considered and given due weight in determination of maximum prices for the product. At that time there also prevailed an ocean freight rate of approximately $25 per 40 cubic feet of space or 16 hundredweight. Since October 15, however, war risk insurance rates from India have increased to as much as 10 percent.

At present ocean freight rates have not increased above the rate prevailing at the time the original schedule was issued.

Cotton and "novelty" rugs under temporary regulation pending definitive order

Sales of cotton and "novelty" rugs by manufacturers and distributors at prices higher than those which prevailed on February 20 are forbidden in a temporary price regulation issued February 26 by Price Administrator Henderson. The order became effective on March 2.

Prices rose despite warnings

It is planned to supplant the temporary regulation with a definitive price order by May 1.

Need for the temporary regulation, Mr. Henderson explained, became apparent when cotton and novelty rugs prices advanced an average of 10 percent (and in some cases as much as 25 percent) in the face of OPA warnings that it would take immediate steps to correct any unwarranted price increases.

The new temporary order provides that manufacturers can only sell such novelty floor coverings as they offered for sale between January 1, 1941, and March 1, 1942, or such novelty floor coverings as were in process of actual manufacture on March 3, 1942. However, changes may be made in basic construction with the written approval of OPA. In such a case, a manufacturer is required to submit an application containing the proposed basic construction and proposed price, and showing that the material previously used is unavailable or prohibitive in cost, or that its use in novelty floor coverings is so restricted by allocation of priority orders as to require the proposed change and that the change is one calculated to preserve quality.

Where a particular novelty rug is offered for sale by a manufacturer or distributor for the first time on or after March 2, 1942, and consequently, has no February 20 price, the maximum price must be in line with the February 20 price for the most comparable novelty rug. An application, however, must be filed with OPA within 3 days after such a rug is first offered for sale. (This application should be filed on Form 571, which can be obtained from the Office of Price Administration). If OPA should determine that the price was not arrived at fairly, it can stipulate a lower maximum price.

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SANDBAG MATERIAL WOULD ENCIRCLE GLOBE EIGHT TIMES

Sufficient burlap and osnaburg to go more than eight times around the world has been purchased by the Supply Division, Corps of Engineers, and will be used for making sandbags, the War Department announced. This purchase is in addition to millions of yards of the same material bought for camouflage purposes.
Makers of dry batteries, flashlights, bulbs asked to hold prices down

A request not to raise prices above the levels of February 1 and to cancel any increases made since that date was contained in letters sent out February 23 by Price Administrator Henderson, to all manufacturers of dry batteries, flashlights, and flashlight bulbs.

Characterizing flashlights and dry batteries as "items of essential civilian defense equipment," Mr. Henderson said, "it is of great importance that prices of these articles remain stable." The Administrator made it clear that his request applied not only to net prices charged by manufacturers to distributors and dealers, but to suggested retail list prices as well. Further studies will be made of the dry battery industry, according to the letter, with a view to formulating a definite price program.

Public cautioned against "stocking up"

Flashlight, radio, ignition, and lantern dry batteries are covered by the letter, but dry cells designed for use in hearing aids are excluded, since OPA previously asked that these batteries be not raised in price over the levels of October 15, 1941.

In making public the letter, Mr. Henderson took occasion to caution the public against "stocking up" with dry cells. "Dry batteries deteriorate, even though not in use," the Administrator stated.

Brake shoe firm rescinds price advance, after OPA study

Complying with a request of the Office of Price Administration, the American Brake Shoe & Foundry Co., with offices in New York, has rescinded the recent increase in its price of brake shoes, OPA Administrator Henderson announced February 25. With the withdrawal of the $2 per net ton price advance made on January 1, 1942, the company's brake shoe prices are again at October 1, 1941 levels.

Soon after the effective date of the $2 advance, OPA initiated an investigation which, after careful study and conference with representatives and officials of American Brake Shoe, culminated in the issuance of a request that the price increase be rescinded.

Sales made at the higher prices will be adjusted to October 1 prices by refunds.

PACKERS—DON'T TAKE SUGAR TILL 45 DAYS BEFORE SEASON

A. E. Bowman, chief of the sugar section of WFB, asked canners on February 25 not to accept delivery of their sugar supply more than 45 days before they begin canning their 1942 pack.

"The sugar is needed in certain areas for household consumers and should not be tied up in canners' warehouses or plants unnecessarily long," Mr. Bowman said.

Los Angeles selected for third in series of scrap metal price clinics

Los Angeles has been selected as the site for the third of a series of non-ferrous scrap metal price clinics, Price Administrator Henderson announced February 25. This clinic will be held March 6.

To clarify trade problems

Purpose of the meeting is to explain the six price schedules covering non-ferrous scrap metals, including aluminum, copper, brass mill, lead, zinc and nickel. Previous clinics were held in Chicago on December 17 and in New York on January 29. Both were well attended and proved a valuable source of information in clarifying points raised by the trade regarding OPA's activities, relative to scrap metals.

General invitation extended

Los Angeles was named as the location for the third meeting because of the importance of scrap in production of war materials. Many West Coast plants now are operating on defense orders.

Invitations have been extended to some 290 industrial scrap makers, dealers and consumers. However, OPA quarters urged attendance by any maker, dealer, or consumer who failed to receive a formal invitation.

Speakers at the Los Angeles clinic will include George H. Taylor, associate price executive of the copper and brass section; Fred Wolf, OPA legal division counsel on nonferrous metals, and Philip H. Coombs, assistant to D. H. Wallace, who is assistant director of the OPA's Price Division in charge of metals. There will be an open period for discussion from the floor of questions raised by the trade.

CEILINGS ON FERTILIZER

See story on page 16.

“Victory” bicycle, all other new models after January 15, must have OPA price approval

Selling prices for the new "Victory" bicycles, which a number of manufacturers plan to introduce, will have to be approved by Price Administrator Henderson.

While not mentioning the "Victory" bicycle by name, Mr. Henderson, in a letter sent to all bicycle manufacturers, asks that proposed price lists with respect to all new models added after January 15, 1942, be submitted to the OPA for approval "well in advance of the planned introduction to the trade.

Asked to hold prices down

Mr. Henderson's letter notes also that substantial increases have taken place in retail bicycle prices in recent months and adds, "It is of great importance that these prices remain stable particularly since bicycles are important for civilian transportation."

Until a definite price program is developed, the letter goes on to say, manufacturers are asked to make no increases in their prices for bicycles and bicycle parts and accessories above the level in effect on January 15, 1942. This request applies to suggested retail as well as wholesale prices, the letter points out. If current prices are above those in effect on January 15, 1942, the OPA Administrator requests that they be restored to the level that prevailed on that date.

OPA fats and oils trade rules revoked; ceilings unchanged

Fats and Oils Schedule No. 25, issued August 28, 1941, was revoked, effective February 23, Price Administrator Henderson announced on that day.

This schedule was issued originally by the Office of Price Administration and Civilian Supply chiefly for the purpose of preventing speculation, hoarding, and undue price rises in fats and oils and their products through elimination and regulation of certain trade practices.

On February 3, 1942, Amendment No. 2 to Price Schedule No. 53 was issued by OPA, establishing maximum prices upon fats and oils and their products. This price ceiling order remains unchanged. Schedule No. 25 is no longer an OPA function, since trade practices now fall under the scope of the War Production Board.
Rationing...

State and county quotas and reserves announced for 145,500 new automobiles

State and county quotas and reserves under which 145,500 new 1942 passenger automobiles will be rationed to eligible buyers and exempt categories from March 2 to the end of May under the regulations announced February 22 were issued by Price Administrator Henderson.

In all, 340,000 new passenger cars will be released to essential users over the next 12 months under the rationing plan, cut from the total supply of some 480,000 new 1942 passenger automobiles in the hands of manufacturers, distributors, and dealers. The remaining cars are being held in "stockpile" for rationing in 1943 and after.

Actual quotas total 120,000

The actual State and county quotas total 120,000 cars. However, an additional 25,500 vehicles are contained in State and national "reserves" and a small number of cars to be released for sale in Alaska, Hawaii, Puerto Rico, and the Virgin Islands. State reserves will enable the State rationing administrator, if necessary, to adjust county quotas to the needs of each community. The national reserve will permit any corresponding adjustment of State quotas, provide replacements for essential passenger cars used by Federal, State, and local governments when these cars have been wrecked; have been driven over 100,000 miles; or are 1937 or earlier models. Another part of the national reserve has been established to cover fleet expansion of eligible Federal services and to provide for contingencies.

The March 2-May 31 quotas and reserves appear in the table on this page.

War activity and exposure to attack affect allowances

In general, the county quotas were arrived at by using the 1941 new car registrations as a guide. However, in many counties the extent of local war and defense activity was an important determining factor. This latter factor, as well as others, such as population, area, and exposure to potential air or naval attack, played a part in setting up the State reserves. This accounts for the large reserve (1,632 cars) provided for California, which is a State of great distances with a long-exposed coast line.

In counties having more than one local rationing board, such as New York County, allotments to the local boards will be made by the local rationing administrator, and if there is no local administrator, then by the State rationing administrator.

Commenting upon the initial quotas, Mr. Henderson said: "The liberal quotas established for the first three months under the automobile rationing plan reflect our previously announced policy of permitting distribution of new passenger automobiles other than those held in the 'stockpile' roughly during the period of a year. The decision to release a large number of cars has not been made lightly. Some automobile transportation is essential to the operation of our economy. New automobiles are extremely scarce commodities—total stocks which must last for the 'duration' represent only about 6 weeks' supply measured in terms of 1941 demand.

Storage problem hastens release

"On the other hand a number of considerations have led us to release cars rapidly. Storage of cars is expensive and, even where all proper precautions are taken, some depreciation is unavoidable. Storage facilities badly needed for other purposes are now being used to store automobiles and it is desirable that this space be made available as quickly as possible. Rapid release of cars will also help to cushion the terrible impact of the sudden stoppage of automobile production upon automobile dealers and others who derive their income from retail sales of automobiles.

"Furthermore, the withholding of automobiles from the market is an inflationary force. The income created by the production of automobiles has been paid out and is already reflected in the demand for goods, while goods which would absorb the equivalent of this income are being held off the market. Also, cars that are sold now will limit the cost of goods to those who have the best claim to new car transportation."

"The local rationing boards were to begin to issue new car purchase certificates on March 2 to applicants eligible under the regulations. These certificates have a life of 30 days and are not transferable. They are exercisable anywhere in the United States at prices not exceeding the maximums established in Price Schedule No. 85."

Carney named consultant to OPA transport division

Appointment of William M. Carney as principal consultant to OPA's division of transportation was announced February 25 by Dr. G. Lloyd Wilson, director of the division. A vice chairman of the division.

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<th>State</th>
<th>Quota</th>
<th>Reserve</th>
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\[1\] Excluding city.

Territorial quotas are: Hawaii, 206; Alaska, 12; Puerto Rico, 96; Virgin Islands, 3; Panama Canal Zone, 32.
Tire dealers and jobbers may sell stocks back; manufacturers, mass distributors must pass holdings to Government

Completion of a plan by which tire dealers and jobbers can dispose of their stocks of new passenger car tires and tubes, thus getting relief from the financial burden of "carrying" such stocks during a period in which they can make few sales under the tire rationing plan, was announced February 27 by Price Administrator Henderson.

The "Tire Return Plan" was worked out jointly by representative tire dealers, the industrial council of OPA, the Defense Supplies Corporation (an RFC subsidiary), and more than 50 tire and tube manufacturers, distributors, and mail order houses. The Bureau of Internal Revenue and the Anti-Trust Division of the Department of Justice also participated in the negotiations.

Capital now tied up

"This plan was developed," Mr. Henderson said, "to help tire dealers whose business has been curtailed because of the shortage of rubber and the necessity of carrying large stocks of tires. The rubber situation is so acute that sales of passenger car tires must be limited to a relatively few essential users. This means that sales of tires now held by dealers and jobbers must be spread over a long period. Many dealers and jobbers cannot afford to tie up their capital for such a long time and in some cases wish to get out of the tire business. This plan will permit those dealers and jobbers who wish to dispose of all or part of their passenger car tires and tubes to sell them back to manufacturers or mass distributors at reasonable prices."

Provisions include:

1. Dealers and jobbers can sell to the original manufacturers or mass distributors as large a proportion as they wish of their passenger tire and tube stocks at their cost prices plus 10 percent for out-of-pocket expenses incurred in carrying this merchandise since tire and tube sales were stopped.

2. Manufacturers and mass distributors are required under the agreement to which they are parties to buy all such tires and tubes offered them by jobbers and dealers at the latter's cost prices plus 10 percent. Special provisions are made for purchasing back at somewhat lower prices, "discouraged" lines of tires manufactured subsequent to December 31, 1937.

3. Manufacturers and mass distributors are required to sell such repurchased new passenger tires and tubes to the Defense Supplies Corporation at the cost to the manufacturer of such repurchased tires, including the freight from the dealer's store to the manufacturer's warehouse to which the tires or tubes have been shipped.

4. Likewise, manufacturers and mass distributors will be required to sell to the Defense Supplies Corporation their own inventories of passenger car tires and tubes, excepting small working stocks which they will be permitted to retain to fulfill orders received in the near future under the rationing plan, at the cost of such merchandise to them. They will have the option of repurchasing tires from the Defense Supplies Corporation. Furthermore, they will be required to make such purchases from the Defense Supplies Corporation in order to fill lawful demands for tires from holders of rationing certificates. The Defense Supplies Corporation is prepared to handle as much as $75,000,000 worth of passenger car tires and tubes under the plan.

Three principal objectives

The plan is expected to achieve three principal objectives: (1) It provides a means by which tire dealers and jobbers can secure financial relief from the burden of carrying stocks by disposing of either all or a part of their existing inventories. (2) It concentrates initial control of nearly all new passenger car tires and tubes in the Government, except for those retained by dealers or jobbers. This is expected to minimize hoarding of tires. (3) The plan provides financial assistance for small manufacturers who are not able to carry either their own inventories or the tires which they repurchase.

Adoption of the plan will aid small tire dealers to remain in business if they wish by relieving them of the financial load incident to carrying limited stocks, since under the tire rationing regulation manufacturers are required to limit their sales to company-owned outlets to the same proportion of total sales such outlets enjoyed before tire stocks were frozen.

The plan will require a small upward revision of the ceiling prices now in effect on wholesale and retail sales of new passenger car tires and tubes. Truck tires and tubes were not included in the plan since they are moving out rapidly enough under the rationing program to relieve dealers of any great burden in carrying stocks. However, dealers who do wish to sell truck tires and tubes back to manufacturers and mass distributors can sell them back under the terms of the rationing order, although they are not entitled to the additional 10 percent provided for in the passenger car tire and tube plan.

Retreads can be moved if title, use, the same

To clarify certain sections of the revised tire rationing regulations, OPA Administrator Henderson announced February 21 issuance of Amendment No. 1 to those regulations. Effective date was February 19.

The amendment points out that although there are controls on physical movement of new tires, there are no restrictions on mere physical movement of retreads where change in title or use is not involved.
March tire and tube quotas larger because travel conditions are better

March tire and tube quotas substantially larger than those provided for rationing to eligible vehicles in the preceding month were made public February 26 by Price Administrator Henderson.

For List A passenger cars, light trucks, and motorcycles, the March quotas provide a total of 104,701 new tires and 87,635 new tubes, against 80,784 new tires and 67,616 new tubes for these vehicles in February. The March quotas for List A trucks, buses, farm equipment and other heavy vehicles total 258,385 new tires and 238,148 new tubes compared with 156,028 new tires and 267,563 new tubes in the previous month.

Retreaded and recapped tires available for rationing in March to eligible trucks, buses, farm equipment and other heavy vehicles aggregate 110,225. There is no fair comparison of this figure with February, since rationing of truck retreads did not begin until the 19th of that month.

March quotas apply to the 48 States, the District of Columbia, and United States Territories: Alaska, Hawaii, Panama Canal Zone, Puerto Rico, and the Virgin Islands.

No passenger-car retreads

No retreaded passenger car tires will be available for rationing in March, since the War Production Board has not authorized the manufacturer of passenger car camelfback during that month. This means that only new passenger car tires and tubes will be rationed during March and their sale will be restricted to vehicles on List A of the eligibility classifications. Hence, for another month, at least, no passenger car on List B of the eligibility classifications will be able to get a retreaded tire. However, trucks qualifying under List B can apply for retreaded or recapped tires between March 1 and March 26, but the local rationing boards are not empowered to issue retread purchase certificates for List B trucks out of March quotas until March 25 and then only if the needs of List A truck eligibles have been satisfied.

Reserves deducted from quotas

The increase in March quotas over those of February is seasonal and reflects subsidence of severe winter weather that tends to make motor transportation difficult in many sections of the country.

State and national reserves have been deducted from the published quotas for March in the same manner as in the two preceding months. The national reserve is, in effect, a pool that permits OPA to make adjustments between States and Territories, while the State reserves are used for the same purpose among counties at the discretion of the State rationing administrators.

<table>
<thead>
<tr>
<th>STATE TIRE QUOTAS</th>
<th>MARCH 1942</th>
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<tbody>
<tr>
<td><strong>Passenger cars, light trucks</strong></td>
<td><strong>Trucks, buses, farm equipment, other heavy vehicles</strong></td>
</tr>
<tr>
<td><strong>New tire</strong> quotas</td>
<td><strong>New tube</strong> quotas</td>
</tr>
<tr>
<td><strong>Alabama</strong></td>
<td>1,705</td>
</tr>
<tr>
<td><strong>Arizona</strong></td>
<td>620</td>
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<tr>
<td><strong>Arkansas</strong></td>
<td>1,122</td>
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<tr>
<td><strong>California</strong></td>
<td>1,571</td>
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<tr>
<td><strong>Colorado</strong></td>
<td>1,350</td>
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<tr>
<td><strong>Connecticut</strong></td>
<td>1,290</td>
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<tr>
<td><strong>Delaware</strong></td>
<td>22</td>
</tr>
<tr>
<td><strong>District of Columbia</strong></td>
<td>615</td>
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<tr>
<td><strong>Florida</strong></td>
<td>2,275</td>
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<tr>
<td><strong>Georgia</strong></td>
<td>2,132</td>
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<tr>
<td><strong>Illinois</strong></td>
<td>5,724</td>
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<tr>
<td><strong>Indiana</strong></td>
<td>5,092</td>
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<tr>
<td><strong>Iowa</strong></td>
<td>5,355</td>
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<tr>
<td><strong>Kansas</strong></td>
<td>1,806</td>
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<tr>
<td><strong>Kentucky</strong></td>
<td>1,454</td>
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<tr>
<td><strong>Louisiana</strong></td>
<td>1,722</td>
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<tr>
<td><strong>Maine</strong></td>
<td>1,147</td>
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<tr>
<td><strong>Maryland</strong></td>
<td>1,341</td>
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<tr>
<td><strong>Massachusetts</strong></td>
<td>2,984</td>
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<tr>
<td><strong>Michigan</strong></td>
<td>4,259</td>
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<tr>
<td><strong>Minnesota</strong></td>
<td>1,667</td>
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<tr>
<td><strong>Mississippi</strong></td>
<td>1,992</td>
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<tr>
<td><strong>Missouri</strong></td>
<td>2,519</td>
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<tr>
<td><strong>Montana</strong></td>
<td>541</td>
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<tr>
<td><strong>Nebraska</strong></td>
<td>1,283</td>
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<tr>
<td><strong>Nevada</strong></td>
<td>221</td>
</tr>
<tr>
<td><strong>New Hampshire</strong></td>
<td>431</td>
</tr>
<tr>
<td><strong>New Jersey</strong></td>
<td>2,929</td>
</tr>
<tr>
<td><strong>New Mexico</strong></td>
<td>1,480</td>
</tr>
<tr>
<td><strong>New York</strong></td>
<td>2,367</td>
</tr>
</tbody>
</table>

Total... 104,701 87,635 256,345,368 149,110,225

It’s no use for civilian to ask WPB for tire rating, says Henderson

It is absolutely of no avail for a civilian consumer to apply to the War Production Board for a priority rating in the hope that such a rating will enable him to purchase a new tire or tube. OPA Administrator Henderson said in a statement issued February 27.

The statement was made to clear up misunderstandings of procedure that, according to tire rationing officials, still seem to exist in some quarters. In numerous instances that have come to the attention of the OPA, civilian consumers, particularly industrial interests and truckers who are engaged in work under contract for one or another of the military branches of the United States or on a military project, have applied to the WPB for tire priority ratings, Mr. Henderson said.

This causes loss of time to the applicant for tires and to the Government agencies that handle the correspondence,” the OPA Administrator said. “Except for those on which the Army or Navy directly purchases the tires,” Mr. Henderson emphasized, “the only way for any vehicle, even though it is engaged in work on a military project, to get casings or tubes is through application to the local rationing board.”

Data asked on special purpose autos caught by freeze order

Automobile dealers and manufacturers were asked February 25 by Price Administrator Henderson to furnish his office with information regarding any passenger cars in the “stock pile” designed and equipped for special purposes which might make them of little value for military or ordinary civilian use. It is known that a number of these “special jobs” such as vehicles for police and fire departments, funeral cars, and automobiles made to permit their operation by those with physical disabilities, were caught by the Government’s order requiring all passenger cars assembled on and after January 16 to be reserved as a stock pile for rationing in 1943 and thereafter. Due to disbursement restrictions on public budgets in some cases, and to the length of time required for special building in others, a number of such cars were not scheduled for delivery in time to be completed prior to the freezing order.
$1 a ton to truck wastepaper allowed in certain conditions

A charge of $1 per short ton for trucking wastepaper to a public siding when transportation is in a truck owned or controlled by a seller, having no private siding is permitted in Amendment No. 1 to Revised Price Schedule No. 30 (Wastepaper Schedule), effective as of February 27, 1942, and announced February 28 by OPA Administrator Henderson. The amendment affects only section 1347.10, appendix A of Price Schedule No. 85 as amended.

Transportation to buyer

The amendment provides also that when the transportation of wastepaper to a buyer is in a truck owned or controlled by the seller, it is permissible to add $1 per short ton, plus actual toll charges incurred when the point of shipment and the buyer’s premises are not in the same city, or at a distance of ten miles or less by the shortest available public highway route.

For shipments of wastepaper in trucks owned or controlled by the seller to consumers not in the same city and more than ten miles from the seller’s premises, the seller may charge an amount not in excess of the lowest published carload freight rate.

The amendment affects only section 1347.10, appendix A of Price Schedule No. 30 as amended.

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ARMY CONSERVING STRATEGIC MATERIALS

Manufacturing economies are being developed for Army use and already have resulted in reducing consumption of 128 raw materials now listed as strategic and critical, the War Department announced recently.

The Materials Division of the Office of the Under Secretary of War announced also that the use of aluminum-ware has been almost entirely eliminated.

Registration for sugar unlikely to begin before last week in March, OPA says

The following facts regarding the forthcoming national-wide registration for sugar rationing books were released February 28 by Price Administrator Henderson.

Local rationing boards to help

Registration will be accomplished over a 4-day period. No dates have been established as yet and probably will not be set for another week or so. It is unlikely that registration will begin before the last week in March because of the size, scope, and complicated nature of the task.

There will be approximately 1,490,000 registrars and the facilities of 245,000 elementary schools will be employed. In addition, work of the registrars will be supplemented by more than 7,500 local rationing boards with a membership aggregating about 23,000 persons.

Book for each in family unit

A registration book will be issued for every man, woman, and child in the United States excepting members of the armed forces, inmates of institutions, and persons temporarily or permanently in hospitals, convalescent homes, etc.

After the initial registration, late-comers may obtain their war ration books by application to a local rationing board. However, the local boards will not accept any applications for a 2-week period following the close of registration.

One adult may register for each family unit, although a separate war ration book will be issued for each member of a family unit. Servants, lodgers, and others who may live in a household, but who are not members of a family unit, must register individually. Generally speaking, a family unit consists of a group, related by blood or marriage and living and eating together under the same roof.

Hoarders to be penalized

No ration book will be given to anyone who possesses sugar above a “normal inventory” requiring removal of more than eight stamps from the war ration book.

The normal inventory figure, which has not yet been definitely determined, will represent a fair supply that the average family might be expected to have on hand, but will be less than a hoarder might have accumulated. Hoarders, of course, will be penalized either by not getting a book at all or by having from one to eight stamps torn from their books before they receive them from the registrar.

Special provisions will be made to provide householders with sugar for home preserving and canning and for certain persons who have to have sugar for medical reasons.

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AUTO CONTROL MODIFIED TO COVER ALL STATION WAGONS

To bring all types of station wagons under control of OPA for rationing purposes, Amendment No. 1 to Supplementary Directive No. 1A has been issued by WPB Chairman Nelson.

The amendment revises the definition of “new passenger automobiles” to include any 1942 model passenger automobile having a seating capacity of not more than 10 persons. The Directive, as previously issued covered only automobiles with a capacity up to 6 persons.

Ambulances, hearses now included

Ambulances, hearses and all other body types built upon standard or lengthened passenger car chassis are now included, as well as station wagons and taxicabs which were previously specified.

★ ★ ★

Dealer-to-dealer auto sales not bound by wholesale ceiling

Dealers are not bound by the ceiling set over wholesale prices for new 1942 passenger automobiles when selling cars to another dealer, according to an interpretation of Price Schedule No. 85, issued February 27 by Price Administrator Henderson.

For it is recognized, Mr. Henderson made clear, that dealers who sell cars at retail have incurred storage, insurance, and other expenses.

Final retail sales, however, cannot be made at prices above the OPA retail ceiling, irrespective of the price at which a car changed hands between dealers.
Fertilizer prices "frozen" by OPA on eve of spring planting to aid farmers in all-out food production campaign

Price-control action designed to aid the American farmer in his all-out food production campaign was taken February 22 by Price Administrator Henderson in the form of a "freeze" of fertilizer prices—a major item of cost to farmers—on the eve of spring planting.

Regulated for 60 days

By Temporary Maximum Price Regulation No. 1, the Price Administrator for the retail sale of mixed fertilizer, superphosphate, and potash on and after February 27 at prices above those at which any seller of fertilizer at retail did business during the 5-day period from February 16-20, inclusive. This temporary regulation has a life of 60 days from its effective date, but on or before its expiration will be supplanted by a permanent regulation.

To check inflationary prices

In announcing the ceiling, Mr. Henderson disclosed that action to bring about stable prices for nitrate of soda, sulphate of ammonia, and cyanamid, other leading fertilizers, will be taken within the next few days. This will be done by setting seasonal ceilings on seller's margins in a permanent price regulation.

"Fertilizer prices have advanced considerably as compared with a year ago," Mr. Henderson stated. "Our farmers are being called upon to produce as never before the vital commodities and foodstuffs that will play so important a part in winning this war. In making this effort, farmers have a right to expect that supplies of fertilizer shall be placed at their disposal at uninfated prices. Higher fertilizer prices at this time can only serve to hinder our national food-production program."

Mixed fertilizers covered

So-called mixed fertilizers, covered by the new "freeze" are the most important product of the industry. The business is highly seasonal. Most fertilizer is used in the south for growing cotton, corn, tobacco, and vegetable crops, and is necessary because of soil conditions. Over 70 percent of the volume is sold in February, March, and April in the south, when spring seeding and planting takes place. In the north, while greatest activity occurs in the spring season, there is also a secondary peak in the fall.

A majority of fertilizer sales are made from manufacturers through their agents to farmer users. All previous OPA price ceilings have been established at the primary or wholesale source.

At the termination of the 60-day temporary regulation period, the main fertilizer sales season will be over. Permanent price ceilings will take into account shipping and other factors existing at that time. However, it was emphasized by Mr. Henderson that every effort will be made to hold prices to around current levels if studies prove that industry profit margins will remain at fair figures.

The February 22 order covers fertilizer sales down to a minimum of 250 pounds. OPA will scrutinize all such small lot sales with extreme care for possible evasions.

Some 750 mixers will be affected by the fertilizer order. In 1940, the industry produced 8,310,853 tons.

Effective date of the "freeze" order has been set for February 27, 6 days later than the ceiling price period, in order to give manufacturers, dealers, and agents adequate time to check their sales made during this period. This will involve considerable clerical work, since the ceilings are set on an alternative basis.

The manufacturer is given the choice of (1) his price list in effect during the period between February 16 and 21, or (2) the weighted average sale price during such period, or (3) if there were no such price list, the list of others in the same locality. Dealers and agents also may use the same alternative.

Differentials allowed for trucking, loading of wastepaper under certain conditions

Permission to charge a $1 differential for trucking of wastepaper to a public siding under certain circumstances and subject to certain conditions was provided in Amendment No. 6 to Price Schedule No. 30 for wastepaper, which was signed February 24, 1942, and became effective February 25. Price Administrator Henderson announced.

The differential is authorized for loading in all territories except in the switching district of Chicago.

Other provisions

The amendment also provides that when transportation of wastepaper to a buyer is in a truck owned or controlled by the seller, the seller may add a charge of not more than $1 per short ton, plus actual toll charges, when both the point of shipment and the buyer's premises are located in the same city, town, or municipality, or at a distance of 10 miles or less from each other by the shortest available public highway route. For shipments of wastepaper in the seller's own trucks to consumers not in the same city or more than 10 miles from the seller's premises the seller may charge an amount not exceeding the lowest published carload rate.

Liquid and potash soap group discusses glycerine recovery

Discussion of specifications in liquid and potash soap manufacturing that would insure maximum production and conservation of glycerine were held February 24 by members of a soap and glycerine industry advisory subcommittee.

The suggestions of the group will assist the members of the main body meeting March 8 to form their own proposals to the War Production Board in guiding the operations of the entire industry. The liquid and potash soap manufacturers' product comes to approximately 2 percent of the volume of the soap industry.

Large manufacturers will be asked to use their extensive equipment in deglycerinating their oils as completely as possible. Smaller manufacturers may not be required to recover glycerine completely because of the relatively small amount obtained and the excessive cost of getting it.
Temporary ceilings set on used egg cases to help avert rise in egg prices

In an effort to avert sharp increases in the price of eggs, the Office of Price Administration February 23 issued Temporary Price Regulation No. 2 for used egg cases, effective the same day.

The regulation establishes maximum prices for used egg cases as those prevailing February 17 to February 21, 1942, and tends to forestall proposed increases.

Egg shipments in this country are approximately three-to-one in used cases over new cases. Of an estimated 112 million standard cases of eggs to be moved this year, only 30 million new cases will be produced. Increases in the prices for used cases, therefore, will have a vital effect on prices consumers must pay for eggs.

Maximum prices:

<table>
<thead>
<tr>
<th></th>
<th>Eastern area</th>
<th>Mid-continent area</th>
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<tbody>
<tr>
<td>No. 1</td>
<td>15 cents per case</td>
<td>16 cents per case</td>
</tr>
<tr>
<td>No. 2</td>
<td>17 cents per case</td>
<td>18 cents per case</td>
</tr>
<tr>
<td>No. 3</td>
<td>19 cents per case</td>
<td>20 cents per case</td>
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</table>

The order provides specifications for each grade.


The Mid-continent area embraces the States of Ohio, Indiana, Michigan, Illinois, Wisconsin, Tennessee, Kentucky, Alabama, Mississippi, Louisiana, Texas, Oklahoma, Arkansas, Missouri, Iowa, Minnesota, North Dakota, South Dakota, Nebraska, and Kansas.

**CANE SUGAR REFINING COMMITTEE**

Formation of a cane sugar refining industry advisory committee was announced February 23 by the Bureau of Industry Advisory Committees.

A. E. Bowman, chief of the sugar section of the War Production Board, is Government presiding officer.

Members are:

- Ellsworth Bunker, National Sugar Refining Co., New York, N. Y.
- Joseph F. Abbott, American Sugar Refining Co., New York, N. Y.
- L. Compagia, California and Hawaiian Sugar Corporation, San Francisco, Calif.
- C. W. Taussig, Sucrerr Co., New York, N. Y.
- Charles Godchaux, Godchaux Sugars, New Orleans, La.
- C. Kemper, Sterling Sugars, Inc., Franklin, La.
- E. W. Coleman, Inland Sugar Co., 730 West Oregon St., Milwaukee, Wis.

**NEW PLANT TO CONCENTRATE CITRUS JUICE FOR WAR**

Construction of facilities with which the Florida Citrus Canners Cooperative at Lake Wales, Fla., can produce concentrated citrus juices to help meet wartime requirements has been approved, the Department of Agriculture has announced.

To be bought by Government

The Columbia Bank for Cooperatives, Columbia, S. C., will finance acquisition of the land and construction of facilities capable of producing 300,000 gallons of concentrated citrus juices each year under normal conditions.

Upon completion, the new facilities will be bought by the Federal Government with Lend-Lease funds at a purchase price equivalent to the total cost of construction. They will then be leased to the Cooperative and operated so that all citrus products manufactured will be available for purchase by the Government for Lend-Lease and other uses.

AGRICULTURE

**War needs first in limited shipping from South America, says Wheeler; handling of surpluses a serious problem**

The most urgent aspect of our relations with Latin America concerns the interchange of strategic materials, but the handling of surpluses that cannot be moved out of South America is a problem of great importance. Leslie A. Wheeler of the United States Department of Agriculture said in addressing the Sixth National Farm Institute at Des Moines, Iowa.

Not enough ships to move all

"In all of our plans for the improvement of inter-American relations today, there is full recognition of the fact that we are at war and that all of our planning must be in terms of the war effort," said Mr. Wheeler, who is director of the Office of Foreign Agricultural Relations.

"Our hopes for a thriving, freely moving trade within the Hemisphere must, to some extent, be postponed. The reason for this is simple. No nation in the world today, and no combination of nations has enough ships with which to move all of the things they would like to move. There is still plenty of sugar in those parts of the world to which we have access, but sugar is tight because we can't move it all. The same holds true for many other commodities.

"When shipping is short, priority schedules are established, and the things highest on the list move first. Thus the other American nations know that we will take from them the things most needed for our war effort; but that commodities which are less essential may be left behind in whole or in part.

"At the same time, we cannot ignore the fact that the commodities not moved out may create serious problems in the countries where they are piling up. We had hemispheric surpluses of home agricultural products even before the war, chiefly of wheat, cotton, coffee, and corn."

**Plans for control initiated**

Even before the war, Mr. Wheeler said, plans had been initiated to bring the more critical of the surpluses under some kind of effective control. Over a year ago an Inter-American Coffee Agreement was signed. Most of the sugar-producing nations of the Hemisphere were signatories of the International Sugar Agreement. Conferences are progressing in Washington for the purpose of drafting an international wheat agreement. International cotton meetings had been held prior to the outbreak of the war in 1939, and the conversations have since been continued through a committee.

Can limit production by agreements

"The first objective in the control of surpluses is, of course, to revise total production downward," he said. "The United States has made a good deal of progress in this direction. Other nations have not gone as far, but they have been studying our methods and, in some cases, have tried to work out control programs of their own. It seems likely that after the war, we can put into effect agreements by which the producing countries will limit their production of surplus crops and regulate their stocks, dividing among themselves on an equitable basis the available world market."
LABOR . . .

Auto workers' dispute over extra pay referred back to company, union; hearings held on Little Steel issues

The National War Labor Board held its first open hearing last week at the conclusion of which it ordered that the dispute between the Toledo, Peoria & Western Railroad and two railroad brotherhoods be settled by arbitration. The Board held hearings on both the General Motors and Little Steel disputes, effected agreements in two cases and received certification of nine new controversies.

The first strike called after certification of a case to the Board was ended when William H. Davis, Board chairman, wired the Industrial Union of Marine and Shipbuilding Workers of America, CIO, calling upon them to end immediately their strike which "constitutes a complete failure on the part of the striking employees to carry out their plain duty to their country in its present hour of peril." A total of 125 welders at the Hoboken yard of the Bethlehem Shipbuilding Co. had called an unauthorized strike February 25 because of a grievance over a foreman. The dispute between the union and the company, in which 8 yards are involved, including that at Hoboken, is scheduled for a hearing March 10 at the Board's offices.

During the week, hearings were also held in other cases, some at the Board's offices and others in the field.

Toledo, Peoria & Western

The dispute between the Toledo, Peoria & Western Railroad and the Brotherhood of Locomotive Firemen and Enginemen and the Brotherhood of Railroad Trainmen was heard by the full Board at its first open hearing February 27. At the end of this hearing the Board ordered that the controversy over wages and working conditions be submitted to arbitration under the terms of the Railway Labor Act. The unions immediately agreed to arbitration, which they have proposed since Pearl Harbor. The company asked for time to consider.

A strike since December 28, 1941, has tied up this road, which is a short freight belt line by-passing Chicago.

General Motors

The dispute between the General Motors Corporation and the United Automobile Workers, CIO, was heard for 2 days before a division of the full Board at the end of which time the Board unanimously decided that since both company and union agreed that machinery for settling the controversy over extra compensation for swing-shift operations was contained in the existing contract, it should be referred back to the parties for settlement.

The dispute, which affects 190,000 workers, arose over the union's demands for double time pay for work done on Sundays and holidays, made necessary by conversion of the plants to 7-day operation. By agreement this conversion is being made without delay.

"The change-over to 24-hour and 7-day operations in American industry must be made without delay," said Mr. Davis, in announcing the Board's decision. "If agreement on pay cannot be reached the dispute should be submitted first to settlement under any procedure that is set up in any contract between the parties. Otherwise conciliation should be immediately invoked. If all other procedures fail, the matter will be submitted to the Board for final settlement."

Babcock & Wilcox Co.

The unanimous panel recommendations were accepted unanimously by the Board February 25 for the settlement of the dispute between the Babcock & Wilcox Co., Barberton, Ohio, and Babcock & Wilcox Federal Labor Union, AFL. The union had asked for a 10-cent an hour general wage increase and a union shop. A 5-cent an hour increase, effective February 6, at which time the negotiations before the panel broke down, was ordered by the Board. This increase is to extend to June 30, 1942, when the present contract between the company and union expires.

In making the recommendations to the Board, the members of the panel—Fowler Harper, Dale Purves, and Fred Hewitt—stated that they wished to "emphasize that their approach was necessarily one of mediation, not arbitration."

The company employs 4,500 men and several days of hearings before the panel had been held earlier in the month.

Ohio Brass Co.

On February 26, at 8:30 a.m. an agreement was reached in the long-standing dispute between the Ohio Brass Co., with plants at Barberton and Mansfield, Ohio, and the United Electrical, Radio and Machine Workers, CIO. The agreement came after 2 days of hearings before a mediation panel composed of Fowler Harper, H. L. Derby, and Hugh Lyons.

It provides for a 10-cent increase in hourly rates and a 10-percent increase in piece rates at Mansfield. Paid vacations are also called for; and all who are drafted for military service or who enlist are to be given 2 weeks' wages for 6 months' employment, 4 weeks, for a year's employment.

The union has been attempting to secure a contract from the company since February 1939.
March 3, 1942

A 6-day hearing ended with an agreement being reached between the Breco Corporation, Inc., Newark, N. J., and the United Automobile Workers, CIO, on all issues in dispute except those referring to "money matters." The panel in the case, composed of Robert Burns, Wilbur Doran, and Hugh Lyons, decided that an investigation should be made of this question after which they will make recommendations to the Board.

The company employs 1,700 workers and other issues which were settled included vacations and arbitration machinery.

Robins Dry Dock

Hearings on the dispute between the Industrial Union of Marine and Shipbuilding Workers, CIO, and the Robins Dry Dock & Repair Co., New York, N. Y., by a panel of the Board were adjourned after 2 days to March 12 in order to allow the mediators to obtain facts on the union security issue. The union is seeking wage increases and a union shop for the 7,200 employees of the company.

Other cases

In accordance with the Board's decision of February 18 that the controversy on upgrading procedures between the Steel Drop Forge Group, representing eight employers, in Cleveland, Ohio, and the International Die Sinker's Conference, an independent union, should be submitted to arbitration, Dean Lloyd Garrison of the University of Wisconsin Law School, who had been named by the Board as arbitrator, made his award after 2 days of hearings.

During the week, also, hearings were held in two cases where it proved impossible to reach agreements and the panels in both cases will make reports to the Board. These involved the Thompson Products Co., Cleveland, Ohio, and the United Automobile Workers, CIO, and the Goodyear Aircraft Corporation, Akron, Ohio, and the United Automobile Workers, CIO.

Three other Board cases were heard in the field but at the end of the week no settlements had been reached. The Screw Machine Products Co., Providence, R. I., and the International Association of Machinists, AFL, were heard in Providence in their dispute over vacations, overtime pay, wages, elimination of the bonus system, starting time, and the union shop. The East Bay Transit Co. and Key System, Oakland, Calif., and the Amalgamated Association of Street, Electric Railway and Motor Coach Employees, AFL, had Paul A. Dodd conducting hearings in Oakland on the issue of wages; and Professor David McCabe of Princeton University, who had been appointed investigator by the Board in the wage dispute between the Municipal Government of the City of Newark, N. J., and the State, County, and Municipal Workers of America, CIO, held hearings for 2 days in Newark. In this last case, Professor McCabe, unable to obtain an agreement, will make a report to the Board, on the basis of which it will decide what action should be taken.

New cases


Southern and western foundrymen to discuss industry price problems with OPA

Southern and Western nonferrous foundry operators will confer with executives from the Office of Price Administration in a series of regional meetings to discuss the industry's price problems, with particular reference to the letter and questionnaire sent them January 30. Price Administrator Henderson announced February 26.
Oliver warns industrial workers to “conduct themselves each day as though they too were under fire”

Those who control our factories and those who run the machines “must conduct themselves each day as though they too were under fire, desperately dependent upon the results of that day, that hour of exertion,” Eli L. Oliver, chief of the labor relations branch of the War Production Board’s Division, declared February 21 in Pittsburgh.

Need teamwork now

“Today a few, tomorrow millions, of the sons and brothers of our industrial workers will be under the fire of an enemy whose whole national power is massed in guns at the fighting front,” he said. “We need now the teamwork that tomorrow will place in the hands of our young fighting men weapons to meet and overmatch the best that our enemies can produce.”

Oliver spoke before delegates sent by unions of western Pennsylvania and northern West Virginia to the “Labor in the War” conference at the Carnegie Institute of Technology sponsored by the Institute, the WPB Labor Division, the Consumers Division of the Office of Price Administration, the Office of Civilian Defense, the Defense Savings Division of the Treasury Department, and the national and regional offices of the AFL and CIO.

“Victory ... if we go after it”

“We will not win,” he warned, “until our young men from farm and factory and office have become well-trained soldiers, until our metals have become tanks and planes and guns, until our ships have ended all possible hope of quick or easy victory.

“These battles in the Far East have, however, brought us some basis for confidence in the future. We have had few men upon the battlefields, but nowhere in this world war have men given better accounting of themselves than have the American and Philippine fighters under General MacArthur. We have had few airplanes in battle thus far, but wherever they have been they have shown the definite superiority of our planes and our pilots over their antagonists. Our tanks in Libya and our ships in the North Atlantic are convincing samples of what American industry can and will do. Victory will be ours if we go after it.

“No element in that national teamwork is more essential than the war effort of our industrial workers,” Oliver said. “The men and women in American industry realize more fully every day their great responsibility to the soldiers, sailors, and airmen who must face heavily armed enemies. These workers have brought to their industrial jobs not just the skill of their trained hands and brains, at the machine or on the assembly lines; they have given their active, vigorous, energetic cooperation in meeting the many complex problems of war production. Without the drama or the glamour that makes newspaper headlines, they have more than the less been almost unbelievably effective in their part of getting this Nation on a war footing.”

Oliver described labor’s part in turning out ships ahead of schedule and in setting new records in construction of defense plants, army camps, navy bases, and homes for war workers.

“Labor unions are cooperating with the Federal Government through national committees in many industries,” Oliver told the conference. “Fifty great national and international unions have set up such committees to confer with and to advise Government and industry in meeting the many complex problems of the war period. Their help has often been indispensable to a solution of those problems.”

Nine union representatives named to shoe labor committee

Appointment of a shoe labor advisory committee of nine representatives of shoe unions was announced February 25 by Sidney Hillman, Labor Director of the War Production Board.

Union representatives named by Hillman to the committee are:


Frank S. McGrath, president; James J. Mitchell, general secretary-treasurer; Horace B. Davis and I. Rosenberg, all of the United Shoe Workers, CIO. McGrath, Mitchell, and Davis are from Washington, D. C., while Rosenberg is from New York City.

John F. Burke, general vice-president and organizer, Brotherhood of Shoe and Allied Craftsmen, Brockton, Mass.

Special treatment withdrawn from 4 areas, one industry now producing for war

Awards of millions of dollars in war contracts have made it possible for the War Production Board to recommend suspension of the special contract preference granted last fall to four small industrial communities and to the household washing-machine industry. Sidney Hillman, Labor Director, WPB, announced February 23.

“Priority unemployment” alleviated

The acute “priority unemployment” which caused the War Production Board to certify these situations to the War and Navy Departments for special treatment, including an allowance of up to 15 percent in prices on war contracts, is being alleviated by the large orders placed under this procedure, Hillman pointed out.

Labor surveys have disclosed that these unemployment situations have been improved.

War orders keep them going

Contracts let to the washing-machine industry alone will provide 7,000,000 man-hours of work. This industry of 34 companies was given a large war order, three larger companies taking the prime contracts and subcontracting the parts to the other companies in the industry.

The four communities involved are:

Meadville, Pa.—Talon fastener plants have war contracts for items which can be made on their equipment; substitutes are being used for copper in making fasteners.

Newton andKellog, Ione.—Two washing-machine companies have contracts and subcontracts which have almost completely absorbed the unemployment of last fall.

Mansfield, Ohio.—Large contracts have been placed which will provide substantial employment.

Euston, Ga.—The aluminum goods company here has been given contracts providing 200,000 man-hours of work, which will offset the previous priority unemployment.

Other communities certified for special treatment last fall, whose companies have been awarded some contracts, include:

Manitowoc, Wis., Ripon, Wis., Dixon, Ill., Kenosha, Racine, Wis., Sikeston, Mo., and Springfield, Ill.

SELECTIVE SERVICE LOTTERY

The third national Selective Service lottery will be held in Washington March 17 when order numbers for the registrants who enrolled in February to swell the Nation’s pool of potential manpower will be determined. National Headquarters, Selective Service System, announced.
Overtime pay doesn't affect production, Hillman says in answer to Smith amendment

Statement by Sidney Hillman, Labor Director, War Production Board, in re Congressman Howard Smith's amendment to the War Powers Bill:

The enactment of Congressman Howard Smith's proposals would not expedite the necessary war production, but—for more seriously—would result in confusion and demoralization and a lowering of morale, with incalculable loss to the war effort.

Delay due mostly to shortages

Wherever any substantial delay in production has been encountered, it has been due primarily to a shortage or scarcity of materials. No delay in production has occurred by reason of the existence of our protective labor laws on our statute books. The plain fact is that the issue of payment of overtime rates for work in excess of 40 hours per week is not relevant in any way to the issue of productivity. Workers are now putting in as many hours as the job of efficient production demands. Furthermore, even if the statutory provision requiring overtime payment for work over 40 hours per week should be abolished, it would not eliminate overtime payments. Most work is performed under contracts voluntarily entered into between management and labor providing for the payment of overtime for any work in excess of 40 hours per week.

Labor subcommittee to consult on radio conversion

The radio labor advisory committee will name a subcommittee to provide consultative service to the electrical appliance and durable goods branch of the Industry Operations Division, the WPB Labor Division announced February 27.

John Hurley, deputy chief of the durable goods branch, informed a meeting of the radio labor committee that any workers involved in radio conversion would be paid overtime.

Survey under way to determine most pressing labor needs to meet war demands

As the first step in a program to deal with manpower needs in the transportation industry, the Office of Defense Transportation has undertaken a detailed survey of the industry's present and anticipated labor shortages, it was announced February 27.

Rail carriers consulted

Questionnaires drafted by the Division of Transport Personnel, after consultation with representatives of management and labor, have been submitted to rail carriers through the Association of American Railroads and the American Short Line Railroad Association. These questionnaires call for information, broken down by occupancy, as to labor shortages that now exist or are anticipated by the carriers before July 1, 1942. Data are sought also on employer requests for selective service deferment on the grounds of occupation and the disposition by local selective service boards of these deferment requests.

Industries under survey

In cooperation with carrier associations, similar questionnaires will be submitted to over-the-road and local truck and bus carriers, pipeline companies, Great Lakes carriers, large operators on rivers and canals, air transport lines, and other branches of the transportation industry.

Some shortages now

Commenting on the labor supply survey, Joseph B. Eastman, Director of Defense Transportation, said:

Many employment officials in the transportation industry are seriously concerned over the problem of maintaining manpower at the level necessary to meet the demands for transportation service occasioned by the war program. Shortages of skilled mechanics are already acute in some parts of the industry. It is doubtful whether all requirements for seamen on the Great Lakes can be met when the shipping season opens this spring. Shortages of other types of transport workers are expected in the near future.

Will lay plans for training

The results of our survey are expected to show the most pressing manpower problems now facing the transportation industry. In the light of the information obtained, plans will be made by the Division of Transport Personnel looking to an expansion of the training programs that various branches of the industry have already undertaken and to recruiting of new personnel to meet the rapidly expanding need for transportation service and to replace employees diverted to the armed forces.

MERCHANDISE WAREHOUSE INDUSTRY COMMITTEE

Formation of a merchandise warehouse industry advisory committee was announced Feb. 27 by Joseph B. Eastman, Director of Defense Transportation.

Members of the committee, and the States they represent, are as follows:


Paul W. Frenzel, vice president, St. Paul Terminal Warehouse Co., St. Paul, Minn. (Minnesota, North Dakota, South Dakota, Montana, Wyoming); D. S. Adams, president, Adams Transfer & Storage Co., 226 West 4th St., Kansas City, Mo. (Missouri, Kansas, Colorado, Iowa, Nebraska); Gus K. Weatherred, president, Dallas Transfer and Terminal Warehouse Co., Santa Fe Building, Dallas, Tex. (Texas, New Mexico, Oklahoma, Arkansas, Louisiana); David L. Tilly, president, New York Dock Co., 44 Whitall St., New York City (New England, New York, and that part of New Jersey which is included in the Port of New York Authority District); Eimer Erickson, vice president, Midland Warehouses, Inc., 1500 South Western Ave., Chicago, Ill. (Michigan, Illinois, Wisconsin, Indiana, Ohio).

FOUR EXECUTIVES NAMED

Appointment of four additional executives to the staff of the Office of Defense Transportation was announced February 24 by Joseph B. Eastman, Director of Defense Transportation. Edward A. Roberts has been named associate director, division of local transport; Glenn E. Taylor has been appointed assistant director, division of inland waterway transport; Hallmon Huffman has been appointed assistant general counsel; and John C. Howard has been named assistant to the director of the division of rates.
Fire equipment materials drastically cut; authorized use assigned high ratings

In a further move to channel all critical materials into essential war goods, the War Production Board announced February 26 the issuance of Limitation Order L-39 on Fire Protective Equipment, drastically curtailing the use of copper, aluminum, chromium, zinc, and a dozen other strategic commodities.

**Fabricated parts channeled to defense**

The order, effective February 24, sets forth specific products for which the aluminum and other materials may be used, and bars all others. Assembly of parts already fabricated on the effective date of the order is permitted, however, to fill defense orders with an A-2 or better rating.

The order also limits the production of foam extinguishers and antifreeze extinguishers during any quarter to 25 percent of the production for the 12-month period ending November 30, 1941, except to fill Government or Lend-Lease orders.

**Foam extinguishers use much copper**

Since foam extinguishers use a much larger percentage of materials, particularly copper, than other types, their use is limited by the order to the protection of hazardous liquids.

At the same time, the WPB Division of Industry Operations announced a companion order L-39, designed to help secure necessary materials.

This order, Preference Rating Order P-108, assigns a rating of A-9 for deliveries of steel pipe, cast-iron pipe, and cast-iron fittings, and an A-3 rating for deliveries of other material required to fill defense orders, when the kinds and quantities of materials are specifically authorized by the Director of Industry Operations.

**Apparatus exempted from truck limits**

Order P-108 requires a statement of needs to be submitted to the War Production Board on Form PD-82 on the basis of which a specific authorization may be granted.

A third order announced by the division February 26 exempts fire apparatus from the blanket limitations placed by the amended Supplementary General Limitation Order L-1-e upon the sale and delivery of medium and heavy motor-trucks and truck trailers.

This exemption, embodied in Amendment 6, is effective only if the ultimate purchaser has received a preference rating of A-10 or better.

**Engine manufacture also restricted; bells are out**

The familiar fire bell and glittering metal parts of fire engines were added February 27 to the list of products which will be produced no more until the war is won. Use of sirens, horns, and exhaust whistles as fire engine sound devices, however, is still permitted.

Aluminum, copper, copper base alloy, nickel, chromium, cadmium, tin, zinc, steel, as well as neoprene and other synthetic rubbers, are the materials affected.

Under terms of Limitation Order L-43, effective February 27, use of fire bells and the above critical materials in the production of motorized fire apparatus is completely eliminated, except for limited use in a specific list of products.

In addition, the order prohibits manufacturers from beginning or completing, on or after the effective date of the order, any self-propelled fire apparatus and certain other manufactured equipment except to fill defense orders. Other less essential types of apparatus are barred where ordinary autos or trucks can be easily substituted.

“Pumpers”—ordinary fire engines—are limited to apparatus carrying pumps of one of three standard capacities, while water tanks are held to a certain capacity, and hose to a certain size.

This will eliminate, the WPB explained, custom-built apparatus requiring special machine tools and extra time to build.

**Inventory disposal restricted for refrigerator companies**

The War Production Board on February 27 amended the Refrigerator Limitation Order (L-8-c) to prohibit refrigerator manufacturers from disposing of their inventory of materials, semi-processed and processed parts except to other refrigerator companies for use in the manufacture of refrigerators permitted under L-5-c or for repair and maintenance parts.

WPB issues power limitation to apply, if needed, in Buffalo, Niagara, Western New York

The War Production Board on February 27 issued a limitation order (L-46), which can be used to curtail the use of electric power in Buffalo, Niagara Falls, and Western New York when power shortages occur.

Specifically the order provides for:

1. Mandatory integration of power systems to develop the maximum use of power resources when needed to relieve shortages in the Niagara Falls frontier area.

2. Mandatory operation of generating equipment owned by industrial consumers to relieve the power shortage.

3. Mandatory reduction up to 50 percent in the power demands of large power consumers (with demands over 200 kilowatts) who are not engaged in war production or essential civilian services. This reduction is made during periods of power shortage only when the availability of power supply is insufficient to meet the demand after the steps mentioned above have first been taken.

4. Mandatory reduction on a pro rata basis in the power demands of large industrial users at Niagara Falls. This step is taken only after the first three above steps.

5. Mandatory restrictions upon the connection of new large industrial consumers with demands exceeding 100 kilowatts, and upon expansion of loads of existing consumers.

Residential consumers are not affected.

**Auto, body makers’ stocks of steel reserved for high ratings**

Automobile and automobile body manufacturers have been advised by telegram by the Director of Industry Operations not to make shipments from their steel stocks except on orders bearing high preference ratings.

No special authorization required

Alloy steel remaining in inventories of the automobile companies as a result of the cessation of automobile production may be sold only on orders bearing a preference rating of A-1-k or higher. All other steel and steel products may be sold only on orders with a rating of A-3 or higher.
All chlorinated rubber stocks in U. S. frozen, except for specified uses

All stocks of chlorinated rubber in the United States, except those going into specified uses, were ordered frozen February 23 by Industry Operations Director Knowlson, preparatory to requisitioning by the War Production Board or diversion into war production.

For specified uses only

An amendment to General Preference Order M-46 provides that chlorinated rubber may be used only for these purposes:

As a paint for interior use in industrial plants where resistance to chemical corrosion is necessary; as a paint in arsenals, and for painting ship bottoms and other submersion uses; for flame-proofing military fabrics, including tents; for tracer bullets; for adhering rubber articles to metal; and for electrical insulation.

Stocks on hand for all other uses, effective February 23, must be reported at once to the chemicals branch, WPB, and held for later disposition.

War demands exceed supply

While facilities for the production of chlorinated rubber are being increased greatly, current military demands are greatly in excess of supply. The material has been under a monthly allocation system since November 1, 1942, and none is now going for nonmilitary use. Principal civilian uses for chlorinated rubber which are prohibited by the order are:

Swimming pool paint and other concrete and masonry paint; treatment of fabrics, papers, and printing inks for flame-proofing and to increase resistance to chemical action; bottle cap closures, and fast-drying paint finishes.

Repair old fixtures, save on new, plumbers asked

Conservation of new plumbing fixtures through use of repaired units whenever possible would be a distinct contribution to the war effort, W. W. Timmis, chief of the WPB plumbing and heating branch, declared February 21.

In an appeal addressed to plumbing contractors, Mr. Timmis pointed out that the demand for plumbing equipment far exceeds the available supply, and that civilian demands would have to be diminished.

"Plumbing contractors, instead of supplying a new and shiny unit as they have done in the past, would be doing a great service to suggest a repair," he continued.

All chlorine use put under WPB control except for water and sewage treatment

Drastic restrictions on the use of chlorine were ordered February 27 by Industry Operations Director Knowlson, in an amendment to Order M-19.

The order prohibits the use of chlorine or products containing available chlorine in the bleaching of foodstuffs, bleaching of wiping rags and waste and the manufacture of cosmetics and toilet preparations.

Curtailments are applied to the amount to be used in bleaching of textiles in shellac processing, in laundry operations, in the manufacture of home bleaching preparations, and in the sanitation of private swimming pools.

Pulp and paper still under L-11

Pulp and paper manufacturers are subject to the same regulations of Order L-11 under which they have been operating.

Producers of chlorine are instructed to make deliveries only on specific authorization of the Director of Industry Operations, with the exception of chlorine for water and sewage treatment.

They are required to set aside from each month's production 5 percent for delivery on specific instructions and enough additional to take care of their regular water and sewage treatment demands. Supplies for water and sewage treatment can be obtained in the same manner. All other requests for delivery must be submitted monthly and submitted to the War Production Board for action.

Civilian effects far-reaching

Effects of the order on civilian life will be far-reaching.

Use of chlorine in textile bleaching is restricted, beginning March 1, to approximately 50 percent of the amount used for the year ending June 30, 1941. Few, if any, substitutes are available and the result will be less bleaching in the manufacture of textiles. It is left to the discretion of the manufacturer how he shall use the chlorine allotted to him.

Shellac bleaching is cut approximately 25 percent under the same regulation. Although the quantity of bleached shellac produced under this regulation will not be affected the color will be slightly more yellow than so-called white shellac.

All laundry operations must do without chlorine, with the exception of 10 percent of former usage for stain conditions. This will not affect cleanliness of clothes, but may take some of the dazzle out of white shirts, as an example.

Retail hypochlorite cut

Manufacturers of sodium hypochlorite solutions in small containers for retail sale must reduce their use of chlorine by 40 percent, and owners of private swimming pools must get along with 25 percent of the amount used during the base period.

No restriction is placed upon public pools or those belonging to institutions such as schools and other semi-public organizations.

A complete list of preference ratings, other than those for war requirements, is contained in the order. They range from A-2 for water and sewage treatment through to B-5 for less essential uses. It is believed sufficient chlorine will be available to fill at least some of the demands for all these ratings, although chlorine is in great demand for a variety of war uses.

All civilian users are warned, however, that war demands are increasing and further restriction on this vital chemical may be necessary. While this will not apply to water and sewage treatment, uses which do not affect health may have to face further curtailment.

Hoffman named special consultant in plumbing, heating

Appointment of George E. Hoffman, of Chicago, as special consultant to the plumbing and heating branch, WPB, was announced February 21 by W. W. Timmis, chief of the branch.

TUCKER NAMED HEAD PRIORITY SPECIALIST

Appointment of J. M. Tucker as head priority specialist for the industry branches under the Division of Industry Operations was announced February 25 by Industry Operations Director Knowlson. Mr. Tucker, who continues to serve on the staff of Chief Technical Consultant Samuel S. Stratton, had previously been appointed priorities specialist on farm equipment in the OPM Division of Priorities.
Military-quality wool further restricted for civilians; more of other kinds allowed

The War Production Board on February 25 further restricted civilian use of military-quality new wool for the second quarter of 1942 and at the same time made available for civilian use larger quantities of mohair and lower quality wool not suitable for military fabrics.

The February 25 action is in the form of an amendment extension of the wool conservation order of March 7. The original order covered the first 13 weeks of 1942. The extension covers the second 13 weeks, from April 5 to July 4.

Changes described

The amendment changes the restrictions on the use of new wool for the second quarter compared with the first quarter as follows:

1. No restrictions are placed on the amount of new wool used for defense orders in the second quarter. The first quarter order permitted a manufacturer to use up to 80 percent new wool for both defense and civilian orders; unrestricted use for defense orders was permitted only if such manufacturer engaged in no civilian business.

2. On the worsted system the amount of wool permitted for civilian orders is reduced from 80 percent to 20 percent of each manufacturer's basic quarterly poundage.

3. On the woolen system the amount of wool for civilian orders is reduced from 60 percent to 25 percent of each manufacturer's basic quarterly poundage.

4. For floor coverings, no apparent wool is permitted and the amount of carpet wool is reduced from 50 percent to 25 percent of each manufacturer's basic quarterly poundage.

A manufacturer's basic quarterly poundage remains unchanged. It amounts to one-half the pounds of new wool he used during the first half of 1941.

Use of mohair

Actually, such a manufacturer will be able to use more wool for civilian orders, if he takes advantage of another change in the order. The amended order permits manufacturers to use in place of the wools suitable for military purposes a larger amount of grown mohair (hair from the angora goat) and wool of grades 44 and lower which are not suitable for military fabrics.

For each pound of mohair or low-grade wool used on the worsted system, a manufacturer may use an additional 5 pounds of mohair or low-grade wool. For each pound of mohair or low-grade wool used on the woolen system, a manufacturer may use an additional 5 pounds of the same material. Under the order for the present quarter, no distinction is made in a manufacturer's quota between the wools suitable for military fabrics and other wools and mohair.

R. R. Guthrie, chief of the textile, clothing and leather goods branch, said the Far Eastern war situation affects our Australian wool supply and makes it essential to restrict wool for civilian uses.

It is desirable, he said, to increase the stockpile of war fabrics to make possible quick deliveries of uniforms and to utilize a labor supply in the industry that is now plentiful but which may not remain so.

Total about same as first quarter

Mr. Guthrie estimated that the second quarter allocation for civilian use will amount to approximately 22 million pounds of high-grade wool with some additional poundage set up as reserve to meet hardship cases, and it is estimated that an equal amount of mohair and low-grade wool will be used by manufacturers in taking advantage of the more liberal allowances provided for such wools in the new order. The entire amount for civilian use will total approximately 60 million pounds, which is about the same quantity as is being used this quarter for civilian purposes.

Mr. Guthrie said that mandatory blending of substitute fibers with new wool for civilian use will be provided for in a separate amendment to be issued later, but not to become effective before September 15, 1942.

"Mandatory blending is not being ordered now because sufficient technical data and experience in manipulation is not yet available," Mr. Guthrie said... "All the mills will be requested to submit programs for the manipulation of wool in the third quarter as soon as possible and not later than April 30th to the Wool Section, War Promotion Board. Detailed instructions for submitting these programs will be issued shortly."

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Actions Affecting Textiles

MACHINERY industry being converted to ordnance manufacture. Page 7.


Processing and deliveries of agave fibers restricted to help conserve supply

An order (M-84) to conserve the supply of agave fiber and cordage was announced February 21 by the War Production Board.

Agave fibers, used mainly for binder and wrapping twine, come principally from the East Indies, Africa, Haiti, and Mexico. In the past, approximately 90,000,000 pounds of these fibers have been used in this country annually for wrapping twine and 195,000,000 pounds for binder twine. With the increasing scarcity of manila fiber, the demand for agave fibers is expected to increase.

The order, issued and effective February 20, in general restricts deliveries of agave fibers to the Defense Supplies Corporation. Procurement was entered into prior to the date of the order by dealers who have already filled orders from the Defense Supplies Corporation may be delivered without restriction.

Processors of agave wrapping twine, were notified by the War Production Board February 24 that they were permitted to process during February 100 percent of their average monthly sales in 1941.

The order originally provided for only 50 percent production in February. Since three-fourths of the month had already lapsed, application of the 80 percent limitation would virtually have stopped all agave wrapping twine production for the remainder of the month.

Other restrictions

The processing of agave for wrapping twine is limited further as follows: In March, 70 percent; thereafter, 60 percent. For binder twine, needed for harvesting grain, the order permits the manufacturer for the year ending July 31, 1942, of 110 percent of processor's total sales during the 12 months ending October 31, 1941. The Director of Industry Operations is authorized to increase that amount if, in his opinion, additional quantities are needed to handle the 1942 harvest. The manufacture of carpet yarns from agave is prohibited except for fibers put into processors on or before the date of this order. Use of agave for packing or Stuffing is not prohibited unless it has been put into process prior to the date of the order or is less than 20 inches in length or is composed of tow or waste.

Purchases and sales of agave wrapping and binder twines are also restricted. No dealer may order, purchase, or accept delivery of more than 60 days' supply of binder twine, based on his average monthly sales for the previous three months. Previous orders are honored to the extent the dealers are limited to a month's supply.

The purchase, sale, and use of binder twine is restricted under the order to the growing and harvesting of agricultural products or sewing up bags containing such products.
March 3, 1942

No more rubber for girdles
and other foundation garments
except surgical types

Arthur Newhall, chief of the rubber branch of the War Production Board, and R. R. Guthrie, chief of the textile branch, said February 26 that rubber will no longer be available for rubber thread for the manufacture of corsets, girdles, brassieres, and foundation garments for general use.

 Provision will be made for surgical-type garments to be manufactured according to specifications now being prepared by the textile branch of the WPB.

"This action is necessary," said Mr. Guthrie, "because of the acute rubber situation, when every pound of rubber saved contributes to the war program. Every effort will be made to make available to the industry other materials with which to provide for essential foundation garments."

Patterns, colors of print cloth
to be reduced, makers told

Print cloth manufacturers, printers, and converters were advised by telegram February 23 by Robert R. Guthrie, assistant chief of the bureau of industry branches, of a forthcoming WPB order that will require a reduction in the number of patterns and strength of pattern colors.

Print cloth includes most summer dress materials, draperies, and slip covers.

According to Mr. Guthrie's telegram, the number of patterns for print cloth will be cut in half; shades will be lighter than at present, with the heavier shades prohibited; and less of the cloth will be colored, leaving more white background.

The telegram was sent out in advance of the order to give manufacturers an opportunity to make their plans for next season's patterns before contracting for patterns that will be prohibited under the order.

Supplementing the February 23 telegram, WPB on February 26 wired the same list of manufacturers, printers, and converters that certain restrictions will apply also to discharge patterns. Discharge patterns are those where the design is formed by extracting color from goods previously plain dyed.

GOOSE, DUCK FEATHERS
RESERVED FOR WAR

Hereafter goose and duck feathers may be used only for filling defense orders. Such feathers may be sold only to dealers, Defense Supplies Corporation, or manufacturers, to be used only in filling defense orders. Civilian orders now on hand may not be filled. An order (M-102) to that effect was issued February 24 by the War Production Board. Duck and goose feathers are used in the manufacture of sleeping bags. The Army and Navy needs far exceed the production. The order is intended to supply this deficit by taking over existing supplies in the hands of dealers and manufacturers.

Orders for enameling duck
may be filled to April 1

The War Production Board February 19 telegraphed all cotton duck manufacturers extending to April 1 the time in which they may fill orders placed on or before January 15, 1942, for enameling duck. A previous telegraphic order required such orders to be filled by March 1.

Enameling duck is used largely for white uniforms for doctors, butchers, bakers, and in white duck trousers.

1/2 MILLION BAGS RETURNED TO
WOOL MEN; MORE NEEDED

More than half a million used burlap bags have been returned to wool growers by mills during the past month as a result of an appeal from the Bureau of Industrial Conservation, Lessing J. Rosenwald, chief of the bureau, announced February 24. The number of bags returned for reuse totals approximately one-third of the number critically needed for handling the new domestic wool clip.

P. S. Blanchard, textile consultant attached to the bureau, in a letter written January 23 to all mills using wool, requested mill owners and operators to report to him the disposition they made of empty bags. Replies received from Mr. Blanchard's request showed that a total of 558,152 have been returned to wool growers.

Mr. Rosenwald, in publicly expressing the appreciation of the bureau for the prompt cooperation of the mills, urged that all handlers of wool continue to return the burlap containers as rapidly as they were emptied.

Processing of manila fiber, sales, deliveries of cordage
further restricted

With all imports of manila fiber cut off, the War Production Board February 21 further restricted the processing of manila fiber and the sale and delivery of manila cordage.

Manila cordage is an essential requirement of the Navy. The other Armed Services also use it.

General Preference Order M-36 and two amendments, previously issued, restricted delivery of manila fiber to the Navy, the Defense Supplies Corporation, and limited processors. Processing of the fiber and sale and delivery of manila cordage were also restricted to military and essential civilian uses.

Amendment No. 3, issued and effective February 29, places still tighter control around both the fiber and the cordage. It reduces the quantity of manila fiber to be put into process and reduces the amount of cordage to be sold in any one month, both being based on a "basic monthly poundage" set out in the amendment.

Under this reduction, a processor of manila fiber is permitted to process and sell every month approximately 70 percent of the average number of pounds per month of manila cordage sold by him during 1939, thus reducing the rate at which this scarce material will be processed.

Wool fabrics for officers' uniforms given defense rating

The War Production Board on February 24 issued Amendment No. 1 to Wool Conservation Order M-73 providing that fabrics to be used in the manufacture of officers' uniforms be classified as fabrics used in defense orders. The amendment gives such fabrics a priority rating of A-10.

Uniforms covered by the amendment are for Army officers, Navy and chief petty officers, Marine Corps officers, Coast Guard and chief petty officers, Coast and Geodetic officers, U. S. Military and Naval Academy and training-school students, and Maritime Commission employees.

The amendment includes a clarification providing that the restrictions on the amount of wool that can be put into process apply only to the person actually owning the wool.
Deliveries of 12-gage shotguns restricted to make supplies available for guard use

Manufacturers of sporting fire-arms were ordered over the week end to make no further deliveries of 12-gage shotguns, except to agencies and officers of the Federal, State, and local governments, for official use, and to the governments of the lend-lease countries.

Purpose of the order is to make available for war plant protection, and other local guard duties, an adequate supply of shotguns of this gage. The order took effect at 9 o'clock February 23, but did not apply to shipments in transit at that time.

Other provisions

Another provision of the order prohibits manufacturers from using machinery which can be employed to assemble or manufacture 12-gage guns for the purpose of turning out shotguns of other sizes.

The order also provides that during the period, February 23 to February 28, a manufacturer may not produce shotguns of other than 12-gage in quantities greater than one-half of his average 5-day production in 1949. Production of other than 12-gage shotguns during the month of March 1942, and in subsequent calendar months, is also held to 50 percent of the average 1940 monthly production.

Steel products for oil industry limited to A-9 orders or higher

Steel producers supplying the petroleum industry have been ordered by telegram from the Director of Industry Operations not to ship oil country casing, tubing, or drill pipe on or after March 14, or to ship line pipe on or after March 7 except on orders bearing a preference rating of A-9 or higher.

Warehouses which purchase this type of goods are entitled to use a preference rating of A-9 under Supplementary Order M-21-b, and oil companies may use an A-8 rating under Preference Rating Order P-98. The purpose of the telegraphic order is to prevent shipments of steel for use in the petroleum industry on unrated orders, and thus to make sure that the limitations applying to the industry are observed, including limitations on inventories.

Beer, coffee, ham cans made by Feb. 11 deliverable till May 31; resultant pack will be subject to disposal by WPB

The War Production Board February 25 gave permission to tin can manufacturers to deliver until May 31 cans for packing beer, coffee, and hams, which were completely manufactured on or before February 11, and at the same time froze in canners' hands the canned stocks of beer, coffee, and hams which will result.

Manufacturers are permitted also to assemble cans whose component parts were completely cut or lithographed by February 11, but when sold and packed with beer, coffee, or hams, these stocks must also be held subject to disposition by the Director of Industry Operations.

Canners are permitted to pack such cans, and beer, coffee, or ham cans in their possession on February 11, until May 31. These are also subject to disposition by the WPB.

These provisions, included in telegraphic amendments to order M-81 on tinplate and terneplate, are designed to prevent the waste of material unsuitable for other purposes, and in the cases of hams, to prevent spoilage.

Reports required

Canners manufacturers are required to report to the WPB within 10 days the number of beer and coffee cans which can be made from their stock of tinplate lithographed for such purposes. On or before the tenth of April, May, and June, canners are required to report the number and sizes of coffee and beer cans packed pursuant to the February 25 permission.

Canners of whole, shaped, halved, quartered hams, and "picnics" are to report results to the WPB within 30 days of the date of packing.

Tin cans for home, institutional canning not barred, says WPB; limits for commercial

Deliveries of tin cans for home or institutional canning purposes are not barred by provisions of General Preference Order M-81, according to a statement issued by the WPB containers branch February 23 in answer to numerous questions on this point.

Manufacturers are permitted to sell home-canning type cans to hardware stores and other distributors buying for resale to home or institutional canners, the branch said.

Restrictions in the order on purchases by commercial canners are inapplicable to home canners, it was pointed out, since the order classifies "canners" as those packing for resale.

An increase in home canning this year is desirable in order to lift some of the pressure on commercial canners, the branch added. The Department of Agriculture hopes to raise home canning to a level about 100 percent above 1941.

The number of cans required for home and institutional purposes this season is not likely to exceed 50,000,000. Manufacture of this amount will require about 100 tons of tin, it was estimated.

Lithographed motor oil cans completed by February 11 may be used until April 30

Lithographed motor oil cans which were completely manufactured on or before February 11 may be sold and delivered to canners until April 30, the Division of Industry Operations of the War Production Board announced February 21.

Ban on tinplate, terneplate suspended in this instance

Telegraphic instructions sent to can manufacturers February 20 by J. S. Knowlson, Director of Industry Operations, suspend until April 30 restrictions imposed by General Preference Order M-81 on tinplate and terneplate in order to permit use of these cans, generally adapted only for packaging motor oil.

Canners are permitted to accept delivery of such cans, and are also permitted to use completely manufactured motor oil cans in their possession on February 11, provided that none are used after April 30.

A similar suspension of the terms of M-81 to permit sale of limited products cans until April 30 was announced by the WPB February 20.
Deadline for shift in forms under Regulation 3 is postponed

The date on which PD-1A and PD-3A forms must be used in place of forms PD-1, PD-3, PD-4, and PD-5 has been postponed from March 2 to March 15 by Amendment No. 1 of Priorities Regulation No. 3, issued February 25 by the Director of Industry Operations.

Other changes

Other changes in Priorities Regulation No. 3 are as follows:

- The Selective Service System has been added to the list of agencies by which PD-3A's will be issued. In conformity with procedure already established, the use of PD-3A certificates by the Procurement Division of the Treasury and by the Surplus Marketing Division of the Department of Agriculture has been specifically confined to lend-lease contracts. PD-1A certificates may also be used to purchase under lend-lease contracts or purchases by or for the account of foreign governments.

- An addition to paragraph (a) provides that after March 15 preference ratings which have been assigned prior to that date on PD-3, PD-4, and PD-5 certificates must be extended in conformity with the provisions applicable to PD-3A.

AA extendible only for emergency

A new paragraph, (e) (4), provides that any person on whom an order bearing an AA rating has been served may extend it only as A-1-as if he is able to fill the order from his own inventory. This paragraph prevents the extension of emergency ratings where no emergency exists.

Another new paragraph, (e) (5) provides that the extension of preference ratings assigned by PD-3A certificates may be subjected to such further provisions as may be prescribed by Supply Arms or Bureaus of the Army or Navy, with the approval of the Army and Navy Munitions Board and the Director of Industry Operations.

San Francisco, Cincinnati get priorities district managers

Appointment of James A. Folger as priorities district manager for the Bureau of Field Operations in San Francisco, and of Elmer C. Henlein to a similar position in Cincinnati was announced February 24 by the Director of Industry Operations.

Production Requirements Plan, more flexible than old rating system, attracts over 400 applications a week

In less than 2 months since the Production Requirements Plan went into effect, more than half again as many applications have been received as during 7½ months under the Defense Supplies Rating Plan, which was replaced by PRP on January 1.

2,500 operating under system

The greater flexibility of the Production Requirements Plan has attracted over 4,000 applicants, and more than 2,500 companies and divisions of companies are now actually operating under the plan.

The Production Requirements Plan is becoming increasingly useful as the number of companies handling war or essential civilian orders bearing preference ratings grows. Under PRP such firms may avoid the necessity of applying for or extending a large number of separate preference ratings by making a single application for priority assistance covering their materials requirements for a calendar quarter. On the basis of information supplied on Form PD-25A, they are given a rating or ratings to assist them in obtaining the kinds and quantities of materials and supplies needed for 3 months operations in war and essential civilian production.

Not treated on piecemeal basis

PRP makes it possible for the War Production Board to give consideration in granting priority assistance to the complete pattern of operations of a company or a plant, instead of treating every priority application on a piecemeal basis. At the same time, the information furnished by applicants on Form PD-25A is of great value to the War Production Board as an indication of the general materials requirements and production facilities of American manufacturers.

Between December 3, 1941, when PRP was first announced, and January 1, 1942, when it went into effect, 542 PD-25A applications were received by the Production Requirements Branch and since that time they have been coming in at a rate of slightly more than 400 a week. Of 3,717 applications received up to February 19, 2,555 had been approved, 393 were denied, and the rest were pending or in process. The average application is processed and approved or denied within 10 to 12 days.

Up to February 19, 707 interim applications had been received from companies operating under PRP which needed more priority assistance than was granted by their applications as originally approved, because of an increase in their volume of war or essential civilian business. A considerable number of companies which were operating under the old Defense Supplies Rating Plan have also shifted to PRP as their rating under the Defense Supplies Rating Plan expired.

Military represented

The Army and Navy Munitions Board is directly represented in the Production Requirements Branch in order to assure proper rating for companies which are handling direct military orders and also for those handling subcontracts under Army and Navy orders.

About 85 percent of the materials and products to obtain which a preference rating has been applied for under PRP are destined for use to fill war or essential civilian orders bearing a preference rating of A-10 or higher. The other 15 percent of approved applications cover materials and products destined for unrated orders but nevertheless for essential civilian use.

A special expediting department has been set up in the Production Requirements Branch to handle interim applications where prompt assistance is specially needed, since companies operating under PRP are not permitted to make use of other preference ratings.

3 methods for assigning ratings

Three different methods are used to assign ratings to applicants under the Production Requirements Plan:

1. A single rating may be assigned to all raw materials, parts, assemblies, and maintenance, repair, and operating supplies needed by the applicant.

2. One rating may be assigned to most raw materials, parts, assemblies and maintenance, repair, and operating supplies, while a higher rating is assigned to one or more specific items.

3. A percentage of the applicant's total requirements for materials, etc., may be assigned one rating and the rest assigned one or more different ratings. For example, 50 percent of the requirements may be assigned an A-1-c rating and the other 50 percent a rating of A-2.
Compilation of all priority orders and forms available; to be supplemented weekly

A printed compilation of priority orders and forms is now available for distribution at the Public Service Section, Inquiry Division, Room 1591, Social Security Building. It is called PRIORITY IN FORCE, and is an alphabetical listing of all the orders in the M, L, P, E, and Suspension series, that have been issued by the Bureau of Priorities, Division of Industry Operations of the War Production Board, through February 15, 1942.

On this page is the first of a series of weekly supplements to the printed compilation, devised to keep the listing up to date and as effective as possible.

* * *

Producers of iron and steel products get A-10 rating for operating supplies

Producers of iron and steel products will be permitted to use an A-10 rating to obtain office supplies and similar material under the terms of Amendment No. 2 to Preference Rating Order P-68, issued February 21 by the Director of Industry Operations. Heretofore, the preference ratings assigned under P-68 have been applicable only for material to be used in the actual production of iron and steel products, and the producers have been excluded from the provisions of Preference Rating Order P-100, under which other manufacturers are given an A-10 rating on their orders for operating supplies including office supplies.

The basis for inventory restriction in Order P-68 has been shifted by the amendment from a 1940 base period to the most recent calendar half year, and the percentages which may be applied to the base period to measure current receipts and withdrawals have been slightly increased.

The order, which was scheduled to expire June 30, 1942, will continue in effect as amended until revoked.

* * *

HOUSING CRITICAL AREAS

Durham, N. C., has been added to the Defense Housing Critical Areas List. Also added were Blackstone, Va., Richmond, Va., and Point Pleasant, W. Va.

VICTORY *

March 3, 1942

PRIORITY ACTIONS

From February 15 Through February 23

<table>
<thead>
<tr>
<th>Subject</th>
<th>Order number</th>
<th>Related form</th>
<th>Issued</th>
<th>Exp. date</th>
<th>Rating</th>
</tr>
</thead>
<tbody>
<tr>
<td>Airplanes:</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>a. To restrict the production and sale of light aircraft, having less than 50 horse power and also limits the amount of aluminum to be used in the aircraft.</td>
<td>L-48.</td>
<td></td>
<td>2-17-42</td>
<td>Until revoked.</td>
<td></td>
</tr>
<tr>
<td>c. Replacing twelve previous aircraft orders, allows application of A-1 rating to material entering directly or indirectly into production of direct military aircraft products.</td>
<td>P-109.</td>
<td>PD-81-a.</td>
<td>2-20-42</td>
<td>6-30-42.</td>
<td></td>
</tr>
<tr>
<td></td>
<td>M-1-4.</td>
<td>PD-26-a, 40-a..</td>
<td>2-17-42</td>
<td>12-31-42.</td>
<td></td>
</tr>
<tr>
<td></td>
<td>M-47, amend. fl.</td>
<td></td>
<td>2-16-42</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Int. #1 M-9-b (as amended 2-6-42).</td>
<td></td>
<td>2-19-42</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

| Alumium: |
| b. Issued by telegram. | Int. #1 M-9-b (as amended 2-6-42). | | 2-19-42 |

| Banaban: |
| a. Clarification of deliveries of rubber and copper products from warehouses, and stated deliveries of completed copper products are not included in prohibitions of order. | M-61. | PD-1-a, 303-a. | 2-17-42 | Until revoked. |
| | M-64. | | 2-23-42 |

| Cotton: |
| a. EXP cotton seed: |
| 1. To increase the production of long staple cotton and to conserve supply of the seed, by prohibiting the sale of available planting seed, except under specific conditions. | M-62. | PD-208, 208a. | 2-20-42 | 1-1-42. |
| b. Graphite (Madagascar flake): |
| 1. To curtail usage in such a way that all flake graphite of crucible quality will be used for the manufacture of crucibles. | M-61. | PD-1-a, 303-a. | 2-17-42 | Until revoked. |
| 2. Prohibited use of graphite in manufacture of crucibles except with specific authorization of WPB. | M-64. | | 2-23-42 |

| Hemp: |
| a. Fiber (agave): |
| 1. To conserve supply and direct distribution. | M-54. | | 2-5-42 | 6-60. |
| b. Manila fiber: |
| 1. Further restricts the processing of fiber and also reduces the amount of cordage to be sold in any one month. Quota based on a "base monthly production." | M-36, amend. fl. | | 2-5-42 | 6-60. |
| Musical instruments: |
| a. To restrict production. Establishes a ratio of use for critical materials used. | L-17. | | 2-17-42 | 6-60. |
| Oil: |
| a. Tung: |
| 1. Amended by extending order. | M-57, amend. fl. | | 2-14-42 | 4-15-42. |
| b. Clarification of provisions with respect to "wellpoints." | P-116. | | 2-14-42 | Unless revoked. |
| Petroleum: |
| a. Clarification of provisions with respect to "lease equipment." | M-68, amend. fl. | | 2-16-42 |
| b. Interpretation of term "lease equipment." | Int. #2 (M-68, as amended.) | | 2-16-42 |
| c. Permits use of A-9 or lower rating without counter signature, for repair, maintenance, or operating supplies with value less than $50. | P-26, amend. fl. | | 2-20-42 |
| Fulf: |
| a. Sugar: |
| 1. Allocation schedule amended by adding to February schedule for nitrating purposes, a schedule for February and March Lend Lease requirements. | M-52, amend. fl. | | 2-10-42 | 4-1-43 |
| Radio: |
| a. Extended and amended by assigning an A-1-d rating to all materials entering directly or indirectly into production. | P-38, amend. fl. | | 2-18-42 | 4-30-42. |
| b. Extension of order for material to be used in actual production of iron and steel products. | M-1-4. | PD-26-a, 40-a.. | 2-17-42 | 12-31-42. |
| | M-47, amend. fl. | | 2-16-42 |
| | Int. #1 M-9-b (as amended 2-6-42). | | 2-19-42 |
King named head of copper branch

Appointment of Harry O. King, of New York City, as chief of the copper branch was announced February 21 by William L. Batt, Director of Materials. Mr. King replaces H. W. Dodge, who has been acting chief for the past month. Mr. Dodge will resume his regular position as a special assistant to A. I. Henderson, deputy director of the division.

Mr. King is an officer of a number of corporations and is president of the Munson Lines, Inc. He was division administrator of the NRA and was director of the Copper Code Authority.

Rug makers advised to convert to needed war materials; all jute may be taken for war

The floor covering (carpets and rugs) industry was advised Feb. 28 by R. R. Guthrie, assistant chief of the Bureau of Industry Branches, to get into the production of essential war materials.

Jute, one of the two principal materials from which carpets are made, is becoming even scarcer than wool, the other material, and Mr. Guthrie warned that it may be necessary to “freeze” all jute yarns and permit its use only for war needs. The entire jute supply comes from India.

A letter which has been mailed to all members of the industry advises them of an order to be issued soon restricting the use of jute for floor coverings.

Products the industry might make

A cross-section of the rug and carpet industry, comprising an industry advisory committee, discussed at a meeting in Washington February 27 specific products that the industry might be able to manufacture. They included:

1. Bagging material, as a substitute for burlap and canvas, to relieve the shortage of bags in the civilian market. It was also suggested that manufacturers send samples of such substitute material to Army engineers to enable the engineers to determine the suitability of such materials for sandbags.

2. Camouflage cloth. Burlap is now used for such purpose but it is scarce. Army engineers have prepared specifications for such cloth but a representative from the Quartermaster Corps said the Army is open to suggestions and might approve a substitute cloth which might not exactly fit the specifications but would serve the same purpose.

3. Cotton duck. It was pointed out that existing cotton duck capacity is inadequate to meet military requirements even with practically all civilian use of duck eliminated. It was felt by industry representatives as well as WPB officials that this offered a fertile field for the carpet industry, inasmuch as it might contribute to the military requirements and also make cloth for the civilian market.

Industry representatives were informed that despite restrictions of a cotton duck order soon to be issued, favorable consideration would be given by the WPB to any carpet manufacturer manufacturing duck for civilian purposes.

4. It was also pointed out that some carpet mills might be able to spin cotton on their wool looms, thus putting to use spinning facilities that might otherwise be left idle.

5. Blankets, both military and civilian. Such blankets for defense orders would not come under the restrictions of the wool limitation order (M-73). The restrictions of the order apply to blankets for civilian use, the same as it applies to other woolen manufacturers, but it was pointed out that advantage might be taken of a provision in the wool order for the second quarter, just issued, making available additional supplies of material if mohair or low grade wool is used.

6. Commission spinning. It was suggested that carpet mills might use their facilities to do commission spinning of wool yarns for owners of wool.

SUSPENSION ORDERS

<table>
<thead>
<tr>
<th>Company</th>
<th>Order number</th>
<th>Violation</th>
<th>Penalty</th>
<th>Issued</th>
<th>Expired</th>
</tr>
</thead>
<tbody>
<tr>
<td>Hurley Machine Division,</td>
<td>S-11, amended #1</td>
<td>Amended to permit company to make deliveries of spare parts for repair of washing machines and ironing machines.</td>
<td>2-10-42</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Electric Household Utilities Corporation, Chicago, Illinois</td>
<td>2-10-42</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

PRIORITY REGULATIONS

<table>
<thead>
<tr>
<th>Number</th>
<th>Subject</th>
<th>Issued</th>
</tr>
</thead>
<tbody>
<tr>
<td>Priority Reg. #7</td>
<td>Permits use of facsimile signature on endorsement of purchase orders assigning or extending preference ratings, subject to specified conditions.</td>
<td>2-17-42</td>
</tr>
</tbody>
</table>

Cutting-tool order extended

Supplementary Order No. E-2-a, which directs the use and distribution of cutting tools, has been extended by the Director of Industry Operations and will remain in effect until revoked. The order was scheduled to expire February 28.

This order forbids deliveries of cutting tools except in connection with defense orders bearing preference ratings of A-10 or higher, and requires a certification to the buyer that the delivery of the tools ordered will not increase his inventory above a 30-day supply.
President consolidates war housing activities in a single national agency

By Executive Order 9070 of February 24, President Roosevelt merged the Federal housing agencies into the National Housing Agency, under Administrator John Blandford, Jr., formerly assistant director of the budget.

Three units created

Three main units were established in the National Housing Agency, each to be administered by a commissioner acting under the direction and supervision of the National Housing Administrator:

1. The Federal Housing Administration, under Commissioner Abner Ferguson, present administrator of the Federal Housing Administration.
2. The Federal Home Loan Bank Administration, under Commissioner John H. Fahey, present chairman of the Federal Home Loan Bank Board;
3. The Federal Public Housing Authority, under Acting Commissioner Leon Keyserling, present acting administrator of the U. S. Housing Authority.

Agencies and functions consolidated

The following agencies and functions were consolidated by the order:

The Federal Housing Administration; Federal Home Loan Bank Board; Home Owners Loan Corporation; Federal Savings and Loan Insurance Corporation; United States Housing Authority; functions of the Federal Works Administrator that relate to defense housing; War and Navy Department functions with respect to defense housing for families except units on military or naval reservations, posts, or bases; functions of the Farm Security Administration and any other agencies providing temporary shelter in defense areas; functions of the Farm Security Administration relating to housing for families not deriving their principal income from operating or working upon a farm; the Defense Homes Corporation; functions of the United States Housing Corporation now in process of liquidation; functions and powers of the Division of Defense Housing Coordination and of the Coordinator of Defense Housing.

The Central Housing Committee was abolished.

WEEK'S COMPLETIONS

Charles F. Palmer, Coordinator of Defense Housing, announced February 24 that 1,679 new publicly financed homes for families of defense workers and enlisted personnel had been completed during the week ending February 21, making a total of 79,434 now ready for occupancy.

With 1,660 homes going into construction during the week, the total of publicly financed homes now being built or completed reached 139,051.

Federal funds have already been allotted for 239,161 defense homes.

712 defense homes approved for construction

President Roosevelt February 20 approved defense housing projects providing 712 homes for families of industrial defense workers and enlisted personnel in 4 localities upon the recommendation of Charles F. Palmer, Coordinator of Defense Housing.

Of this number, 500 units in two localities have been assigned by the Coordinator to the Federal Works Agency. In two localities, slum clearance projects totaling 212 units, initiated by the local housing authorities in cooperation with the United States Housing Authority, will be converted to defense housing by the action.

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

<table>
<thead>
<tr>
<th>Locality</th>
<th>Number of units</th>
<th>Type</th>
</tr>
</thead>
<tbody>
<tr>
<td>Bath, Maine</td>
<td>200</td>
<td>Permanent</td>
</tr>
<tr>
<td>Do.</td>
<td>100</td>
<td>Demountable</td>
</tr>
<tr>
<td>Salt Lake City, Utah</td>
<td>100</td>
<td>Permanent</td>
</tr>
<tr>
<td>United States Housing Authority</td>
<td></td>
<td></td>
</tr>
<tr>
<td>(Slum clearance projects converted to defense)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Bakerfield, Calif.</td>
<td>110</td>
<td>Permanent</td>
</tr>
<tr>
<td>Dothan, Ala.</td>
<td>102</td>
<td>Do.</td>
</tr>
</tbody>
</table>

New housing critical list issued to conform to situation in scarce metals

A new defense housing critical list has been issued by the housing priorities branch, Division of Industry Operations.

The list, announced February 27, is more specific than the original issued on September 19, 1941 (interpreted September 24, 1941), which it supersedes and nullifies. It is based upon the present critical position of many materials essential to the construction and equipment of housing, and is subject to revision as changes in the situation develop.

Ratings applicable only to list

Preference ratings assigned to deliveries of scarce materials for defense housing projects may be applied only to items appearing on the new critical list, which was drawn up to conform to the limitations placed upon the uses of a number of scarce metals since the issuance of the original list last September.

Some of changes

Some major changes affected by the issuance of the new list are:

- **Structural**
  - Steel bearing plates are eliminated and steel stair construction is further restricted.
  - Tin coating for sheet metal coverings on fire doors is eliminated.
  - The use of metal lath is further curtailed.
  - Detailed specifications are included for builders' hardware so as to reduce the use of the more critical metals to a minimum.

- **Electrical**
  - Armored cable, metallic cable, metallic raceways, and metal outlet boxes are allowed only where other methods are prohibited by the National Electric Code.
  - Private telephone systems are prohibited.

- **PLUMBING AND GAS DISTRIBUTION**
  - Quantity and sizes of roughing in materials are limited to meet the minimum requirements of the "Emergency Plumbing Standards" issued by the Defense Housing Coordinator, December 29, 1941.
  - Copper coils for hot-water gener-
164 community recreation centers provide "homes away from home"

One hundred and forty-nine community recreation buildings are now providing a place for wholesome fun for our men in uniform and workers in war production, according to an announcement from the Office of Defense Health and Welfare Services.

These buildings and about 90 others now in the process of completion were made possible by Federal funds appropriated under the Community Facilities Act to help provide adequate recreation in hard-pressed defense towns. They make a home away from home for our men in uniform and a community center through which all local recreational activities can be tied together for most effective community organization.

Program organized in over 400 areas

Field recreation representatives of the Office of Defense Health and Welfare Services have helped organize recreation programs in more than 400 areas. The main emphasis in the promotion of community organization has been to stimulate and promote widespread community initiative and responsibility.

Some of the steps taken by community defense recreation committees to strengthen and expand their recreational facilities are:

- The renting, equipping and staffing of various types of downtown clubs and centers for service men; opening up of churches and their auxiliary buildings for leisure time activities; using American Legion halls and facilities of fraternal groups; using high school and college gymnasiums and athletic fields; using parks and playgrounds for picnics and social affairs; mobilizing homes for meals, rooms, and hospitality; establishing downtown information centers; conducting tours and conferences; and taking dramatic, musical, and other entertainment talent from the community into camps, bases, and industrial plants.

CIVILIAN DEFENSE . . .

How to fight incendiary bombs told in educational film released by OCD

An instructional film entitled "Picking the Fire Bomb," describing methods of combating incendiary bombs, prepared by the Protection Division of the Office of Civilian Defense, has just been released.

How to obtain films

The places from which clubs, fraternal organizations, and similar groups may obtain the film for the instruction of their members, and the number of such films available in each place are;

- First Civilian Defense Region: Mr. Joseph M. Loughlin, acting director, 101 Milk Street, Boston, Mass.
- Second Civilian Defense Region: Col. Walter W. Metcalfe, assistant director, 111 Eighth Avenue, New York, N.Y., 10.
- Fourth Civilian Defense Region: Mr. Charles H. Murchison, director, 150 Hurt Building, Atlanta, Ga., 52.
- Fifth Civilian Defense Region: Mr. Dan T. Moore, director, 513 East Town Street, Columbus, Ohio, 22.
- Sixth Civilian Defense Region: Mr. Raymond J. Kelly, director, Room 2620 Civic Opera Building, 20 North Wacker Drive, Chicago, Ill., 20.
- Seventh Civilian Defense Region: Mr. Joseph D. Scholte, acting director, 505 Grain Exchange Building, 19 and Harney Streets, Omaha, Nebr., 30.
- Eighth Civilian Defense Region: Mr. R. E. Smith, director, Majestic Building, San Antonio, Tex., 29.
- Ninth Civilian Defense Region: Mr. Jack Helms, acting director, 1,556 Market Street, San Francisco, Calif., 47.
- Tenth Civilian Defense Region: Mr. Raymond Moore, director, Majestic Building, San Antonio, Tex., 29.

The film for Alaska (4), Panama Canal (2) and Hawaii (3) will be sent by the Training Section to the War Department directly for transmittal to these Territories.

Refer aliens' problems to defense councils, says Landis

Regional Directors of the Office of Civilian Defense were asked February 24 by Director Landis to call to the attention of State and local defense council problems arising in many communities as the result of the discharge in industry of loyal Americans who are either aliens or citizens of foreign birth.

Every loyal American needed

"We are under the necessity in the present emergency of using the services of every loyal American and the more accident of foreign birth should not lead to discrimination," Dean Landis said.

Director Landis declared it is the policy of the Federal Government not to discriminate in the employment of workers in defense industries because of race, creed, color, or national origin. He pointed out that only in the case of secret, confidential, or restricted Army contracts or in the case of contracts for airplane parts or accessories, must the employer secure permission from the head of the Federal Department concerned for the employment of aliens.

Dan T. Moore named director of fifth civilian defense region

James M. Landis, Director of the Office of Civilian Defense, February 27 announced the appointment of Dan T. Moore, of Cleveland, Ohio, as regional director of the Fifth Civilian Defense Region to succeed Frazier Reams, of Toledo. This area includes Ohio, Indiana, Kentucky, and West Virginia.

Mr. Moore's services are being loaned on a full-time basis by the Securities and Exchange Commission.
Landis urges ban in critical coast areas on all lighting that can’t be put out on a moment’s notice

James M. Landis, Director of the Office of Civilian Defense, February 27 telegraphed all regional directors of civilian defense in coastal areas calling on them to request States and communities to take steps to obtain immediate blackout, until further notice, of all lighting which is not capable of being put out at a moment’s notice in critical areas along the Atlantic, Pacific, and Gulf Coasts. This will involve the extinguishment of all advertising signs, store window displays, and similar lighting which could not be controlled at once in the event of an alert.

Hazard to civilian safety

“Unessential lighting of this character,” Mr. Landis said, “is now a positive hazard to the safety of the civilian population in coastal areas which may be subject to enemy attack.

“I am requesting regional directors to contact State and local defense councils at once for the purpose of obtaining their cooperation in the elimination of all uncontrolled lighting.

“It is vital that this step be taken to insure effective, immediate, total blackout of these vulnerable communities in case of air raid.

“I know this may involve sacrifice on the part of citizens in many communities,” Mr. Landis stated, “but these are times in which the safety of the entire community depends upon the cooperation of all of us and upon the willingness of each individual to sacrifice his own interests where that is necessary.

“I believe that each community will recognize the seriousness of this problem and will cooperate to the fullest extent.”

OPA finds cigarette ceilings fair, continues them

Cigarette prices contained in Price Schedule No. 62, as issued December 30, 1941, and amended January 9, 1942, are fair and equitable, Administrator Henderson said February 27 after OPA’s completion of cigarette cost investigation.

“Accordingly,” the Administrator ruled, “the schedule as amended and prices contained therein are continued in effect.”

On December 30, 1941, OPA issued its temporary price schedule on cigarettes stating in its preamble to that order that “pending full investigation, the Office of Price Administration hereby limits the price of all brands of cigarettes sold by manufacturers thereof to those levels prevailing on Friday, December 26, 1941. After completion of the studies underway, further action will be taken.”

OPA improving tire-ration methods by studying factors other than car registration

Since it first began the rationing of tires and tubes on January 5, 1942, OPA gradually has been revising the basis on which quotas were allotted to counties, Administrator Henderson announced February 28.

At first, the only sound data available to the OPA as a guide in determining quotas were the automobile and truck registration figures and retail sales for each county, Mr. Henderson said. As there was no way to tell how many of the registered vehicles would turn out to be eligible for tire-purchase certificates, he explained, OPA undertook surveys that would enable it to anticipate local needs and set quotas accordingly.

Purpose of these surveys is to reduce to a minimum the adjustments to special situations that will be necessary once quotas are established, the OPA Administrator said.

Defense concentrations count

Factors other than registrations, the Administrator said, are such things as concentrated defense activities in certain counties, seasonal operations such as food harvesting and lumbering, and stimulated mining operations in others. As the OPA surveys develop information on local requirements, tire quotas are made to conform with the indicated needs, Mr. Henderson said.