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The adjustment of American life to a defense economy took on speed last week. The Supply Priorities and Allocations Board, ruling that ships are more important than pleasure driving, rejected at least until next spring a formal application for steel plates to build a Texas-to-New York petroleum pipe line. At the same time, SPAB indicated some seamless tubing might be available for the line. Striving to bring production up to maximum defense and essential civilian needs, SPAB charged its executive director with the task of expanding the output of every critical material. A study was launched by the Office of Production Management to increase steel from existing facilities by reducing the number of types and shapes.

**Cars for December curtailed**

OPM announced that December production of passenger automobiles would be curtailed 46.4 percent below that of December 1940, to conserve materials. The Priorities Division arranged to give defense ratings to 200,000 privately financed defense housing units. Guns and tanks and shells will not be permitted to absorb the materials essential to house the workers without whom the guns and tanks and shells cannot be made; and nondefense residences, if they compete with necessary building for supplies, must wait.

Other priority action was taken to keep present facilities of the Nation in operation. Receiving this aid were public utilities, textile machines, mines, and a limited quantity of repair parts for light trucks and automobiles. Priorities were granted also for the manufacture of aircraft instruments and accessories. The Materials Branch of OPM meanwhile ordered a reduction in the use of chlorine for bleaching of paper.

**Labor conferences held**

The Labor Division held a series of conferences in Detroit and Associate Director General Hillman, OPM, announced six statements of policy which labor and management will be expected to follow in dealing with labor problems coming out of the automobile curtailment. Similar conferences on the silk industry brought commitments for retiring of 335 workers in Scranton and prospects of jobs for 1,000 in the Wilkes-Barre area, all displaced because silk imports have stopped.

At the suggestion of the National Defense Mediation Board, Kansas City Fewer and Light Co. employees returned to work pending an investigation of issues in dispute. A 30-day truce was reached in the “evasive mine” strike. The Board opened hearings in 4 other cases and received certification of 2 new ones.

**OPA sets ceilings**

The Office of Price Administration set maximum prices on 12 classes of ethyl alcohol in lots of 500 gallons or more; on waste paper east of the Rockies; and on byproduct foundry and furnace coke, which are important to iron and steel products.

OPA also revoked its ban on the September 15 price increase in Pennsylvania anthracite at the mine, and obtained agreement from the producers not to boost prices further without prior consultation and agreement of that office; called a meeting to discuss costs and prices of Pennsylvania grade crude oil; stated that a rise of less than 4 percent in the prices of rayon yarn did not justify upward revision of the rayon grey goods ceiling to the market price of “spot” raw cotton.

**New localities get FHA financing**

President Roosevelt approved the extension of 50 percent mortgage insurance under Federal Housing Administration’s Title VI to 14 additional defense localities.

Transportation Commissioner Ralph Budd appointed two committees to work with SPAB and OPM on supplies for construction of railroad freight cars and steam locomotives.

The Office of Civilian Defense issued a guide for protection of plants against air raids, and urged immediate organization for the purpose.

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**Quotas and priorities assigned to makers of spare parts for passenger cars, light trucks**

Two additional orders affecting automobile manufacturers were issued September 20 by Priorities Director Nelson. These orders, covering the production of repair parts for passenger cars and light trucks, are part of the broad program of priorities and limitations in the automotive field, which has been worked out in the Office of Production Management by the Divisions of Priorities, Labor, and Civilian Supply.

One of the orders announced is Limitation Order L-4, and the other Preference Rating Order P-57. They are designed to assure the continued operation of passenger cars and light trucks now on the roads.

Limitation Order L-4 provides that a producer of spare parts for passenger cars and light trucks may make during the period from September 15 to December 31, 1941, 60 percent of the number of parts sold by him for replacement purposes during the period from January 1 to June 30, 1941.

Preference Rating Order P-57 extends priority assistance in securing the material needed to manufacture the authorized amounts.

**RAILROAD CARS**

It was erroneously stated on this page of last week’s Defense that Commissioner Budd has notified the shipping public that the railroads will be 200,000 cars short of their goal for the approaching peak season. The figure should have been 20,000, as it appeared on the Transportation page. Mr. Budd has stated that the supply of new cars will be that far short on October 1 of the ownership planned at the time orders were placed for car construction.

The Transportation Division points out that it does not follow necessarily that there will be in October a reported failure to meet shippers’ orders to the extent of 20,000 cars. Some of the lag can be made up through increased repair of unserviceable cars and more through increased efficiency in car handling which Commissioner Budd is urging upon shippers, receivers, and railroads.
SPAB acts to expand output of all critical materials; copper, aluminum, magnesium first

Expanded production of every critical material to meet the needs of the all-out defense program is called for in a policy announced September 16 by the Supply Priorities and Allocations Board.

The executive director was instructed to leave no stone unturned by any agency of Government in the drive to bring production of the Nation's basic materials up to maximum defense and essential civilian needs.

Immediate efforts under the SPAB program will be concentrated on aluminum, magnesium and copper.

Asks speed in existing plans

In each case, SPAB directed that expansion of capacity already planned but not yet actually set in motion be completed as soon as possible.

In the case of magnesium, existing plans call for expansion of production by approximately 304,600,000 pounds per year.

In aluminum, existing plans call for an increase in production of 609,000,000 pounds per year. Negotiations for the building of the new capacity are progressing well, SPAB announced, and emphasis will be placed on getting the new plants built and into operation as quickly as possible.

Would cut unnecessary uses of copper

Expansion of copper production was called for through a broad campaign designed both to increase the available supply and to reduce the demand for the metal. SPAB estimated that between 250,000 and 250,000 tons could be saved annually by cutting down on unnecessary uses, and instructed the executive director to seek to bring that reduction into effect. It also ordered a study of plans to increase domestic production through a variety of methods for getting greater production out of existing American mines.

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MATS OF CHARTS

One-column mats of the pictorial statistics appearing each week in the cover of Defense are available to newspapers and other publications on request to the Distribution Section, Information Division, Office for Emergency Management, Washington, D. C.

SPAB defers application for plates for pipe line; believes some tubing available

The Supply Priorities and Allocations Board announced September 16 that it had received formal application for a priority rating to construct the "national defense pipeline" from New York to Texas, and that after careful consideration it had reaffirmed its previous decision that no plan involving the immediate use of steel plate can be considered.

Steel plate is vitally needed for the construction of ships, and SPAB took the position that it is more important in this emergency to provide for ship construction than to insure plenty of gasoline for pleasure driving on the Eastern seaboard.

Attitude more favorable on tubing

Ralph K. Davies, deputy oil administrator, appeared before SPAB at its meeting September 15 to present the application for priorities on the needed materials—approximately 180,000 tons of steel plate and 190,000 tons of seamless steel tube.

Informing Mr. Davies that steel plate cannot be spared, the Board took a more favorable attitude in regard to the use of seamless tubing. Billets from which the tubing is extruded are not under as heavy demand as steel plate, and studies have indicated that it would be possible to produce enough tube for at least part of the pipeline without upsetting defense requirements if production schedules were properly adjusted to defense contracts in the tube mills.

OPM to make study

SPAB requested the Office of Production Management to make a further study of the project to determine whether, if sufficient seamless tube is released, the necessary pumps, valves, motors and other accessories can be produced fast enough to be ready for use when the tube is ready.

The Board also agreed that if permission is given to construct the pipeline out of seamless tube, the situation in regard to plate will be reviewed by SPAB next spring.

At its previous meeting SPAB had considered the general subject of the pipeline, and in the absence of any formal application for a priority rating had voted as a matter of policy not to permit the diversion of steel plate for pipeline construction. The September 16 action constituted a reaffirmation of that stand and a formal notification to the Deputy Oil Administrator that priorities for steel plate could not be granted.

Aid announced for makers of aircraft accessories

Priorities Director Nelson announced September 17 Preference Rating Order P-52, which will be used to extend priority aid to certain manufacturers of aircraft instruments and accessories.

The rating to be received by a manufacturer of aircraft accessories, covering deliveries to him of material which will be physically incorporated in his finished product, or which is necessary to its manufacture, will be based on the recommendation of the Army and Navy Munitions Board.

The preference rating assigned may be extended by the producer to his suppliers by executing a copy of the order; i. e., by signing the acceptance and filing it with the Aircraft Section, OPM, and furnishing one additional signed copy to each of his suppliers.

A supplier wishing to extend the rating to his subsuppliers may do so in the same fashion.

British management-labor mission's itinerary announced

The Office of Production Management announced September 16 the itinerary of the joint management-labor mission representing the British Government, in this country at OPM's invitation to study United States industrial methods and relationships.

The eight members, four labor representatives and four management representatives, will visit principal centers of defense production and confer with leaders of industry and labor.

THE ITINERARY

September 18—Washington (Luncheon with OPM); September 19—Philadelphia; September 20—New York; September 21 and 22—Pittsburgh; September 23—Buffalo; September 24—Cleveland; September 25, 26, 27—Detroit; September 28, 29, 30—Chicago and vicinity.

October 1—Milwaukee; October 2—Denver; October 3—San Diego; October 4—San Francisco; October 5—Seattle; October 6, 7—Los Angeles; October 8—San Antonio; October 9—San Francisco; October 10—Seattle; October 11—Salt Lake City; October 12, 13—Seattle; October 14—Indianapolis; October 15—Cincinnati; October 18—Washington; October 19—Baltimore; October 21—New York.
Over 6¼ of 7 billion Lend-Lease dollars allocated, President says in second report

Following are excerpts from the President’s message to Congress, September 23, 1941, accompanying its second report on activities under the Lend-Lease Act:

I am submitting this report pursuant to section 5 (b) of the Lend-Lease Act of March 11, 1941, which authorizes the President to submit to Congress his second report on activities under the Lend-Lease Act:

The Lend-Lease Act was passed by the Congress just 183 days ago. One hundred and sixty-seven days ago the Congress appropriated $7,000,000,000 to carry out our national policy of giving every possible material assistance to the countries resisting aggression.

The effective expenditure of this large sum in furtherance of our announced policy has presented tasks of large proportions. We are meeting them under the needs of the countries we are aiding. We have correlated this program of aid with the procurement programs of our own Army and Navy. We have arranged with our industries for the production of the great quantities of matériel involved.

The War Department, the Navy Department, the Treasury Department, the Agriculture Department, and the Maritime Commission are the agencies principally charged with the actual procurement of the supplies that are needed for the war effort. Over six and one-quarter of the $7,000,000,000 appropriated have now been allocated, upon the recommendation of these agencies, for specific materials and services. Their procurement machinery has been constantly increasing in scale, and is now producing lend-lease contracts. Over three and one-half billion dollars of legal commitments have already been made. Contracts will soon be placed for the entire $7,000,000,000 appropriated.

Contracts have been placed and work has started on nearly a billion dollars of bombardment aircraft. New plants have been started and work is in progress for about one-half a billion dollars of new merchant ships. New facilities to speed the production of guns, ammunition, and other defense matériel are under construction amounting about $262,000,000. Over $450,000,000 has been obligated for the purchase of milk, eggs, and other agricultural products.

Aid growing daily

Daily the aid being rendered is growing. Through the month of August the total dollar value of defense articles transferred and defense services rendered, plus expenditures for other lend-lease purposes, amounted to $498,721,918.

Food and steel and machinery and guns and planes have been supplied in increasing quantities. Agricultural commodities worth $110,608,550 have been transferred to the United Kingdom more than 44,000,000 pounds of cheese, more than 94,000,000 pounds of eggs, more than 89,000,000 pounds of cured pork, more than 263,000,000 pounds of sugar, more than 110,000,000 pounds of grain, and more than 1,000,000 acres of land. We have also transferred to them more than 3,000,000 barrels of gasoline and oil. We have sent them many tanks, merchant and naval ships and other transportation equipment being transferred in growing amounts.

A substantial number of cargo ships and tankers are being built and will be ready for shipment. Planes, tanks, guns, and ships have begun to flow from our factories and yards, and the flow will accelerate to the limits of the productive capacity of the United States.

Other nations fighting the Axis Powers. Our technicians are instructing the Allies in the assembly, operation, and maintenance of the tools coming from our factories. Across the United States and across Africa our plane ferry service is transporting the crews of America with democracy's outposts in the Middle East. On our airfields thousands of British pilots are being trained, and already we are preparing a similar program to help the Chinese.

We have supplied equipment for the Yunnan-Burma Railroad and for the Burma Road in order to speed the flow of arms and materials to the heroic Chinese people. In addition to military aid, we are furnishing China with medicine and technical assistance to fight the ravages of malaria. A military mission has also been dispatched to China in connection with the supplying of lend-lease aid.

Must step up production rate

The $7,000,000,000 appropriated for purchasing defense articles has been available less than 6 months, and actual transfers and deliveries from these funds have necessarily been limited to articles which could be purchased in a finished state or produced in that time. The speed at which lend-lease transfers will be made depends largely on the speed with which our industries deliver the goods. The rate of our productive effort must be accelerated, and every step to achieve that end must be taken.

These lend-lease deliveries are not, of course, the only materials which have been moving from our shores to the countries resisting aggression. Prior to the Lend-Lease Act, large scale lend-lease had already begun in Great Britain and by other countries from their own resources. Deliveries under these contracts are moving across the sea along with lend-lease articles. The movement of the volume of war supplies moving from our shores is reflected in our total exports. Thus, since the beginning of the year, we have exported about $4,600,000,000 worth of goods which have been exported to the British Empire.

The British Empire has received the bulk of our aid. But we have also extended assistance to the many other nations engaged in the same struggle. China and the Dutch East Indies are receiving ever-increasing quantities of supplies. The United States is furnishing to the governments of the countries under the Nazi yoke are sharing in the program. We are already outfitting Polish troops who are training in Canada for active overseas. We are also providing, directly or indirectly, aid for the Dutch, the Norwegians, the Greeks, the Belgians, and the Yugoslavs. We know that every group which yields to or collaborates with the Nazis makes our own defense more difficult because every group that resists Nazi aggression helps to keep the war from our own hemisphere.

HIGHLIGHTS

of President Roosevelt's second message on Lend-Lease activities:

ALLOCATIONS: Over 6¼ billion dollars of the 7 billions appropriated.

COMMITMENTS: Over 3½ billion dollars.

AGRICULTURAL CONTRACTS: Nearly a billion dollars.

Government to make available supplies which are urgently needed by Russia. By speeding deliveries and by arranging the quickest transportation of American materials, we are working to strengthen the United Nations. The Soviet Government's purchases here are being made with its own funds through its regular purchasing agency.

Not an act of charity

We are not furnishing this aid as an act of charity or sympathy, but as a means of defending America. We offer it because we know that piecemeal resistance to aggression is doomed to failure; because the ruthless war machine which now threatens the continent of Europe can be combated only by the combined efforts of all free peoples and all strategic points where the aggressor may strike.

The lend-lease program is no mere side issue to our program of arming for defense. It is an integral part, a keystone, in our great national effort for security for generations to come, by crushing the disturbers of our peace.

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Western Hemisphere defense a prime factor

The defense of the Western Hemisphere has been given high priority in planning and in the Lend-Lease program. Not only are we helping the European countries which stand in the path of the Nazi policy of aggression, but we are also giving direct lend-lease aid to the countries of this hemisphere.

We are working to strengthen the United Nations. The Soviet Government's purchases here are being made with its own funds through its regular purchasing agency. The people of the United States know that we cannot live in a world dominated by Hitlerism. They realize that there can be no real peace, no secure freedom, until we have destroyed the evil forces which seek to work us all. Through their chosen representatives, they have declared a firm and unalterable policy to build up an impregnable defense for this hemisphere, and to furnish unimpaired military and technical assistance against Nazi aggression and tyranny.

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We are not furnishing this aid as an act of charity or sympathy, but as a means of defending America. We offer it because we know that piecemeal resistance to aggression is doomed to failure; because the ruthless war machine which now threatens the continent of Europe can be combated only by the combined efforts of all free peoples and all strategic points where the aggressor may strike.

The lend-lease program is no mere side issue to our program of arming for defense. It is an integral part, a keystone, in our great national effort for security for generations to come, by crushing the disturbers of our peace.

Planes, tanks, guns, and ships have begun to flow from our factories and yards, and the flow will accelerate to the limits of the productive capacity of the United States. When the stream becomes a river, and the river a torrent, engulfs this totalitarian tyranny which seeks to dominate the world.
PRIORITIES...

Priority aid to be granted for 200,000 privately financed defense housing units

Details of a broad plan to grant priority assistance for the construction of 200,000 privately financed defense housing units were announced September 19 by Priorities Director Nelson following approval of the plan in principle by the Council of the Office of Production Management. The order implementing the plan was to become effective September 22.

The new procedures, worked out by OPM officials in collaboration with Charles F. Palmer, Defense Housing Coordinator, will assure priority aid for 200,000 privately financed homes for defense workers. Other arrangements have already been made for granting priority assistance to 100,000 publicly financed units.

Projects under way put first

To expedite the building of essential defense housing, project preference ratings will be granted. The highest rating of those to be available for housing will be given to defense projects which were already under construction on September 1, 1941, and for remodeling and rehabilitation, which create living accommodations for additional defense workers. Lower ratings will be granted to new construction for rent, and a still lower rating for new construction for sale. All defense housing ratings, however, will be in the defense, or A class. Certificates of rating will be extended in the field for privately financed projects by the field offices of the Priorities Division, upon the recommendation of the Defense Housing Coordinator.

Single rating for scarce materials

By the use of project ratings, the Division of Priorities can assign one rating which can be used to secure delivery of scarce building materials (which appear on the Defense Housing Critical List), and which will go into any one defense housing project.

A list of defense areas has been developed in which there is an acute shortage of housing for defense workers. Defense housing within these areas, both public and private, may be granted priority assistance.

The Defense Housing Critical List includes a number of materials, products, and items essential to housing construction. The project ratings will apply only to items which appear on the list, and in such quantities as the Director of Priorities authorizes.

FHA offices to take applications

To obtain a preference rating for defense housing projects, the private builder should file an application with the local office of the Federal Housing Administration. The Director of Priorities is making this use of the facilities of the FHA as a ready means of immediate assistance. This special service of the FHA is completely divorced from and has no connection with its underwriting activities as an insurance agency. Copies of the application form may be obtained from these offices, or from local home financing institutions.

To qualify for the priority assistance extended under the new plan, construction must be confined to family units of a value not in excess of $6,000, if for sale, or for which the monthly shelter rental does not exceed $50. These figures represent top prices for housing to receive assistance under the plan. Construction in lower brackets to meet the economic situations of workers in different categories will be encouraged, and it is expected that in most cases the costs involved will be substantially lower. Exception to the limits set will be permitted only in special circumstances.

No application for aid will be considered by the priorities officials until it has been demonstrated that the homes involved are needed for and are readily available to defense workers, at prices within their reach and at locations convenient to their employment, and that the dwellings conform to minimum standards as developed by the Defense Housing Coordinator. It must also be demonstrated that such housing is being, or will be, built in such a way as to use minimum quantities of scarce materials.

Before any specific privately financed project can be given a rating, it must qualify as defense housing and be approved by the office of the Defense Housing Coordinator.

When this has been done, and the Defense Housing Coordinator has recommended a project, a rating may be assigned in the field by the Priorities Division to the particular job involved on a project rating form.

This rating will be given to the builder of private housing. The builder can extend the rating by executing (signing) a copy of the order and serving it on his suppliers. The suppliers in turn can extend the rating to their own suppliers in the same way.

The decision to give preferential status to defense housing—thus putting homes for workers ahead of other homes—was announced originally some weeks ago. The plans announced September 19 constitute steps to put the program into effect.

With the impact of the defense program upon the national economy, housing operations in every field have been affected by the shortages in the products manufactured from critical metals, without which livable housing cannot be produced.

Copper, for example—used for wiring, roofing, gutters and plumbing supplies—has become increasingly tight. Zinc—used for galvanizing—is also short. Steel and iron products also have been subject to delayed deliveries, and the materials used in hardware are likewise scarce. These difficulties, of course, have been due to the greater need of armament for national defense.

Workers are essential too

Yet plants manufacturing tanks, guns, shells, and other essentials of national defense, cannot be operated, and ships cannot be built without workers, and workers must have places to live. The production of housing has been in competition with the production of other defense essentials, and was delayed because the scarce materials needed for both were diverted by priorities from housing into other uses.

Because of this, a decision had to be made to regulate the flow of critical materials to insure the necessary supply for housing.

The construction of new defense plants and the development of new industrial areas have shifted the centers of employment. This makes it necessary to provide new, adequate, and convenient housing for workers—close to the job—even if this means additional difficulties for the construction of other residential housing not essential to the success of the national defense program.
Order gives vital utilities A-10 rating for maintenance, repair, operating supplies

A maintenance, repair, and supplies order designed to help thousands of public utilities in the nation was issued September 17 by Priorities Director Nelson.

The new order permits utilities covered by the plan and their suppliers to use an A-10 rating to expedite deliveries of maintenance and repair materials and operating supplies which are vitally needed for defense and essential public services.

Services affected

Utilities which may use the new order are those engaged in one or more of the following services:

1. Supplying electric power directly or indirectly for general use by the public.
2. Supplying water, natural or manufactured, directly or indirectly for general use by the public.
3. Supplying gas, natural or manufactured, directly or indirectly for general use by the public.
4. Sanitation services, but not including manufacturers of public sanitation products.
5. Supplying central steam heating directly or indirectly for general use by the public.

Three classes of materials

The A-10 rating can be used by the utility or by the supplier—subject, of course, to the limitations of the order—on three classes of material:

1. Maintenance material—needed for the upkeep of property and equipment in sound condition.
2. Repair material—needed for restoration of property and equipment in sound condition after wear and tear, damage, destruction or the like.
3. Operating supplies—material essential to the operation of the utility involved and which is generally carried in the company's store and charged to operating expenses.

The rating assigned by this order cannot be used for plant expansions or new improvements, or for expansion of the service area of the utility. However, the rating may be used in some cases to provide for connections for new customers to the existing utility system and for materials needed to relieve serious overloads.

A producer before using the preference rating to expedite deliveries, must execute two acceptance blanks attached to the order (P-46) and must file one executed copy of the acceptance with the Power Branch of the Office of Production Management, retaining the other copy. Suppliers, however, must not execute the acceptances.

The producer or his supplier, in order to apply the preference rating, must endorse on his purchase orders the following statement:

"Purchase order for utilities operations, maintenance and repair, preference rating A-10, pursuant to Preference Rating Order No. P-46."

If this procedure is followed in accordance with the terms of the order, the endorsement on purchase orders will put the preference rating into effect.

Inventory provisions

The order includes provisions to keep producers' inventories at practical working minimum levels. The order also includes certain other provisions of a technical nature designed to restrict purchases and withdrawals from inventories to certain 1940 levels, except when special circumstances are involved.

The new order is designed especially to cover problems which have arisen in the utilities field and includes a number of technical provisions designed especially for utility problems. The order itself, therefore, must be read carefully by all those affected by it.

Load greater, materials scarcer

The impact of the defense program has caused serious shortages in many materials and supplies used by utility companies and has also greatly increased the load on their facilities. A number of companies have experienced difficulty not only in obtaining supplies for new work but also in obtaining materials for repair and maintenance work.

It is essential to set up a system so that the utility companies covered—publicly and privately owned—may keep their facilities and systems in good running order. The present plan is designed to do that, but does not, of course, include any provisions for expanding operations or for new operations.

The order contemplates that the Director of Priorities will, in the near future, certify specific quantities of materials to which the rating may be applied by the utilities to whom the rating has been assigned.

In connection with this, utility companies will be required to file reports on inventory and other information on which the certification may be based.

A-10 rating granted to makers of textile machine repair parts

Because of the great importance to the defense program and to civilian welfare of the continued effective operation of textile mills, Priorities Director Nelson announced September 16 Preference Rating Order P-59, granting the assistance of an A-10 rating to manufacturers of maintenance and repair parts for textile machinery.

The manufacturer of such parts should make application for the rating upon Form PD-88, which should then be mailed to the Textile Branch, Office of Production Management, Washington, D.C.

Rating can be extended

After the producer has received a preference rating under the Textile Machinery and Equipment Maintenance and Repair Order, his suppliers may in turn require the assistance of a rating to make possible their deliveries to the producer. At the time of filing his application, the manufacturer should state the number of copies of the order which he desires to have furnished to him, so that he may apply the rating to deliveries to him by his suppliers, and to enable his suppliers in turn to apply the rating to deliveries to them by their sub-suppliers.

A supplier, however, may apply the rating only to material which will be physically incorporated into finished parts for maintenance and repair work.

No copies of the order will be furnished by the Priorities Division directly to any supplier, or sub-supplier.

Operations at peak

Defense requirements and increased consumer purchases in the past year have resulted in peak operation of fabric manufacturing mills. Cotton spindle activity, for example, was 123 percent of capacity in July. In July 1940, the figure was only 86 percent of capacity. Normal, or "capacity," operation of a cotton spindle is 60 hours per week.

There has been a similar increase in activity of wool and worsted spindles. Wool spindle activity today is running about 50 percent higher than a year ago. Worsted spindle operation has jumped 60 percent in a year.

In 1939, there were over a half million workers in the fabric manufacturing industry—including cotton, wool, worsted, rayon, and silk—and the figure has increased substantially since then. Value of output of the industry in 1939 was close to 2 billion dollars. According to the Census of Manufacturers, there were 209 plants operating during the year.
Alloy steel, alloy and wrought iron under added regulations

A supplementary order providing additional specific regulations over alloy steel, alloy iron and wrought iron was issued September 16 by Priorities Director Nelson.

The new order is Supplementary Order M-21-a. The M-21 order is the one which provides full priority control over steel products.

Alloy steel of all kinds is already subject to priority control under the terms of General Preference Order M-21. However, the present order includes a definition of alloy steel and alloy iron and specifically authorizes the Director of Priorities to issue directions to any producer as to deliveries he may make or the kinds of alloys he may produce.

The order stipulates that deliveries under toll agreements—now in effect or to be entered into—must be specifically authorized by the Director of Priorities.

The supplementary order also revokes General Preference Order M-5, Supplementary Order M-5-a, and Supplementary Order M-5-b, all relating to nickel-bearing steel which is now included under orders M-21 and M-21-a.

Preferences authorized to help ships build repair inventory

An amendment to Division Administrative Order No. 1, which permits the United States Maritime Commission to assign preference ratings in certain cases when material involved is to be used for Maritime purposes, was announced September 16 by the Division of Priorities.

The amendment, technical in nature, permits the Maritime Commission to establish and assign preference ratings to deliveries of material for inventory purposes and emergency repairs, to ship chandlers and ships in service.

The original administrative order did not refer to ship chandlers and ships in service. However, a large percentage of repair materials for merchant ships is obtained from ship chandlers and many repairs are carried out on shipboard so that ships in service must maintain a repair inventory so as to be able to make repairs at sea. Ship chandlers and ships in service have been having difficulty in obtaining necessary repair materials and for that reason it has been decided to permit the Maritime Commission to assign ratings in these cases, as well as in other cases already provided for.

A-1-a rating given mines for emergency repairs, A-8 for supplies, maintenance

A maintenance, repair, and supplies plan which will help approximately 15,000 mines to boost their production for defense was announced September 18 by Donald M. Nelson, Director of Priorities.

The order permits mining companies to use a rating of A-1-a—the highest defense rating—to expedite deliveries of materials needed for emergency repairs. A rating of A-8 may be used by mine operators and their suppliers to obtain material required for emergency inventory purposes or for operating supplies or for ordinary maintenance work.

State officials to help

A special plan has been developed to administer and operate the order. The Governor of each State has been asked to designate a State official, preferably an official dealing with mining operations, to help administer the order in his State. It is expected that the State official in each case will be the Emergency Coordinator of Mines. This official will submit to the OPM a list of the active mines in the State. He will also receive in his office each month a list of all purchases made under the terms of the order by the mines, and he will report any excessive purchases or irregularities to the OPM for investigation.

After consideration of the lists submitted by the Emergency Coordinator in each State, the Priorities Coordinator for Mines will assign serial numbers to all mines approved.

Method of use

Dr. Wilbur A. Nelson, Priorities Coordinator for Mines in the Office of Production Management, will administer the order.

Purchases made by mines for repair parts, maintenance items, and operation supplies will carry an endorsement on the purchase order certifying that the purchases are made under the terms of the new order, P-56. No special forms are required in connection with the application of the rating to deliveries.

Suppliers of mining operators can extend the rating by a simple endorsement and a reextension can be made to other suppliers in the same manner.

A mine operator or a supplier in order to apply the A-8 rating, must endorse a statement on the original and all copies of each purchase order for material to be used for the purposes specified, certifying that the order is placed in accordance with the terms of the new plan.

A mine operator before he can apply the A-1-a preference rating for emergency repairs must first ask permission by telephone, telegram, or letter from the Priorities Coordinator for Mines. Telegram authorization by the Coordinator will be sufficient to permit purchase of the necessary materials under the emergency A-1-a rating.

About 15,000 mines eligible

Around 15,000 mines of all kinds will be eligible for inclusion. Gold placer mines are excluded, but other placer, dredge or hydraulic mines producing products other than gold are included. Open pits and strip mines are included, and this will include producers of many building materials.

The order includes provisions to restrict inventories to proper levels. It also includes a provision saying that everyone affected by the order shall make every effort to conserve critical materials by conservation, simplification, standardization, or any other program developed by the Office of Production Management. The Director of Priorities may from time to time issue specific directions as to conservation and standardization practices. The Provisions of Preference Rating Order P-22 (the general repairs order for essential industries) are revoked insofar as they relate to mines.

(Note.—In an order filed in the "Federal Register" it was stated that a rating of A-3 could be used for repair and maintenance orders by the mines. This is incorrect. The proper rating is A-8 and an order so stating will be issued shortly.)

Repair plan interpreted

An interpretation of the repair plan for essential industries announced on September 9 was issued September 15 by Priorities Director Nelson.

The interpretation applies in the case of an organization which has two or more plants, not all of which fall within the classification of essential industries which may use the repair plan.

In such a case, the interpretation says, the special preference rating may be used to get repair materials only in those plants which fall within the classifications set forth in the original order.
CIVILIAN SUPPLY . . .

December passenger autos cut 48.4 percent below same month of 1940

December production of passenger automobiles will be curtailed 48.4 percent below last December’s output to conserve scarce materials for national defense, the Office of Production Management announced September 15.

The announcement was made at a meeting of the automotive defense industry advisory committee and labor representatives with Leon Henderson, Director of OPM’s Civilian Supply Division, and officials of other interested Government agencies.

Manufacturers will be allowed to produce 204,848 passenger cars during December, compared with 396,823 during December last year.

Taken together with a 26.5 percent curtailment ordered previously for August, September, October, and November, this means an over-all curtailment of 52.2 percent during the first 5 months of the model year that began August 1. Production for the 5-month period will be 1,023,217 cars, compared with 1,510,167 during the same time last year.

51.5 percent cut for large companies

The December curtailment will average 51.5 percent for the larger companies—General Motors, Chrysler, and Ford—while only 15.3 percent for the other companies—Studebaker, Hudson, Nash, Packard, Willys-Overland, and Crosley. The small average percentage of reduction for the other companies is due to the fact that Crosley is being allowed to assemble a considerable number of cars for which parts have long been fabricated and to the further fact that Hudson and Willys-Overland had unusually low production in December last year.

The increased curtailment for the industry as a whole during December is timed to coincide with increased need for automobile workers in aircraft engine and other defense plants. Representatives of labor, management, the OPM, the armed services and local officials are working together to transfer displaced workers to defense jobs in a swift and orderly manner, to protect their seniority rights, to give preference in hiring to those displaced, and to give special consideration in the placing of defense contracts to communities threatened with severe dislocations.

As part of this effort, a meeting was held September 15 in Kenosha, Wis., designed to provide defense work for displaced workers and to arrange for their registration, retraining and reemployment.

PASSENGER CAR QUOTAS

December 1941 as compared with production in December 1940 (for nonmilitary use)

<table>
<thead>
<tr>
<th>Company</th>
<th>1940</th>
<th>1941</th>
<th>Percent</th>
</tr>
</thead>
<tbody>
<tr>
<td>Chrysler</td>
<td>50.1</td>
<td>26.5</td>
<td>14.6</td>
</tr>
<tr>
<td>Dodge</td>
<td>52.3</td>
<td>26.5</td>
<td>14.6</td>
</tr>
<tr>
<td>DeSoto</td>
<td>52.3</td>
<td>26.5</td>
<td>14.6</td>
</tr>
<tr>
<td>Ford</td>
<td>52.3</td>
<td>26.5</td>
<td>14.6</td>
</tr>
<tr>
<td>General Motors</td>
<td>52.3</td>
<td>26.5</td>
<td>14.6</td>
</tr>
<tr>
<td>Hudson</td>
<td>52.3</td>
<td>26.5</td>
<td>14.6</td>
</tr>
<tr>
<td>Packard</td>
<td>52.3</td>
<td>26.5</td>
<td>14.6</td>
</tr>
<tr>
<td>Willys-Overland</td>
<td>52.3</td>
<td>26.5</td>
<td>14.6</td>
</tr>
<tr>
<td>Cadillac</td>
<td>52.3</td>
<td>26.5</td>
<td>14.6</td>
</tr>
<tr>
<td>Total, General Motors</td>
<td>52.3</td>
<td>26.5</td>
<td>14.6</td>
</tr>
<tr>
<td>Chrysler Corporation</td>
<td>52.3</td>
<td>26.5</td>
<td>14.6</td>
</tr>
</tbody>
</table>

The possibility of placing additional defense work in Flint, Mich., and other automobile centers is also being investigated thoroughly.

Announcement was made at the meeting with the automotive industry committee that production of light trucks (those less than 11/2 tons) for nonmilitary purposes would be curtailed 9 percent during the 4-month period of August, September, October, and November. This means that approximately 87,060 light trucks may be produced for civilian use during the 4 months, compared with about 96,000 during the same period last year. Exact quotas by companies have not yet been worked out.

If OPM allows this light truck production rate to continue for the full model year, a question to be decided subsequently, on the basis of the material situation then prevailing, the yearly production for civilian purposes will amount to 281,000, compared with 370,000 in the last model year, or a reduction of 30 percent.

Much of the facilities released by the light truck curtailment may be shifted to production of light military vehicles.

Priorities action

Donald M. Nelson, Director of the Priorities Division, issued September 15 a General Limitation Order putting the light truck curtailment into effect. At the same time he issued another General Limitation Order giving legal effect to the passenger car curtailment announced on August 21 for the months of August, September, October, and November.

Total production of light, medium and heavy trucks during the current model year is expected to be substantially in excess of last year, due to vital transportation and military needs.

Manufacturers of heavy motor trucks, medium trucks, truck trailers, certain passenger carriers, and replacement parts for the vehicles have been granted a preference rating of A-3 to help them obtain materials.

The committee was told also that the Priorities Division is preparing a preference rating order to aid manufacturers in obtaining materials for replacement parts for passenger cars and light trucks.

Materials for trim to be limited

Officials informed the committee that passenger car manufacturers would be requested shortly to discontinue the use of critical materials in nonfunctional...
parts, such as trim, by a date to be designated later.

The priorities assistance to be given manufacturers of replacement parts for passenger cars and light trucks will not only help to maintain essential transportation service but will assist the automobile dealers, enabling them to increase operations of their service departments.

Almost 2,000,000 of the 4,500,000 trucks now on the highways are in the light truck class. Farmers, who own the largest number of those vehicles, use them to haul livestock, vegetables, poultry and dairy products to market. Public utility companies rely almost exclusively on light trucks to haul crews and equipment for the repair of power and telephone lines. Daily distribution of newspapers, groceries, bakery products, and department store goods within cities depends largely on light truck transport. Milk also is delivered by light trucks in most cities.

Quotas based on last 3 years

The passenger car allotments for December were determined and distributed among the parent companies on the basis of their production during the last three model years.

Although the August allotments totaled more than actual production during the same month last year, this will be offset by the allotments for September, October, and November and the curtailment for this 4-month period as a whole will amount to 26.5 percent as announced on August 21. The December quotas announced September 15 will bring the over-all curtailment for 5 months to 32.2 percent.

**Railroads' coal stock pile reaches 8,066,000 tons**

To lighten transportation demands for coal shipments during the fall and winter peak period, the Nation's railroads have built a stock pile of coal which on September 1 had reached 8,066,000 tons. OEM Transportation Commissioner Budd announced September 15.

On September 1 last year, the coal stock pile was 5,554,000 tons.

The Advisory Commission to the Council of National Defense urged in May that railroads build a stock pile of coal during the summer, on the recommendation of Commissioner Budd.

Anthracite men to consult OPA on any rise over September 15 price; ceiling revoked

Leading Pennsylvania anthracite producers at a conference September 17 with OPA Administrator Henderson, agreed not to take any further action relative to price advances following that of September 15, without prior consultation and approval of OPA. After the meeting, Mr. Henderson announced the revocation of emergency price schedule 27, fixing the prices of anthracite coal at levels prevailing on August 15. This action was taken following the submission of full and comprehensive data supporting the price advance.

The emergency ceiling was imposed on September 12, when members of the industry failed to supply information for individual companies supporting the proposed September 15 increase.

**Henderson issues warning**

Leading anthracite producers had increased prices on September 15, the effective date of the ceiling, in violation of the price schedule. Mr. Henderson stated that he had made clear to the members of the industry that such action represented a wholly unjustifiable act of defiance and one that would not be tolerated in the future.

"I cannot condemn such arbitrary action too strongly," Mr. Henderson stated. "If followed by other industries it would threaten the whole basic structure of price stabilization."

**Effort to cooperate promised**

The mine operators present at the meeting stated that in the future they would make every effort to cooperate with the Office of Price Administration. Attending the meeting were:


**Mrs. Evans to head Consumer Relations**

Appointment of Mrs. May Thompson Evans as chief of the Consumer Relations section, Consumer Division, Office of Price Administration was announced September 18 by Miss Harriet Elliott, Associate Administrator of OPA.

Mrs. Evans will direct the work of the consumer relations staff in securing consumer cooperation in the total defense effort, interpreting the OPA program to the consuming public, assisting adjustments in daily buying and living habits made necessary by the defense program, and in securing direct knowledge of consumer problems and reactions as a basis for Government policy and action.

**18 named to waste materials dealers' advisory committee**

Appointment of 18 men to the waste materials dealers defense industry advisory committee was announced September 17 by the Bureau of Clearance of Defense Industry Advisory Committees.

Members were selected by Paul C. Cabot, Government presiding officer of the committee, after a meeting with members of the industry on September 3.

The committee is as follows:


Ceiling set on 12 classes of ethyl alcohol in lots of 500 gallons or more

Maximum prices approximating the levels that have generally prevailed during the third quarter of the current year are imposed on 12 leading classifications of ethyl alcohol, an indispensable raw material to the defense program and civilian industry, in a schedule announced September 17 by OPA Administrator Henderson.

A top price of 24½ cents a gallon "at works" is set for "Specially Denatured 29," the basic formula among the 13 classifications covered, in tank car lots in Eastern territory. Differentials are established for the 11 other formulae.

In the past 12 months the tank car price of ethyl alcohol "SD2B" has risen from 20½ cents to 24½ cents a gallon and is threatening to increase still further. On August 30, Mr. Henderson requested the trade not to increase the prices of industrial solvents, including ethyl alcohol, above the level of July 29, 1941, without prior consultation with his office.

Majority complied with request

The majority of producers and dealers adhered to this request, but, unfortunately, a number of small transactions took place at considerably higher prices.

One of the largest producers quoted a price of 49 cents a gallon for the "SD2B" formula in connection with a proposed defense order, while another manufacturer added 5 cents a gallon to his price for the same type.

Supplies of ethyl alcohol are not sufficient to satisfy demands of the defense program and civilian industry. Further price increases under these circumstances can only be inflationary in character, OPA held.

A conference was held with members of the industry on September 12, 1941, at which OPA was assured that the 24½-cent per gallon price on the "SD2B" formula was the list price quoted by the great majority of producers during the third quarter and one which they planned to continue through the final quarter of 1941.

Enters into scores of defense products

Ethyl alcohol enters into scores of products now being made under the defense program, including such vital materials as smokeless powder, cordite, anti-freeze, and drugs. There is scarcely any branch of civilian industry which does not use ethyl alcohol, directly or indirectly, in the manufacture of innumerable articles of commerce.

"Completely denatured" alcohol, of which three formulae and one proprietary type are covered by the schedule, is ethyl alcohol fully denatured for general use and is sold mainly for anti-freeze purposes.

"Specially denatured" alcohol is ethyl alcohol suitably denatured for use as a raw material for chemical and other manufacturing operations.

Applies to lots of 500 gallons or more

Most of the ethyl alcohol used by industry is manufactured by the fermentation of blackstrap molasses, a byproduct of cane sugar mill operations. Grain is another source of ethyl alcohol, while large supplies also are obtained synthetically from gases produced in the "cracking" of petroleum.

The ceiling prices apply only to transactions in quantities of 500 gallons or more, and manufacturers are required to file monthly with OPA sworn statements that all such sales during the preceding calendar month were made in compliance with the schedule. Maximum prices are computed on the basis of the "SD2B" formula, and premiums are stipulated for smaller quantities. The addition of 4 cents a gallon is permitted in computing prices in Pacific territory.

OPA to watch small sales

While the price schedule does not extend to quantities of less than 500 gallons and does not formally apply to jobbers, dealers, and other middlemen, Mr. Henderson stated, OPA will keep a careful watch over all such transactions. Producers and sellers are requested not to alter or amend to the disadvantage of their customers any of the prices, discounts, terms of trade, etc., which prevailed during the third quarter of 1941.

Buyers are urged to report to OPA any substantially unfavorable revisions that producers or sellers attempt to impose as compared with the prices, terms, and conditions laid down in price lists in effect during the third quarter of the current year.

Pennsylvania crude prices to be discussed September 24

Pennsylvania grade crude oil production costs and prices will be discussed at a meeting to be held in Washington September 24, OPA Administrator Henderson announced September 18.

A schedule of maximum prices for Pennsylvania grade crude has been in effect since August 23.

The meeting, which will be in room 332, Federal Trade Commission Building, Constitution Avenue at Sixth Street NW., will be open to producers, sellers, and refiners of Pennsylvania grade crude oil and any other members of the oil trade who may be interested.

Mr. Henderson pointed out that at the time the Pennsylvania grade crude price ceiling was issued, he announced the producers would be given every opportunity to demonstrate to his office "that higher prices are justified in the public interest."

"I had hoped that precise cost data pertinent to this question would be submitted in advance of any meeting with members of the industry to permit study and analysis by my staff," the Administrator added. "Very little material has been received to date. I should like to see a substantial amount of additional information come in before the date set for the meeting."

"Obviously, any further action on Pennsylvania grade crude oil prices must be taken by OPA on the basis of adequate facts and figures submitted for proper analysis."

Mr. Weltner named assistant director of price division

Appointment of Philip Weltner, of Atlanta, Ga., as assistant director of the price division, OPA, was announced September 18 by Leon Henderson, OPA Administrator.

Mr. Weltner, consultant to the Tennessee Valley Authority on commercial utilization of research, will handle organizational problems of the price division, and will assume responsibility for directing its work in the lumber, building materials and other important fields.
**Liquidation permitted for preceiling sugar futures**

Permission to liquidate futures contracts was granted September 20 to persons who established their long or short positions prior to August 14, 1941, the date on which the raw sugar price schedule became effective, in a supplement to the schedule issued by OPA Administrator Henderson. This action also validates previous liquidations of such contracts.

One of the effects of this supplement will be to enable such holders of September futures contracts to make or take delivery of actual sugar without violating the schedule. The exception also applies to contracts for other delivery months entered into prior to August 14.

**Amendment simplifies filing of priorities forms on steel**

An amendment to General Preference Order M-21, making less burdensome the filing of forms by producers and purchasers of steel, has been announced by Priorities Director Nelson. The amendment makes some procedural changes.

One change permits the War and Navy Departments, and warehouses, to file reports of all orders in a single group classification placed during a single month on one PD-73, instead of filing a form at the time of placing each order. In each case, the forms must be filed with the producer on or before the fifth of the following month.

Another paragraph in the amendment provides that when steel is shipped by a producer direct to a customer of a warehouse, Form PD-73 is to be filed by the customer and not by the warehouse.

In the case of export sales, the amendment calls for the filing of Form PD-73 with the Iron and Steel Branch of the OPM, as well as with the producer. The two paragraphs dealing with export sales read as follows:

On all export sales as defined in group E of Form PD-73, Form PD-73 shall be filed not only with the producer but also with the Iron and Steel Branch, Office of Production Management.

On all export sales as defined in group E of Form PD-73 (except sales to purchasers in the Dominion of Canada) where orders are placed prior to December 1, 1941, Form PD-73 may be filed by the accredited agent or export division of the producer in the United States.

**Ceiling prices announced for waste paper east of Rockies, effective October 1**

Acting to stabilize a seriously disturbed price situation, Leon Henderson, administrator, OPA, on September 20 fixed maximum prices for all grades of waste paper sold in the area east of the Rocky Mountains.

The maximum prices, set forth in Price Schedule No. 50, become effective October 1, 1941, and were determined after an exhaustive investigation and after numerous conferences with representatives of all branches of the trade. They are in line with the prices prevailing on June 16, 1941.

The prices established in the schedule, Mr. Henderson emphasized, are the maximum prices that consuming mills can pay their shippers at point of shipment. Prices to be paid by wholesalers, brokers, and dealers should be below these maximum prices.

**Doesn’t apply west of Rockies**

Mr. Henderson explained that maximum prices are not being established in the area west of the Rocky Mountains because investigation has shown that at the present time no inflationary price rise is threatened in that area.

Since the effective date of the schedule is October 1, ample time is being given for the completion of existing contracts and the liquidation of inventory. For this reason, no provision was included to permit completion of contracts after October 1 at prices higher than those set forth in the schedule.

The defense effort has placed an increasing burden upon the country’s waste paper supply—a burden made greater because the war has shut off the channels of trade through which wood pulp was imported. Waste paper is a basic raw material in the manufacture of containers for many types of civilian goods and war materials.

It is anticipated that the supply situation will be relieved shortly by the national waste paper conservation program and by the usual seasonal pickup in collections during the fall months.

**Voluntary program frustrated**

For several months OPA has attempted, through individual voluntary price agreements, to prevent unwarranted price increases. These voluntary agreements will continue in force until the effective date of the schedule.

"The responsible dealers and mills have evidenced an admirable willingness to cooperate," Mr. Henderson said.

"This patriotic segment of the industry, however, has been unable to keep prices within those established by the agreements because of the large numbers of operators who have put high prices before national welfare, and have therefore attempted in every way and by every subterfuge to circumvent the price agreements."

The maximum prices per short ton established for all grades of waste paper f. o. b. point of shipment to mills, whether loaded on car, truck, or other means of conveyance, are as follows:

<table>
<thead>
<tr>
<th>Product Description</th>
<th>Price (cents per short ton)</th>
</tr>
</thead>
<tbody>
<tr>
<td>No. 1 mixed paper</td>
<td>10.00</td>
</tr>
<tr>
<td>Super-mixed paper</td>
<td>18.00</td>
</tr>
<tr>
<td>No. 1 baled news</td>
<td>15.00</td>
</tr>
<tr>
<td>Overseas news</td>
<td>17.00</td>
</tr>
<tr>
<td>Old corrugated containers</td>
<td>10.00</td>
</tr>
<tr>
<td>New corrugated cuttings</td>
<td>20.00</td>
</tr>
<tr>
<td>Box board cuttings</td>
<td>14.50</td>
</tr>
<tr>
<td>White blank news</td>
<td>33.00</td>
</tr>
<tr>
<td>News manila</td>
<td>37.00</td>
</tr>
<tr>
<td>New Manila envelope cuttings</td>
<td>54.00</td>
</tr>
<tr>
<td>No. 1 hard white shavings</td>
<td>50.00</td>
</tr>
<tr>
<td>Hard white envelope cuttings</td>
<td>60.00</td>
</tr>
<tr>
<td>No. 1 soft white shavings</td>
<td>43.00</td>
</tr>
<tr>
<td>Fly leaf shavings</td>
<td>23.50</td>
</tr>
<tr>
<td>No. 1 heavy books and magazines</td>
<td>51.50</td>
</tr>
<tr>
<td>Mixed books</td>
<td>30.50</td>
</tr>
<tr>
<td>Overseas magazines</td>
<td>33.50</td>
</tr>
<tr>
<td>No. 1 mixed or colored ledger</td>
<td>38.50</td>
</tr>
<tr>
<td>No. 1 white ledger</td>
<td>42.50</td>
</tr>
<tr>
<td>No. 1 assorted Kraft (old Kraft)</td>
<td>30.00</td>
</tr>
<tr>
<td>New 100 percent Kraft cuttings</td>
<td>42.00</td>
</tr>
<tr>
<td>New 100 percent Kraft corrugated cuttings</td>
<td>49.00</td>
</tr>
</tbody>
</table>

The highest qualities of the above-listed grades are defined in the schedule.

**No service charges permitted**

The maximum prices take into account the bailing and other costs borne by the waste paper producer, and no differentials or service charges may be added. Lower prices than those set forth in the schedule may be charged, demanded, paid or offered.

While the schedule purports to cover all grades of waste paper sold east of the Rocky Mountains, Mr. Henderson explained that in the event any claim is made that a grade has been omitted, OPA would accept an affidavit setting forth all relative data concerning the alleged omission from the person or persons making such a claim. The omission, if any, would be corrected if investigation showed that such action was justified.

**BOND SALE INCREASES**

Sale of $4,453,748 in Defense Savings Stamps during August showed an increase of 30 percent over sales for July, the Treasury Department has announced.
Byproduct foundry and furnace coke put under ceiling near present levels

Prices for byproduct foundry coke and byproduct furnace coke, important elements of cost in the manufacture of iron and steel products, are frozen at approximately current levels in Price Schedule No. 29 announced September 19 by OPA Administrator Henderson.

The new schedule will go into effect as of October 1, 1941.

Pig iron, iron and steel scrap, and semifinished and finished iron and steel products already are covered by ceilings and the latest move is considered essential to continued stability of the iron and steel price structure.

Only byproduct foundry and furnace coke are covered by the present schedule. However, Mr. Henderson said, prompt action will be taken to establish ceiling prices for beehive, domestic or other kinds of coke, when and if it becomes necessary.

Beehive coke under study

Beehive coke, in particular, is the subject of study by OPA to determine the relationship between price and available supply. Cost changes in the industry and demand for beehive coke over the remainder of 1941 are among the principal points being looked into.

Prices of byproduct furnace coke and byproduct foundry coke are now from $1 to $1.25 a ton above levels prevailing a year ago.

Establishment of ceiling prices on byproduct furnace coke and byproduct foundry coke follows extensive consultation with members of the industry. The existing price structure, which, in effect, is maintained in the OPA schedule, was stated by the producers to be satisfactory and many of their suggestions as to regional differentials and trade practices have been followed.

Byproduct foundry coke is a large size, high quality coke that is used by foundries in the production of iron and steel castings. It is made from bituminous coal by merchant ovens and by public utilities.

Byproduct furnace coke is used in blast furnaces which make pig iron out of iron ore and limestone. Like foundry coke, it is made by steel companies, merchant ovens, and by public utilities. At present, few producers are selling byproduct furnace coke on the open market.

Domestic coke and water gas coke are not metallurgical types and have no important bearing on the price structure of the iron and steel industry.

Maximum prices for byproduct foundry coke, F. O. B. oven in cars, range from $8.50 to $12.25 per net ton of 2,000 pounds, depending upon the location of the oven plant. However, the complexity of the prevailing price structure is recognized by several exceptions to the general provisions.

In order not to disturb, for the time being, existing relationships between coke producers and foundries using particular grades of coke, the schedule allows prices above the ceiling to be charged under certain conditions. To qualify under this exception the seller (1) must have received from such a foundry a price in excess of the ceiling price during the 6 months ending September 15, 1941, and (2) must file with OPA on or before September 27, 1941, a list of the foundries to which the exception applies, together with the prices at which past sales were made.

There is considerable doubt as to whether it is desirable to continue this provision as a permanent part of the schedule. The entire matter will be studied by OPA as soon as detailed information on existing relationships of this type has been accumulated.

Some exceptions made

Any producer or buyer of foundry coke in a position to establish that the exception is causing undue hardship may apply to OPA for relief under Section 194.6 of the schedule, which provides that "persons complaining of hardship or inequity in the operation of this schedule may apply to the Office of Price Administration for approval of any modification thereof or exception therefrom."

The maximum price, F. O. B. oven, on byproduct furnace coke, according to the schedule, shall be 70 cents per net ton above the weighted average price, F. O. B. oven, at which deliveries were made during the first quarter of 1941. The weighted average price means the average of the prices for which byproduct furnace coke was sold during the first 3 months of 1941, weighted by the tons sold at each price. Producers and sellers of byproduct furnace coke are required to file with OPA on or before September 27, 1941, their prices and quantities sold during the first quarter of 1941.

Above-ceiling copper scrap contracts made before August 19 may be filled conditionally

Contracts entered into prior to August 19, the effective date of the copper scrap schedule, calling for delivery of scrap acquired at prices in excess of the maximums, may be completed at higher than ceiling prices without awaiting receipt of formal permission from the Office of Price Administration, Leon Henderson, administrator, announced September 19.

However, the administrator cautioned, sellers must make application for formal permission and should the necessary permission be finally denied, must refund to the buyer any amounts received over and above the maximum price for the type of scrap involved.

Bears should inform OPA

Buyers who accept delivery under these conditions should notify OPA of the names and addresses of their sellers and of the grades and quantities of each grade of scrap delivered, together with the prices paid.

This new procedure is considered necessary to facilitate an uninterrupted flow of copper scrap to smelters. Smelters have called the attention of OPA to the fact that dealers who had accumulated inventories at higher than ceiling prices before the schedule became effective have been reluctant to make deliveries of this scrap without having obtained specific permission of OPA to settle at contract prices above the maximums. Since the formalities of application necessarily consume some time, the flow of scrap has been interrupted.

No change in basic policy

Mr. Henderson pointed out that this procedure is of an emergency character, extending only to copper scrap, and does not represent any change in basic policy.

Trade reports to the effect that wholesale exceptions have been granted from the copper scrap ceiling prices are incorrect, the administrator said, and he emphasized that the schedule remains in full force and effect.

Much of the delay in the issuance of permits, the administrator stated, has been occasioned by failure of some applicants to follow the printed instructions. As a result, numerous permits have had to be returned for additional information. Applicants are requested to exercise reasonable care in this connection to the end that action by OPA may be expedited.
New formula adjusts grey goods ceilings to market price of “spot” raw cotton

Ceiling prices that will be automatically adjusted in direct relationship to the market price of “spot” raw cotton will be established for the types of cotton grey goods now covered by Price Schedule No. 11 under a new formula announced September 19 by OPA Administrator Henderson.

Discussions will be held with representatives of the combed and carded cotton yarn trade in the immediate future with a view to similarly tying in yarn prices with the price of cotton.

The grey goods formula was developed by OPA after lengthy consultation with a cotton subcommittee of the Cotton Textile Advisory Panel, representing all branches of the grey goods trade. It received the unanimous endorsement of the panel at a meeting September 18 and will be applied to all constructions of grey goods now included in the schedule as soon as an appropriate amendment can be drafted and issued.

Until a revised schedule is issued, however, present ceiling prices for grey goods will remain in full force and effect.

As applied to standard print cloth, the type of cotton goods used as a base in the present grey goods schedule, the new formula provides for a change of ½ cent, upward or downward, in the ceiling price for every change of 43 cents in the price of “spot” raw cotton on 10 spot markets as reported by the Department of Agriculture.

The starting base will be 43 cents a pound for standard print cloth and 15.99 cents a pound for cotton. On the basis of current market prices for cotton, this would mean a maximum price of 44½ cents a pound for print cloth.

Decision to tie the prices of yarns and grey goods to the price of cotton was reached by OPA after raw cotton prices had moved up 2 cents a pound from the levels that prevailed on July 19, 1941, when the ceiling price of print cloth was placed at 43 cents a pound. Faced with this substantial increase in raw material costs, the yarn and cloth manufacturers requested that OPA give consideration to further adjustments in the ceiling prices.

At a meeting of the Cotton Textile Advisory Panel on September 9, OPA requested that a cotton subcommittee be designated by members of the panel to

Slight rise in rayon yarn doesn’t justify change in grey goods ceiling, OPA holds

Increases averaging somewhat less than 4 percent in the prices of rayon yarn announced by a leading producer were made with full knowledge of the Office of Price Administration, Administrator Henderson stated September 17.

OPA had previously entered objections to somewhat larger advances proposed by certain branches of the trade. The present raises are not large enough to justify any upward revision of the recently established rayon grey goods ceilings, OPA said, since that schedule made allowance for moderate increases in costs. Rayon yarn prices, on the other hand, have not changed importantly over the past 2 years, although costs of the producers have risen during this period.

"The near-capacity level of operations enjoyed for many months by yarn mills, together with the current price increase, is expected to enable producers to continue to supply the requirements of the weaving and hosiery trades without any further advances in the price of yarns. Should prices rise further, we are prepared to take immediate action," Mr. Henderson stated.

The administrator disclosed that consideration is being given to relaxing the requirement in the rayon grey goods schedule that sellers include in sales contracts full details of construction of the fabrics. Complaints have been received from the trade that this requirement works hardship in the case of style innovators.

Attention was called to a statement made by Mr. Henderson at the time the grey goods price schedule was issued in which he said it was expected that the prices of various constructions not covered by ceiling prices would fall into line with the goods included in the schedule. OPA is watching both the grey goods and finished goods markets closely, the administrator said, in order that prompt action may be taken if it becomes necessary.

Additional types to be added

Among the new constructions which it is planned to add to the schedule as soon as the various price differentials can be worked out are: chambrays, covertts, denim, poplins, piques, drills, twills, jeans, and additional constructions of carded broadcloth. The print cloth group will be reclassified to give more detail.

These additional types of goods were selected with the advice of the subcommittees of the Cotton Textile Advisory Panel. Upon their inclusion in the schedule, it is estimated that over 60 percent of the cotton textile industry’s entire range of fabrics will be covered by ceiling prices.

Provision will be contained in the enlarged schedule to allow for the extra costs involved in production of so-called "specification" goods, i.e., fabrics made to order to suit the special requirements of certain customers.
Consumers need more data on merchandise for intelligent buying, panels decide

Plans for helping consumers in their buying problems in the current national emergency by providing more adequate information about merchandise were discussed by the advisory panel on consumer goods distribution and use at a meeting held September 18 in the Consumer Division of the Office of Price Administration and Civilian Supply.

It was the recommendation of the panel that action be taken to bring more data to consumers about contents of merchandise and its use and care as rapidly as possible in order that buying might be done more intelligently and strategic materials conserved. This would be done by more and better labeling.

Subcommittees to plan program

In addition to this type of information, it was agreed that consumers should also be provided with data on quality deterioration, where this has taken place. Subcommittees have been appointed which will plan for a program of action to be taken up at the next meeting of the panel. In the development of this program it was agreed that the close cooperation of consumers, retailers, manufacturers and the Consumer Division of OPA is necessary.

The governmental and institutional purchasing agents' panel discussed ways and means by which purchasing in these organizations could be put on a more scientific basis. Wider dissemination of available information which is obtainable both from Government and from associations in the field was planned. A small committee was set up to develop this distribution of data.

The standards advisory panel discussed three household appliances—the mechanical refrigerator, the washing machine, and the electric iron. A report was received from the committee of the American Standards Association, which is working on a project of simplification at the request of the Consumer Division in order that strategic materials may be conserved. Only general phases of the subject were discussed at the panel meeting. Final recommendations will wait upon the report of the committee of the American Standards Association.

The three panels are expected to meet again on the third Friday of next month.

Retail anthracite prices should stay at about September 15 level, OPA believes

The Office of Price Administration has, pending further study of the anthracite situation, decided not to stand in the way of increases in mine prices through September 15 which the industry contends are necessary to cover the operators' higher wage and supply costs.

Prices at the mine have been advanced 50c per ton over those prevailing last winter on the large sizes of coal, and 25c per ton on buckwheat. A new wage agreement signed in May granted mine workers a 10 percent wage increase.

However, the Office of Price Administration is also concerned about retail price advances which have shown a tendency to outrun the prices at the mine.

Retailers in some areas have been taking more than their usual mark-up. In some cases, the increase of 54c per ton in the mine price has been used as an excuse for a $1.00 per ton increase in prices charged by retailers to their customers. Retailers' gross margins (the difference between the retail price and the mine price plus freight) have increased 20 percent since last September in some major anthracite consuming cities.

That retailers' labor and equipment costs may have increased somewhat over last year is acknowledged by OPA fuel authorities.

Anthracite mine operators have agreed not to make any advances in the mine prices above those effective on September 15 except after consultation with the Office of Price Administration. With the mine price stabilized, consumers have a right to expect retail prices to level out at about the September 15 level. Consumers faced with advancing retail quotations after that date are asked to report them to the Office of Price Administration.

Domestic hide prices corrected by new amendment

The Office of Price Administration acted September 18 to correct an error in an amendment issued September 13, 1941, establishing price differentials for all grades and classifications of domestic hides under Price Schedule No. 9, Hides, Kips, and Calfskins.

As issued, the maximum price schedule for hides other than packer classifications sold on an unselected basis listed maximum prices of 14½ cents for trimmed and 14 cents for untrimmed hides from branded steers and cows. An amendment, effective September 18, corrects these prices to 14 cents and 13½ cents, respectively.

The new amendment also establishes a maximum weight of 50 pounds for "country" kipskins—skins weighing more than calfskins but less than hides, and which are of irregular pattern or show pronounced inferiorities.

Consumers asked to resist antifreeze price increase

The practice of a large distributor of ethyl alcohol antifreeze in raising his retail price from $1.00 to $1.50 a gallon recently is nothing more nor less than profiteering, Office of Price Administration chemical authorities state. They urge motorists to refuse to pay the higher price.

OPA placed a ceiling on completely denatured ethyl alcohol last week, establishing a tank car price of 24¼c per gallon.

This raw material price does not justify a retail price increase. There have been no other antifreeze production cost increases that warrant this advance, OPA executives explain.

Suppliers of the branded products who raise their ethyl alcohol antifreeze prices 50c per gallon are simply taking advantage of the heavy demand on ethyl alcohol for defense purposes and capitalizing on their expectations of increased civilian purchasing power.

OPA chemical authorities are asking consumers to help them forestall inflationary price rises, by refusing to buy the anti-freeze at unreasonable prices. If, after shopping around at service stations, auto supply stores, or mail order houses, consumers are unable to secure supplies at a reasonable price, they are asked to report instances of profiteering to Leon Henderson, OPA administrator.
News for Retailers

Shoe Prices

In interpreting for shoe retailers the new amendment to the hide price schedule, OPA leather executives call attention to the fact that the amendment does not justify any change in the price of leather or leather products.

In the original schedule, effective June 16, 1941, a ceiling price of 15 cents per pound was fixed for domestic hides. Under the new amendment, differentials varying from ½ to 4½ cents per pound are graded downward from a top price of 15½ cents according to the grade of hides, kips, or calfskins.

The general level of prices during recent months is not being affected by the amendment, but differentials generally prevailing prior to the institution of the June ceiling are reestablished.

At the time the first hide schedule was instituted hide prices were undergoing an alarming advance in price. After the June ceiling was established 16 out of the 12 classifications of packers hides finally advanced to the ceiling price of 15 cents per pound and tanners were required to buy combination lots of different grades of hides whether they had a use for them or not. This tended to increase the costs of small specialty tanners particularly.

The cost of leather in a medium priced women's shoe represents approximately 37½ cents, and in a medium priced men's shoe 49 percent or more of the factory price. The inflationary movement in hide prices would have resulted, therefore, in substantial increases in the price of shoes, if the two hide schedules had not been issued.

Reports from the annual leather show held last week in New York indicate that there may be some advances in spring shoe prices, but OPA leather authorities consider increases due to leather costs to have been minimized.

In his recent speech before the National Shoe Retailers Association style conference at the Waldorf-Astoria, Merrill A. Watson, executive vice president of the Tanners' Council of America pointed out that production of shoes for the first 7 months of 1941 was 228,000,000 pairs, or 26 percent above the same period in 1940, but that sales data indicate that the total retail volume for the first 7 months this year was only 15 percent above 1940. Purchases for the Armed Services took only a very small percent-

age of the output. The increase in production substantially exceeded the actual absorption of shoes by consumers.

Mr. Watson cautioned retailers that holding more inventory might seem desirable at present, but the time invariably comes when stocks are a profound burden.

Latest statistics of the Department of Commerce indicate that the cost value of inventories held by 2,500 chain shoe stores (the only type of stores on which data are available) rose about 2 percent during July and was about 8 percent higher at the end of the month than the month-end total for July 1940.

In discussing the import situation, Mr. Watson said that hides and skins are available for the United States in the various world markets, to a greater extent probably, with one or two exceptions, than in normal periods. Totaling up accessible world resources, the Tanners' Council executive estimated a potential supply for the United States of 16,000,000 to 12,000,000 cattle hides, of 3,000,000 to 4,000,000 calf and kip skins, 30,000,000 to 50,000,000 sheepskins, and perhaps 50,000,000 goatskins. However, he pointed out that the potential availability of supplies centers largely on the problem of shipping.

Harold M. Fiorshelm, adviser on shoes and leather in the Division of Purchases of the Office of Production Management spoke at the retailers' meeting, saying that while controls and priorities have not involved shoes, in order to avoid complications of this type, "it is essential and necessary that full cooperation be given the government on a voluntary basis."

Offerings of leather by tanners exhibited less color variation than usual, indicating that spring shoes will appear in a narrower range of tones.

In addition, the women's style committee of the National Shoe Retailers Association recommended to the manufacturers at a meeting coincident to the leather show that styles be simplified in order to reduce the number of patterns and lasts required.

Such trends should be of particular value to retailers, since excessive style variations in shoes lead to heavy invento-

ry-to-sales ratios, a major problem of the shoe retailing business.

With the reduction in the variety of leather colors, there may very well be an increase in the hand-staining of shoes in shoe stores. This antiquing process offers a further advantage in that it tones down slight surface or grain aberrations that would discourage the use of otherwise good upper leather.

Another result of the effort to conserve leather is perhaps reflected in the promotion of the Norwegian mocassin style of shoe. This design permits the use of smaller pieces of leather than in ordinary types of shoes and leads to a saving in material.

Shirt Simplification

The first simplification of lines and products in the clothing field is expected as the result of a meeting of the National Association of Shirt and Pajama Manufacturers September 11.

A resolution urging the industry to work out a course of simplification for men's shirts and pajamas was unanimously adopted by the meeting, which was attended by 40 manufacturers from various sections of the United States.

The Consumer Division of OPA is participating in this latest move of the industry, and is expecting to make standardizing recommendations on a number of important factors, among which are variety of design, color, and fabrics; wrapping material and method of packaging, standardization of sizes and shrinkage factors; and accurate and informative labeling.

The simplification movement is receiving impetus from defense agencies which see in such a program a means of saving plant, labor, or materials for defense production, of expanding output of scarce civilian commodities to prevent inflationary price increases, or of avoiding quality deterioration of products with fixed ceiling prices that are experiencing rising material costs.

Concerted action by manufacturers to simplify their lines and products will not call forth antitrust prosecution as long as certain conditions are met, according to Assistant Attorney General Thurman Arnold.

In a letter to Under Secretary of Commerce Wayne C. Taylor recently, Mr. Arnold said:

"I understand from your plan of procedure that simplification and standardization proposals will originate with defense agencies, the Department of Commerce and industry, and that conferences will be held with representatives of specific industries and interested Government agencies to obtain advice and information on particular proposals.

"In my view, continued adherence to the specific purpose of simplification will not raise any questions under the Federal antitrust laws."
PURCHASES...

OPM moves to reduce number of specifications to get more steel from existing facilities

Increased production of steel from existing facilities during the national emergency by concentration on a minimum number of steel specifications, compositions, sizes and shapes is expected to result from a new project launched by the Office of Production Management.

At the request of OPM, three national organizations—the American Society for Testing Materials, Society of Automotive Engineers, and the American Iron and Steel Institute—will carry out the project with the collaboration of the War and Navy Departments, under the general supervision of OPM. An administrative committee to direct the work has been formed of representatives of these five bodies with advisers from other interested organizations, and is headed by C. L. Warwick, consultant in the Government Conservation Branch of the Purchases Division, OPM, and Secretary-Treasurer of the A. S. T. M.

To establish emergency specifications

The goal as defined by the administrative committee at its first meeting on September 12 is to establish, as promptly as possible, National Emergency Steel Specifications, which in effect involves the selection of the minimum number of steel specifications, compositions and sections necessary to meet the requirements of national defense, both direct and indirect.

It is believed that the productive capacity of the steel industry, and of the manufacturing industries using steel for defense equipment, can be materially increased within present facilities by concentration of production upon a reduced number of steels, particularly with respect to alloy steels. Consideration will necessarily be given to nondefense requirements for steel in establishing the list of National Emergency Steel Specifications.

For use in priorities

It is the intention of OPM, through its Iron and Steel Section, to use the list as an aid in administering steel priorities and allocations.

The administrative committee indicated that the purpose is not to write new specifications, but primarily to select from existing specifications the practical minimum, in order to get maximum production of planes, tanks, guns, ships, and all other defense equipment.

A classification of steel products has been made, and committees of technical representatives of both users and producers of steel are being organized to handle the work. The committees on carbon and alloy steels, plates, and aeronautic steels, will be the first to get under way. These committees will take full advantage of the extensive standardization which has already been accomplished in this field.

After review by the administrative committee, the recommendations of the technical committees will be referred to OPM.

The members of the administrative committee are as follows:

Chairman—C. L. Warwick, OPM consultant.


Representing the Society of Automotive Engineers—F. P. Gilligan, secretary-treasurer, Henry Southi Engineer Co.; alternate, J. B. Johnson, chief, Materials Section, Air Corps, U. S. A.

Representing the American Iron and Steel Institute—E. J. Whitman, chief metallurgist, Republic Steel Corporation; alternate, C. M. Parker, secretary, Committee on Manufacturing Problems, American Iron and Steel Institute.


Other alternates to be appointed.

Advisers are:


N. F. Herrmann, vice chairman, Federal Specifications Executive Committee, Procurement Division, Treasury Department.

J. W. McNair, engineer, American Standards Association.

M. LeRoy Whitney, executive consultant, Iron and Steel Section, OPM; alternate, G. B. Waterhouse, consultant, Iron and Steel Section, OPM.

C. E. Styrkyl, Standards Coordination Branch, Aircraft Section, OPM.

C. W. Stem, steel industrial specialist, Civilian Allocation Division, OPM.

E. J. Hengstenberg, consultant, Conservation and Substitution Section, OPM.

K. D. Williams, principal materials engineer, (metallurgical), Bureau of Ships, Navy Department.

$302,322,126 War Department contracts cleared September 11 through September 17

Defense contracts and letters of intent totaling $302,322,126 were awarded by the War Department and cleared by the Division of Purchases, Office of Production Management, during the period September 11 through September 17. This compares with a total of $428,835,709 for the previous week.

Contracts and letters of intent for construction amounted to $107,411,594; contracts for equipment and supplies to $198,826,073; contracts for ordnance to $10,293,959 and contracts for aircraft to $147,786,590.

A compilation of announcements for the week follows:

CONSTRUCTION

Mion Construction Co., Atlantic, Ga.; construction of Advanced Twin Engine Flying School at Columbus, Miss., airfield; $4,212,319. Frederick Stenke Corporation, New York City; channel dredging at Jersey City, N. J.; $794,050.

James I. Barnes, Los Angeles, Ind.; construction of office and repair shops and class rooms at Camp Lee, Va.; $255,137.

The Ceye Construction Co., Brooklyn, N. Y.; construction of four air corps hangars with boiler houses, at Presque Isle, Me.; $803,000.

Bill & Combs, San Antonio, Tex.; change order to original contract covering extension to depot supply building at Duluth Field, Tex.; $619,246.

The Weatherhead Co., Cleveland, Ohio; nonmechanical building, machinery and equipment; $1,018,200. (Defense Plant Corporation agreement of lease.)

Hollywood Carriage Co., Detroit, Mich.; additional building with necessary machinery and equipment for manufacture of aircraft carburetors; $601,415.

E. I. du Pont de Nemours & Co., Wilmington, Del.; construction and equipment of plant at Chouteau, Okla., and 1 year's production of smokeless powder and diphenylamine; $64,200,000.

General Motors Corporation (Hyatt Bearings Division), Harrison, N. J.; acquisition of additional machinery and equipment for existing plant to be used in manufacture of aircraft engine bearings; $627,000. (Defense Plant Corporation agreement of lease.)

ORDNANCE

Radiant Corporation, Cleveland, Ohio; nose bomb fuse; $1,610,590.

Rheem Manufacturing Co., New Orleans, La.; shells; $8,004,260.

Thibault & Wolfe Works, Thibodaux, La.; shells; $900,000.

Kilgoe Mfg. Co., International Place-Signal Division, Tipp City, Ohio; pyrotechnic pistols; $600,470.

General Motors Corporation (Hyatt Bearings Division), Harrison, N. J.; acquisition of additional machinery and equipment for existing plant to be used in manufacture of aircraft engine bearings; $627,000. (Defense Plant Corporation agreement of lease.)

(Continued on page 17)
Nine subcommittees named for industry committee on shoes, leather products

The Bureau of Clearance of Defense Industry Advisory Committees announced September 18 the appointment of nine subcommittees for the defense industry advisory committee on shoes, leather products, hides, skins and leather.

Members of the subcommittees were selected by Harold Florschum and Major J. W. Byron, Government Presiding Officer, from nominations made by members of the Steering Committee of the Defense Industry Advisory Committee at a meeting on August 22.

Shoe manufacturers subcommittee


Retailers subcommittee


Last manufacturers subcommittee

Harry Darragh, Vulcan Corporation, Portsmouth, Ohio; George Stevens, Lynn Last Co., Lynn, Mass.; Joseph W. Holmes, United Last Co., Boston, Mass.; and Chas. W. Marcilla, Western Last Co., St. Louis, Mo.

Upper leather subcommittee


Hides and skin subcommittee


Sole leather subcommittee


ORE MOVEMENT

Reports from the four principal ore-handling railroads for the week ended September 13 showed they loaded into boats at upper lake ports 2,467,298 tons of ore as compared to 2,246,548 tons loaded during the corresponding week in 1940. For the 1941 season of navigation to date these same railroads have loaded into boats a total of 54,109,417 tons as compared to 41,010,366 during the corresponding period of 1940, an increase of 13,099,051 tons.

Eggs produced at highest rate since 1930

Stimulated by the Department of Agriculture's food-for-defense program, egg production in this country during the first 8 months of 1941 was the largest since 1939, according to the Agricultural Marketing Service. Production in August, equivalent to nearly 8,500,000 cases, was the largest for the month since 1939.

The rate of egg production per layer during August reached a record high of 12.25 eggs.

Farm laying flocks during August were only 1 percent larger than last year and the 19-year average. However, the number of layers will gain from 3 to 10 percent during the next few months as the 9-percent larger crop of pullets enters the laying flocks.

Hatchery production of baby chicks during August set a new high record of 20,853,900 chicks for the month, an increase of 67 percent over production in August 1940 and 56 percent above the previous high in August 1939.
"Food is our fifth column," Wickard tells farmers in calling for production

Asserting that "this is our war," Secretary of Agriculture Wickard last week described food as a "whole arsenal of weapons in this struggle for human freedom.

Speaking at Salt Lake City, Utah, in the first of four regional meetings called to plan 1942 food production, Wickard called on American farmers to "carry through a huge production program in the months ahead to serve both the national welfare and their own interests."

"The agricultural production goals for 1942," Wickard said, "take into account the needs of the American people and the demands which probably will result from increased purchasing power. They make allowances for distribution to the underprivileged at home; for export through commercial channels; and they allow for the production we must have if we are to meet our commitments to the British.

Goals provide for reserves

"There is one more thing provided for in these goals which has not previously been included on such an extensive scale in national plans for agricultural production. Our production goals for 1942 include allowances for stock piles or reserves of food. We will translate the Ever-Normal Granary of food into an Ever-Normal Granary of food—food right there ready to eat."

"Why build these stock piles of food? Well, food is a whole arsenal of weapons in this struggle for human freedom. It is the driving force behind high production by munitions workers, and high performance and morale among soldiers and sailors. Food is even more than that to people who are being deliberately starved. To people in that desperate fix, food is as a child having eaten at the second meal, when all we want is food and to be satisfied."

"Food is our fifth column"

For all except the favored Nazi few and the fighting men and war industry workers, meat and milk and eggs and tomatoes and lard and cheese are dreadfully scarce even in Germany. These foods are practically unknown to the average family in the conquered countries that have been looted.

"What do you think is the effect upon these people looking across the channel from half-fed France or Holland and seeing the British still getting enough to eat? I think the effect is the equivalent of about 10 field armies. Food is our fifth column.

"They'll work and fight"

"When the conquered peoples see what America is supplying the British in the way of food, and know there's more where the British supplies came from, I think these people in the conquered countries may do more than hope for victory of the democracies; they'll work and fight for it.

"In the day of victory when the nations sit down at the peace table, our food stock piles ready to be drawn on by the famished people of the old world will give great force to our views. For they will show once and for all that democracy builds for the needs of common men. No better demonstration could be given than teamwork by American agriculture and American Government to build up food reserves while Hitler is doing his level best to destroy the possibility of Europe's producing enough meat or milk or eggs for years to come."

"As we go about our plans for putting more cows and pigs and hens to work making food out of our stored abundance, Hitler is killing off the herds and flocks of Europe. It will take years to build them back so they will supply the Old World again. In the meantime, we will be relied upon by scores of millions of human beings for adequate nourishment. Our national self-interest, and our humanitarian instincts challenge us to do this job and do it on a scale that will write history.

Farmers urged to limit requirements of machinery to "things absolutely needed"

American farmers this week were asked to prepare for possible shortages or substitutions in the farm machinery and equipment they are accustomed to buying. At the same time, they were urged to limit their requirements to "things absolutely needed" so the materials, particularly metals, can be used for arms to "destroy the menace of Hitlerism."

The message came from L. L. Needler, chief of the Farm Equipment and Supplies Division, Office of Agricultural Defense Relations, Department of Agriculture, in a radio talk on the National Farm and Home Hour.

"There simply is not enough of some of the needed materials to go around. We have the priority ratings, all right, but if the needed materials are not there, or if what is there is needed for strictly military purposes, we will not be able to get all we want. Some of you may remember as a child having eaten at the second table when the family had unexpected company. In this instance, Defense is the unexpected company, but we will agree, it must be first and fully served.

"We know that farmers will make every effort to do a good job with the machinery and supplies obtainable. We believe we will be able to provide for all needed repair and maintenance parts. We hope farmers will make every effort to limit their requirements of supplies and machinery to things absolutely needed. In this way they can make a vital contribution to our national effort to destroy the menace of Hitlerism."
TRANSPORTATION...

Budd outlines bus transport's place in defense, says service should be kept up

Speaking before the National Association of Motor Bus Operators in Chicago, September 18, OEM Transportation Commissioner Ralph Budd declared: "Bus transportation is one of the Nation's most useful arms of service for peace and for preparedness, and if that time should come it will be an equally useful arm in time of war. It deserves to be preserved in full vigor and enlarged capacity."

Further excerpts:
Early this year it became apparent that one of the real problems confronting you was that of obtaining repair parts to maintain existing buses, and material to build new buses with which to handle the growing business...

Requirements relatively small
My own position on the question of priorities for new buses and repair parts has been that the requirements are relatively so small, the necessity for getting new buses is so obvious, and the desirability of keeping the existing equipment in good running order is so self-evident, that there should be no restrictions on the number of buses that may be built; that the manufacturers should be permitted to use materials to fill orders for new buses, and, of course, to keep the old ones in good running repair.

For some time past I had assumed that the place of buses in the travel plans and travel habits of the Nation had become established and well understood, but the necessity for conservation of certain critical materials which has arisen in the last year has made it necessary to scrutinize and question the relative importance and essential character of many undertakings.

The very advanced design of modern buses through the use of aluminum focused attention upon them because of the need for that metal in airplanes. Even though bus operators and builders were quick to change their designs so that aluminum virtually was eliminated, the relative importance of building buses as compared with using the steel, rubber, and other scarce materials for various defense purposes has raised the question, "How necessary are buses anyway?"

Measured by the yardstick of patronage, intercity buses are certainly necessary. They will carry perhaps 450 million people this year. Nearly as many bus rides will be made by school children in noncommon carrier buses, and those in urban buses will exceed 4 billion. There is no question but the public finds the bus a useful and desirable means of travel. In number of riders, intercity bus travel alone now rivals the total by railway.

Much of the present bus travel is directly and indirectly due to the Nation's defense program. The building of new factories and the enlargement of old ones for defense manufacturing has created transportation problems and added traffic to existing transport agencies in many places all over the country. The handling of employees to and from these new and enlarged plants during construction, as well as after they are in operation, has been carried on by various means, including intercity buses, extension of urban transit, private automobiles, and some railway shuttle trains. Many training camps are served by intercity buses on the move and the movement of all classes to induction and reception centers is more and more by this mode of travel.

CARLOADINGS REACH NEW PEAK

Revenue freight carloadings during the week ended September 13 reached a new peak in the year with a total of 913,952 cars, an increase of 13.6 percent over the 804,265 cars loaded during the corresponding week in 1940. Increases were registered in all major commodities except livestock which showed a decrease of 16.3 percent. The details follow:

<table>
<thead>
<tr>
<th>CARLOADINGS—WEEK ENDED SEPTEMBER 13</th>
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<tr>
<td>Grain and grain products...</td>
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<tr>
<td>Live stock</td>
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<td>Coal</td>
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<td>Coke</td>
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<td>Forest products</td>
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<td>Ore</td>
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<td>Mercantile L. E.</td>
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<tr>
<td>Miscellaneous</td>
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<tr>
<td>Total</td>
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<tr>
<td>Cumulative 37 weeks</td>
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49,134 new freight cars put in service in first 8 months of 1941

Class 1 railroads on September 1, 1941, had 92,033 new freight cars on order, according to reports made to Ralph Budd, transportation commissioner, by the Association of American Railroads. On August 1, 1941, they had 88,416 on order, and on September 1, last year there were 18,456.

The new cars on order on September 1, this year included 59,490 box, 28,646 coal, 399 flat, 2,284 refrigerator, and 1,080 miscellaneous cars.

611 new locomotives on order

Class 1 railroads on September 1, this year also had 611 new locomotives on order, of which 217 were steam and 294 electric and Diesel. On August 1, 1941, there were 603 new locomotives on order, of which 300 were steam and 303 were electric and Diesel. New locomotives on order on September 1, last year, totaled 179 which included 114 steam and 65 electric and Diesel.

In the first 6 months of 1941, the railroads put in service 49,134 new freight cars compared with 44,761 in the same period last year.

Of the total number of new freight cars placed in operation in the first 8 months this year, there were 20,785 box, 20,359 coal, 1,458 flat, 1,218 refrigerator, 50 stock, and 264 miscellaneous cars.

In the first 8 months this year, the railroads also put in service 372 locomotives, of which 84 were steam and 288 electric and Diesel.

47,000,000 cu. ft. of public refrigerated space vacant

Figures released September 13, by the Agricultural Marketing Service of the Department of Agriculture show in 213 public refrigerated warehouses on September 1, 47,000,000 cubic feet of vacant space of which 36,000,000 cubic feet is cooler and 12,000,000 cubic feet is freezer space.

Comparisons in percent of occupancy follow:

<table>
<thead>
<tr>
<th>September 1941</th>
<th>January 1941</th>
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<tr>
<td>Cooler 59, freezer 72, combined 64; August 1941, cooler 58, freezer 75, combined 64; September 1940, cooler 56, freezer 70, combined 60; August 1940, cooler 65, freezer 60, combined 65.</td>
<td>Decrease.</td>
</tr>
</tbody>
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LABOR

Hillman states policies on auto labor for management and unions to follow

After a series of labor-management conferences in Detroit, Associate Director General Hillman, OPM, issued on September 17 six statements of policy which both management and labor will be expected to follow in handling labor problems arising from curtailment in passenger automobile production.

The statements of policy issued by Mr. Hillman follow:

On these formulations of policy and procedure, Statements 1 to 5 are to be considered as subject to the general provisions listed in Statement 6.

**STATEMENT NO. 1**

Where a man working on nondefense production is laid off and obtains defense employment with another company, and that fact is certified to his former company, he will not have to report back for civilian production work in order to protect his seniority so long as he retains the defense employment to which he was certified. If he shifts from one defense employment to another, there must be a recertification as to his new defense employment. Employers concerned with the application of this policy will work out arrangements which will result in the maximum possible acceleration of the defense program.

**STATEMENT NO. 2**

Transfer of employees to defense work shall be by seniority in the following order:

First, those fully qualified for skilled or semiskilled jobs on the basis of past experience and training.

Second, those who can qualify within the period normally given to new employees.

When management and representatives of the workers are agreed that no employees or an insufficient number of employees with seniority are available in the first group, new, fully qualified employees will be hired.

**STATEMENT NO. 3**

When hiring new employees for defense work, qualified applicants working on nondefense work with seniority in local industry will be hired before workers coming from other localities. When so hiring, the qualified applicant with the longest seniority record will receive preference.

The senior employees among those working in plants where employment is decreasing who can be spared; who elect to accept such defense employment; and who are found acceptable will be the first released with full protection of their seniority rights.

**STATEMENT NO. 4**

Skilled tradesmen laid off, partially employed, or employed at occupations other than their trade or its equivalent in defense usefulness, will be released upon their request, with protection of their seniority rights, for full time defense work (40 hours per week) at their trade. The need for these workers in defense employment will be certified to the worker's employer.

**STATEMENT NO. 5**

The above policies are to be construed as a pattern for industry and labor to follow and are not retroactive. It is understood that their application is a local community problem and must be worked out on the basis of cooperation between plants in a community and the workers involved.

The operating machinery to effect this point will be set up at an early date.

**STATEMENT NO. 6—General Provisions**

1. Recall of employees.—An employee loaned or laid off, whether unemployed or currently employed on defense or non-defense work, must report back for defense employment to the company with which he holds his original seniority, if and when called, on notice of at least one week. Recall of employees to defense work presupposes, and management will endeavor to provide, full time employment, contingent upon the availability of the essential tools, material and facilities. Skilled tradesmen will be subject to recall only for full time defense employment at their trades or the equivalent.

2. Defense training.—For the purpose of these policies, defense training is to be considered defense employment, provided there is an understanding between the employer and the employee that the employee is being trained for a specific payroll job.

Way prepared for rehiring 1,000 in Wilkes-Barre area

Associate Director General Hillman announced September 18 that as a result of a meeting between James Rossell, OPM labor relations assistant, and industrialists in Wilkes-Barre and Hazleton, Pa., at least 1,000 power machine operators could be employed in garment manufacturing plants in that area.

The meeting, which was attended by 31 employers, was called by Mr. Hillman to discuss methods by which the more than 2,000 workers displaced in Wilkes-Barre silk industries could be located in other jobs or retrained for new kinds of employment.

Mr. Rossell announced that he would recommend to Mr. Hillman that training programs, sponsored by the OPM Labor Division, be set up quickly to qualify the displaced silk workers and others for the power machine jobs.

The training programs will use existing training facilities and where necessary obtain machinery for the classes to be established.

Employers eager for workers

Some employers attending the Wilkes-Barre meeting said the shortage of power machine operators was acute and they would be more than eager to hire any displaced silk worker who has been qualified by training.

Mr. Rossell pointed out that under training programs already in operation, fully qualified and skilled power machine operators have been trained within several weeks in other kinds of garment manufacture and some workers have been taught necessary skills in as short a time as 3 days.

The employers were also urged to make a survey of present and anticipated labor needs and to make this information available to Mr. Hillman and the State Employment Service. Trade-union leaders, at a later session, were requested to make certain that all workers whose jobs are threatened are registered at the employment offices.

The employers agreed they would set aside age limits in considering the qualifications of displaced silk workers for power machine operating jobs.
Progress in dealing with the silk industry's priority unemployment situation in the Scranton, Pa., area was reported by Associate Director General Sidney Hillman September 17 as the result of a meeting of labor groups and employer representatives with OPM Labor Division officials.

James Rossell, assistant chief, Labor Relations Branch, informed Mr. Hillman that the meeting in Scranton September 17 brought commitments from 14 employers present to hire 335 power-sewing-machine operators as soon as they are available.

There is an immediate need for 550 power machine operators in the area, where between 1,500 and 2,000 silk workers have been displaced as a result of the stoppage of silk imports from Japan.

The meeting also developed the fact that 50 cigar workers were needed in the area, with an eventual need of 190, along with the need of training courses to prepare workers for this occupation.

Carl Holderman, director of the New Jersey Joint Board, Textile Workers of America, and an OPM Labor Division official, declared that the hiring of 550 power machine operators would necessarily involve the hiring of 200 additional workers—helpers and assistants—in the shops in which these people were placed.

Defense Housing Branch
established by Labor Division

Establishment of a Defense Housing Branch in the Labor Division of the Office of Production Management, and appointment of Joseph P. Tufts, Pittsburgh, as its chief, were announced September 19 by Associate Director General Hillman, OPM.

Mr. Tufts' duties will be to advise Mr. Hillman on needed housing for maintaining an adequate supply of labor in defense areas, and to provide Defense Housing Coordinator Charles F. Palmer and other defense housing agencies with information and advice necessary to development of the defense housing program.

Mr. Tufts will serve as a member of OPM's Housing Priorities Section and of the OPM Labor Supply Committee.

Theodore A. Veenstra, of Harrisburg, Pa., will assist Mr. Tufts as economic analyst.

President Roosevelt last week approved 14 new localities in which homes may be financed under the liberalized insurance provisions of Title VI of the National Housing Act, upon the recommendation of Defense Housing Coordinator Palmer.

The act permits 90-percent mortgage insurance to operative builders on multi-unit developments in localities "in which the President finds that an acute shortage of housing exists or impends which would impede national defense activities."

Title VI was designed to speed production of defense housing by private industry. This type of financing complements existing FHA facilities in the home-financing field.

The housing which is expected to be made available through this legislation is intended to alleviate shortages of housing in defense areas. Workers whose earnings amount to $1,800 to $3,000 annually can, economically, buy or rent the moderately priced homes built under this title.

In his letter to the President, Mr. Palmer recommended that this financing method should not be utilized in excess of defense housing needs as determined by the Division of Defense Housing Coordination.

Newly approved areas

The following are the newly approved areas and the defense activities most important in each:

Arkansas.—Fort Smith, Army camp.
Georgia.—Valdosta, Army air school.
Louisiana.—Baton Rouge, Army air field chemical plant; Minden-Shreveport, Air base ammunition plant.
Minnesota.—Minneapolis-St. Paul, Ordnance components.
Missouri.—Joplin-Neosho, Army camp.
Oklahoma.—Enid, flying school.
Pennsylvania.—York, Artillery components.
South Carolina.—Sumter, Air Corps flying school.
Tennessee.—Chattanooga-Cleveland, TNT plant.
Texas.—Cuero, contract flying school; Denison-Sherman, Air training school; Midland, Twin engine and bomber air school; Lubbock, Twin engine air training school.

948 homes for defense completed in week

Charles F. Palmer, Coordinator of Defense Housing, has announced that 948 new publicly financed homes for families of defense workers and enlisted personnel were completed during the week ending September 13, making a total of 34,778 now ready for occupancy.

With 3,175 homes going into construction during the week, the total of publicly financed homes now being built or completed reached 88,553.

Federal funds have already been allotted for 111,545 defense homes.

FHA-inspected privately financed homes for defense workers, started during the week, totaled 4,886. Since January 1941, 156,447 such homes have gone into construction.

The total number of dormitory units for occupancy by single defense workers has reached 4,991.

President finds need for 7,390 defense homes

President Roosevelt determined September 19 that a need exists for 7,390 homes for families of industrial defense workers and enlisted personnel in ten localities, upon the recommendation of Charles F. Palmer, Coordinator of Defense Housing.

In addition, the President approved provision of 2,850 dwelling units under the temporary shelter program of the Division of Defense Housing Coordination.

Localities and the number of units programmed for each are as follows:

Permanent.—Long Beach-San Pedro Harbor, Calif., 1,400; San Francisco, Calif., 40; Springfield, Mass., 300; Houston, Texas, 150; Morgantown, W. Va., 150; Buffalo, N. Y., 2,100; Seattle, Wash., 1,500; Quantico, Va., 250; New Haven, Conn., 300; and Philadelphia, Pa., 200.

Temporary shelter.—Vallejo, Calif., 500; Baltimore, Md., 1,500; Radford-Pulaski, Va., 700; Huntsville, Ala., 100.
**DEFENSE**

**MEDIATION BOARD...**

**Kansas City power employees return to work; truce reached in “captive” mine dispute**

The National Defense Mediation Board last week (September 15-21) worked out a formula for ending the Kansas City Power & Light Co. strike; obtained a truce under which 43,178 miners returned to work at “captive” mines in three States; opened hearings in four cases, of which two were of Nation-wide interest; received certification of two others, and extended the scope of its commission studying the Douglas fir industry.

**Bituminous coal—“captive” mines**

On Monday, September 15, 43,178 miners in Pennsylvania, West Virginia, and Kentucky went on strike for an unionization of the “captive” mines of the steel industry. Friday noon, the United Mine Workers of America, CIO, voted to call the strike, and the operators of the coal mines accepted a recommendation of the Mediation Board for a 30-day truce during which time they would attempt to work out a solution of the dispute before the Board. Mr. Lewis, UMW president, promised that production in the mines would be back to normal by Monday.

The Mediation Board took jurisdiction over the dispute under the broad terms of the bituminous coal certification of last April. It promptly sent telegrams Monday to both parties asking for immediate resumption of production. The following day, Mr. Lewis answered for the UMW that the union “will defer consideration of this subject until it can be discussed at the hearing.” William H. Davis, chairman of the Board and of the bituminous coal panel, told reporters that he did not consider this answer as a refusal but rather as a matter to be discussed at the hearing the following day.

Some 60 representatives of the operators and unions met for the first day of hearings Wednesday, at which time Mr. Lewis proposed a formula for a 30-day truce. Negotiations before a panel composed of Mr. Davis, Walter Teagle, representing employers, and Hugh Lyons, representing employees, resulted Friday noon in an agreement of the Board recommending containing the following four provisions:

1. That the United Mine Workers of America agree with the Board that it will recommend the return to work of the men now on strike in such mines for a period of thirty (30) days, and thereafter until the expiration of three (3) days notice in writing given by the parties on either side.

2. That both parties agree with the Board to accept for and period the provisions of the Appalachian Agreement.

3. That the United Mine Workers of America agree with the Board that during such period all actions of the Appalachian Agreement which require membership in the United Mine Workers of America as a condition of contract shall be inoperative.

4. That during such period the Board retains the controversy over employment, and will continue with the parties collective bargaining negotiations in an endeavor to arrive at a mutually satisfactory agreement.

The Carter Coal Co., a commercial coal company at which a strike was called at the same time as in the “captive” mines, accepted the recommendations with the proviso that four provisions of the Appalachian Agreement in addition to the union clause be inoperative during the truce period. The UMW agreed to make this recommendation, and hearings will be resumed Wednesday, September 24.

**Bituminous coal—Alabama**

The parties to the dispute between the Alabama commercial operators and the United Mine Workers carried on the negotiations during the part of the week and then adjourned for 3 days to give right of way to the Kansas City dispute. Negotiations were resumed Friday afternoon and continued Saturday and Sunday.

**Kansas City Power & Light Co.**

On September 15 a panel, composed of George Stocking for the public, Roland Hamilton for employers, and Herbert Woods for labor, opened hearings in the dispute between the Kansas City Power Co., Kansas City, Mo., and two unions—the International Brotherhood of Electrical Workers, AFL, and the Independent Union of Utility Employees. The AFL union was seeking recognition of the company for the employees of the company, which supplies electric power and light to the entire area, including several defense projects. The Independent Union has a contract with the company covering three departments of the company, which supplies electric power and light to the entire area, including several defense projects. The Independent Union has a contract with the company covering these three departments. A charge that this union has violated the Act was presented before the National Labor Relations Board which has instituted contempt proceedings against the company. A hearing is set for the Eighth Circuit Court of Appeals October 11. After 2 days of hearings, the Board recommended that the parties permit the issues to be resolved by these legal processes under the Wagner Act without cessation of operations.

Five hours after the Board made these recommendations, the men went on strike at the plant, plunging Kansas City into total darkness for 4 hours. The following morning, Board Chairman Davis publicly appealed to the men to return to work and called upon the officers of the AFL and the IBEW to exert all their influence to that end.

"The National Labor Relations Act," Mr. Davis said, "which has been described as the Magna Charta of trade unionism in the United States, gives to this union an orderly method of obtaining the recognition for which it is now striving—it is labor's own Act. In this emergency the universal and ungrudging acceptance of the letter and spirit of the Act by employers is a compelling obligation. It is an equally compelling obligation on the part of labor to seek and follow its legal remedy in preference to direct action in such cases as this. All the pressure of public opinion is called for to enforce these obligations."

Dr. Stocking, panel chairman, worked out a formula for ending the strike, which had the approval of Edward J. Brown, IBEW president; Governor, secretary-treasurer of the AFL, and H. A. Kuhn, company vice-president. Mr. Brown transmitted this proposal to the strikers Thursday afternoon and urged that they accept it and return to work. It was ratified at a union meeting early Friday morning.

The formula called for a return to work without discrimination and the appointment of a Board representative to investigate the controversy and make recommendations. Dr. John A. Lapp of Chicago was appointed to this task on Saturday.

**Curtiss-Wright Corporation & Duquesne Light Co.**

A jurisdictional dispute over the installation of electrical equipment at the $5,000,000 Curtiss-Wright Propeller Plant at Binghamton, N. Y., came before a panel of the board September 16. Members of the AFL Building and Construction Trades Council stopped work on construction of the plant September 10 in protest over employment of Duquesne Light Company employees, represented by the Independent Association of Employees of the Duquesne Light Company and Associated Companies, for this installation work. Hearings were held for 4 days prior to the adjournment of the hearing.

The Independent Union signed a statement withdrawing in the interest of national defense all claims to the Curtiss-Wright work. The offer by the Independent Union was made on the understanding that it will not be used as a precedent against it "in any current or future controversy." It was unanimously ratified Saturday night.

**Lamson & Sessions Co.**

Representatives of two plants of the Lamson & Sessions Co. of Cleveland, Ohio, and the United Automobile Workers of America, CIO, came in for hearings September 17 before Frank Graham, Roger Lapham, and Emil Riebe on their dispute over wages and a union shop. A threatened strike had been postponed at the request of the Board at the two plants, which make advertising specialties. Hearings were still going on at the close of the week, but many minor points of difference have been settled, clearing the way for the two main issues mentioned above.

A dispute over wages, shop clause and vacations brought in representatives of the Aluminum Co. of America, Vancouver, Wash., and the Aluminum Trades Council, AFL, on September 18. A threatened strike of 750 men had been proposed against the Board's request. After 2 days of hearings, both parties returned home awaited recommenda-

**Twin District Council**

The Board September 19 launched an investigation of the entire Douglas Fir industry in Washington and Oregon. The commission originally appointed by the Board to investigate a dispute in the Puget Sound area of Washington between the Twin District Council and the International Woodworkers of America, CIO, will enlarge the scope of its inquiry by including the rest of the industry. This decision was made because of the request by lumber and sawmill operators of the AFL and CIO unions in these two States that such an investigation be made in an attempt to draw a blueprint to stabilize the whole industry. Dexter M. Keezer, Wayne Morse, and Paul Elieci compose the commission.

**New cases**

The two cases certified to the National Defense Mediation Board last week were: Benix Aviation Corporation, CIO, in dispute with the United Automobile Workers of America, CIO, and the Bendix Machinists Co. of Terrington, Conn., also in dispute with the United Automobile Workers.
CIVILIAN DEFENSE . . .

Immediate air raid protection planning urged for plants; OCD issues guides

Immediate planning for protection against air raids was urged upon industrial plant managers and local defense authorities September 16 by Mayor F. H. LaGuardia, U. S. Director of Civilian Defense.

In a planning guide entitled "Protection of Industrial Plants and Public Buildings" the OCD warned the Nation that "even though the possibility of enemy air attack may be remote it is essential that protective organization be developed as at once to guard against the disruption of normal activities and the safety of the personnel in an emergency." The general plan outlined in the OCD guide provides for the security of every employee and for the maintenance of a high production rate.

Dispersion of operations urged

Recognizing that the effect of a bomb is local, the OCD urges that so far as is economically possible industrial operations should be dispersed and duplicated among many small plants or buildings. Similarly each plant should be prepared to protect itself, independent of outside assistance. Closest cooperation between plant managers and local governmental authorities and defense councils is urged.

The protective organization for each plant or public building as outlined in the planning guide consists of a plant defense coordinator and four heads of divisions. The divisions are fire, police, medical, and maintenance services. Provision is made in the office of the coordinator for communications with the civil air-raid warning system, control of transportation facilities and liaison with local governmental authorities. The coordinator has full responsibility for preparing plans, organizing and equipping squads and training personnel. During an emergency he has control of the dispatch of all squads with whom he remains in contact by telephone or through cyclists and runners.

Water supply should be studied

The OCD urges as first duties of the plant fire chief that he remove all rubbish from roof spaces, and study the adequacy of water supply. It is recommended that all men assigned to fire brigades should be taught the latest methods of fighting fires and dealing with incendiary bombs and that fire watcher squads should be organized. Rescue squads of specialists such as engineers, carpenters, bricklayers, and welders are urged. Their duties may be extended to include emergency handling of utility services. They must be able to work in silence with hand signals and must be trained in first aid.

Under the specifications set up in the planning guide, the plant police chief directs all police activities, the work of air-raid wardens and aircraft observers and training in gas defense. He also is in control of traffic and the handling of unexploded missiles. It is recommended that air-raid spotting be placed on top of a substantially constructed building in order to command an extensive view. Air-raid wardens are entrusted with the task of evacuating employees from plants to air-raid shelters and making certain that specified lights are extinguished during blackouts.

Medical services outlined

The OCD recommends that plant medical services be supervised by a physician who is qualified to handle poison-gas cases and that he be made responsible for the training of all employees in first aid. Provision also is made for the appointment of an engineering chief whose duty is to supervise protection of building equipment and supplies. The OCD urges immediate preparation of plans for air-raid shelters, blackouts, and camouflage. Technical pamphlets giving exact information on these subjects are being prepared.

What do soldiers read?—survey shows

What do soldiers read?

Mostly tabloids and comics, according to the findings of a recent survey summarized in the forthcoming issue of the Recreation Bulletin of the Office of Defense Health and Welfare Services. This investigation, made under the direction of Dr. Lyman Bryson of Columbia University, with the cooperation of the Army, brought to light facts regarding the reading habits of 100 men at Fort Dix—a cross section from all parts of the country and from varying economic and social backgrounds.

The most popular form of reading was comics, and more than 60 percent of the men questioned had shifted their newspaper reading toward tabloids. Magazine reading, with the exception of "picture papers," showed a slump.

A good many men, however, do enjoy more meaty reading. Of the books read, more than 70 percent were biographies, ranging from "Mein Kampf" to "How to Commit a Murder." Some of the most popular titles were "Out of the Night," "Musolin," and "Readers' Digest Reader." In fiction, "westerns" were far and away the most popular.

Pamphlet describes 15 defense service groups

The Office of Civilian Defense issued September 17 an illustrated pamphlet showing in colors the insignia of fifteen defense services with a description of the duties of each group.

"Every able-bodied citizen has a part in the defense of the United States," Mayor F. H. LaGuardia, Director of OCD, wrote in the foreword to the pamphlet. "Any attack upon this country must find each citizen assigned to his own place, trained in the duties involved, and resolute to carry out those duties regardless of the danger to be faced.

"For some enrolled services, long preparation and group training are required to assure effective group action. Persons assigned to work that involves cooperation with others must be identified by an easily recognized arm band or sleeve insignia.

"Groups and services for which special training is necessary are described briefly in this pamphlet. Members of these services will be enrolled and pledged to service by the local defense council and will perform their duties voluntarily, without pay."

The fifteen services described are: Air Raid Wardens, Auxiliary Police, Bomb Squads, Auxiliary Firemen, Fire Watchers, Medical Corps, Rescue Squads, Nurses' Aides Corps, Staff Corps, Messengers, Drivers' Corps, Emergency Food and Housing Corps, Decontamination Corps, Demolition and Clearance Crews, and Road Repair Crews.

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September 23, 1941

DEFENSE ★
Pool rayon released to former silk users unable to get fair share by other means

The Silk Substitution Section, OPM, announced September 15 plans for release of the pool of rayon yarn which has been built up to relieve "undue hardship" cases among manufacturers whose operations have been affected by the silk-freezing order.

This pool has been accumulating since August 4, shortly after the silk-freezing program went into effect. At that time, rayon manufacturers were instructed to set aside 10 percent of their production for former silk users. A portion of this 10 percent, amounting to 1 1/2 percent of total yarn production, was segregated to build up the pool for "undue hardship" cases.

For immediate use

Manufacturers who prove that they are entitled to relief from this source will now be able to get rayon yarn from this pool, the section announced. Every attempt will be made to spread the available amount among the greatest possible number of legitimate applicants. It was emphasized that manufacturers able to get their fair proportion of rayon through regular trade channels will not be allowed to share in the pool.

Detailed information required

Allocations to jobbers will be made only if definite proof is furnished that the yarn is for immediate delivery to knitters or weavers, thereby resulting in the immediate employment of workers. Aside from allocations to jobbers, no yarn allocated will be permitted to be resold in yarn form except on further specific authorization by the Division of Priorities, OPM.

Forms with which to apply for amounts from this pool of rayon yarn may be obtained on request from the Silk Substitution Section, OPM. These require detailed information as to the silk and rayon yarns consumed during each of the months from January 1941 through August 1941.

"Grade B" pig tin classified in amendment to tin schedule

Formal amendment to the tin price schedule classifying as "Grade B" pig tin which assays 99.80 percent pure, but contains impurities exceeding the tolerances permitted for Grade A tin, was promulgated September 20 by the Office of Price Administration.

The ceiling price for Grade A tin is 52 cents a pound, while Grade B sells at a discount of three-eights of a cent.

The definition of Grade A tin in the price schedule is "99.80 percent or higher percentage of purity, meeting the specifications set forth in 'Specifications and Proposals for Supplies, No. 8-14,' issued December 15, 1939, by the U. S. Treasury Department, Procurement Division, ..." Specifications of the Procurement Division set forth the percentages of lead, arsenic, and other impurities allowed in Grade A tin.

Sherwood named assistant OEM Liaison Officer; Dort heads Administrative Services

Wayne Coy, liaison officer for Emergency Management, announced last week that Sidney Sherwood, formerly Director of Central Administrative Services, has been appointed as Assistant Liaison Officer for Emergency Management.

Mr. Coy also announced that Dallas Dort has been appointed Director for Central Administrative Services for OEM. Mr. Dort was formerly Assistant Commissioner of the Work Projects Administration.

Albert J. Browning appointed special assistant to SPAB

Donald M. Nelson, Executive Director of the Supply Priorities and Allocations Board, announced September 18 the appointment of Albert J. Browning, of Chicago, as a special assistant to handle various problems in connection with the SPAB program.

Mr. Browning was deputy director of the Division of Purchases, Office of Production Management, from the time OPM was set up until last April. Previously he had served under Mr. Nelson in the National Defense Advisory Commission.

President of United Wall Paper Factories of Chicago, Mr. Browning left OPM last spring because of the pressure of his business. He is one of a number of men whom Mr. Nelson is "drafting" for service under SPAB.

OFFICE FOR EMERGENCY MANAGEMENT

WAYNE COY, Liaison Officer

CENTRAL ADMINISTRATIVE SERVICES: Dallas Dort, Director.
DEFENSE COMMUNICATIONS BOARD: James Lawrence Fly, Chairman.
DEFENSE HOUSING DIVISION: C. F. Palmer, Coordinator.
INFORMATION DIVISION: Robert W. Horton, Director.
NATIONAL DEFENSE MEDICATION BOARD: Wm. H. Dray, Chairman.
OFFICE OF SCIENTIFIC RESEARCH AND DEVELOPMENT: Dr. Vannevar Bush, Director.
OFFICE OF CIVILIAN DEFENSE: Fiorello H. LaGuardia, Director.
OFFICE OF DEFENSE HEALTH AND WELFARE SERVICES: Paul V. McNutt, Director.
OFFICE OF PRICE ADMINISTRATION: Leon Henderson, Administrator.
CONSUMER DIVISION: In charge of Harriet Elliott, Associate OPA Administrator.
SUPPLY PRIORITIES AND ALLOCATIONS BOARD: The Vice President of the United States, Chairman; Donald M. Nelson, Executive Director; The Secretary of War, The Secretary of the Navy; William S. Knudsen; Sidney Hillman; Harry Hopkins; Leon Henderson.
TRANSPORTATION DIVISION OF THE ADVISORY COMMISSION: Ralph Budd, Commissioner.